Organizational Culture and Employee Loyalty
The Case of IKEA

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ABSTRACT
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Aim: This research aims to investigate how organizational culture influence employee engagement and loyalty.

Method: The study is based on qualitative research method. Interviews serve as the main primary data.

Result & Conclusions: Organizational culture of IKEA makes employees engaged to achieve the company's objectives and stay loyal at the company. Organizational culture of openness and communication creates a comfortable atmosphere making co-workers involved to improve existing practices. Organizational culture of empowerment conveys the trust and belief that the company puts in co-workers making co-workers willing to develop and make IKEA grow. Organizational culture of learning and development motivates co-workers to develop, transfer learning and stay loyal to the company. Besides, organizational culture of reward/compensation and work/life balance makes co-workers feel valued, cared for, recognized and hence stay loyal. Last, organizational culture of Family makes co-workers feel included, equal and identify themselves with the company, hence creating happy and loyal co-workers.

Suggestions for future research: Focusing on the employee's perspective related to organizational culture and loyalty, it will be interesting to investigate the influence of organizational culture on employee engagement and loyalty from the employer’s perspective.

Contribution of the thesis: The study contributes to the organizational culture and employee loyalty literature in the retail industry by presenting a model how
organizational culture influences employee engagement and loyalty. It introduces *Family culture* as the result of core values; which reflects the company's structure and way of doing things; these core values can by that influence employee attitudes. The company’s culture of learning and development, reward/compensation and ’’Family’’ makes employees loyal. Last, the company's organizational culture of ’’Voice’’ characterized of openness, communication and empowerment makes employees engaged.

**Keywords:** Organizational Culture, Employee Attitudes, Employee Behavior, Core Values, Employee Loyalty, Employee Engagement, Family Culture.
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INTRODUCTION

The aim of this chapter is to present the background of the study that contains the research problem, research gap analysis and research questions. The chapter ends with delimitation.

1.1 Background

Employee loyalty makes it easier for companies to achieve their long-term objectives and business growth (Antoncic and Antoncic, 2011). In fact, a loyal workforce is a source of differentiation and competitive advantage (Elegido, 2013; Foster, Whysall and Harris, 2008). In this context, Aityan and Gupta (2011) agree that companies with loyal employees achieve competitive advantage and enhance growth and sustainability. Employee loyalty also reduces turnover costs and improves the retention (Aityan and Gupta, 2011).

Some employees spread negative word-of-mouth (WOM) and do not behave in an appropriate way; thus, companies need to identify and react towards these behaviors; by reducing negative WOM, and taking advantage of positive WOM. In the same context, employee attitudes and behaviors, and then specifically employee loyalty, do influence both in an operational and in a marketing perspective. I.e. loyal employees can boost the bottom line, reduce the turnover cost and thus increase the productivity of the business (operational perspective). Plus, loyal employees can act as ambassadors to attract the best talents in the field (marketing perspective). This supports the construct that employee loyalty affects the recruitment of new candidates (Harris, 2012; Keeling, McGoldrick and Sadhu, 2013; Lages, 2012; Melián-González and Bulchand-Giduma, 2016).

Some state that employee loyalty starts with employer loyalty, and thereby the companies cannot assume employee loyalty before they are loyal to the employees (Aityan and Gupta, 2011). That is to say, the company needs first to be loyal to employees in order to generate employee loyalty. As a way of illustration, the employer can show their loyalty to employees in different forms by providing benefits, opportunities for development, transparency/openness, good working environment. Companies do understand the value to invest in employee loyalty; which impacts employee attitudes, because of the improved outcome including higher productivity, lower turnover and meaningful relationship with employees (Barabasz and Ku´zmierz, 2014). As a matter of fact, employees that are
engaged often have higher loyalty to their company (Suharti and Suliyanto, 2012). In line with this thinking, companies that have higher levels of employee engagement than competitors, perform better, are more profitable and thereby get competitive advantage (Sundaray and Bhunaneswar, 2011). In short, employee engagement is an important factor that managers need to be aware of to maintain employees with high loyalty (Suharti and Suliyanto, 2012). Indeed, employee or labor turnover is seen as a consequence of less or no loyalty towards the company (Ineson, Benke and Lázló, 2013).

For companies, it is frustrating to put in time and efforts to hire people that after a while quit their job and the process needs to start all over again (Peterson, 2005). Indeed, high employee turnover can be an indicator of poor working conditions, less job satisfaction, and inadequate benefits (Ineson et al. 2013). However, companies can with their culture influence employee attitudes, like commitment and loyalty (Barabasz and Ku´zmierz, 2014). As a way of illustration, four different orientations of organizational culture (hierarchy, market, clan and adhocracy) influence employee attitudes in different ways (Barabasz and Ku´zmierz, 2014). In the same context, Trompenaars and Hampden-Turner (2011) identify four ideal types of corporate culture; which differ significantly in how they think and learn, how they change, and how they motivate, reward, and resolve conflicts: Eiffel Tower, Guided Missile, The Incubator and The Family. The latter culture is personal (close face to face relationships) and hierarchical (the “father” of the family has authority and experience exceeding those of his “children”) (Trompenaars and Hampden-Turner, 2011). In fact, The Family culture is more interested in intuitive than in rational knowledge, more concerned with the development of people than with their deployment and; learning is based on trial and error and change is political (Trompenaars and Hampden-Turner, 2011).

Empirical findings show that a “friendly organizational culture which supports and fulfills the employee needs will help to create employee engagement” (Suharti and Suliyanto, 2012) and thereby employee loyalty. Some companies implement employee loyalty programs to motivate, secure and maintain excellent employees so the business can continue to grow (Shvetsova, 2016).

1.2 Problematization

Company reputation and brand values are important for companies, and need to be protected and enhanced. Therefore, it is important that employees have the attitudes and
behaviors needed to support a specific company reputation and brand value. According to Jillins (2002, p. 16) “Behaviors can be managed successfully once you acquired the skills”. That is to say, the managers need to have an understanding of the mechanism of reciprocity, perceptions, shared values and behavior. Companies and managers should strive to shape and manage employee loyalty (Baoguo and Mian, 2011). Besides, organizational culture and HR practices can influence employee attitudes and behavior in a positive way. In other words, organizational culture which entails core values such as collaboration, respect, tolerance, modesty and openness can influence the way employees interact with each other and with everyone around them. Thus, spreading positive norms at the workplace and creating a good working environment that is defined by these core values. While HR can influence employee attitudes by communicating/refreshing the core values to existing employees via booklet, workshop, posters...etc and recruiting candidates who share these values.

1.2.1 Employee Loyalty

According to Baoguo and Mian (2011), employee loyalty towards the organization is an important area within organization behavior. That is to say, loyalty to the organization can be described when employees believe in the core values of the organization. I.e. the employees will act by the values, strive to reach the company goals and stay at the company. Elegido (2013, p. 496) defines employee loyalty as; “A deliberate commitment to further the best interests of one’s employer, even when doing so may demand sacrificing some aspects of one’s self interest beyond what would be required by one’s legal and other moral duties”. As a matter of fact, often intangible factors are mentioned as a reason for employee loyalty (Aityan and Gupta, 2011). These factors can be related to being recognized, making progress, having challenges, working with friendly colleagues; or simply being part of a unique organizational culture.

Employee Loyalty can take two main forms: attitudinal loyalty and behavioral loyalty. To begin with, Allen and Meyer (1990) divide attitudinal loyalty into three types. First, affective commitment (the employee is emotionally attached to the company). Second, continuance commitment (the employee perceives the cost to leave for another job). Third, normative commitment (the employee has a feeling or obligation to stay in the organization). While behavioral loyalty is expressed by, for example, (i) positive word-of-mouth, (ii) intention to stay within a company, (iii) insensitive behavior of employee, and (iv) complain behavior (Bloemer and Odekerken-Schröder, 2006).
1.2.2 Organizational Culture

The organizational culture has an important role in recruiting new employees, influencing employee satisfaction and employee retention (Evangeline and Ragavan, 2016). This supports the statement of Sheridan (1992) that an organization's cultural values impact its human resource strategies, including selection and placement policies, promotion and development procedures, and reward systems. That is why, companies should strive for a positive culture, keep employees engaged, and improve the retention rate (Naidoo and Martins, 2014). Besides, companies need to understand what type of corporate culture they fall into. That is to say, Incubator, Family, Eiffel Tower and Guided Missile culture (Trompenaars and Hampden-Turner, 2011). According to Suharti and Suliyanto (2012) the organizational culture and the leadership style influence employee engagement and loyalty. For this reason, managers at all levels need to understand their roles in creating and maintaining the organizational culture. Besides, managers should be role models and consistent when communicating attitudes, values and behaviors to employees (Kane-Urrabazo, 2006). I.e. the company core values influence employee attitudes and behaviors and create an organizational culture that reflects what people think and share together. In line with this thinking, Kane-Urrabazo (2006) mentions that there are four components that need to co-exist to create a good organizational culture, namely, (i) trustworthiness and trust, (ii) empowerment and delegation, (iii) consistency, and (iv) mentorship.

1.3 Motivation of the Study

The main idea from this research came from the course Comparative Management Culture. More specifically, Chapter 11: National Culture and Corporate Culture (Trompenaars and Hampden-Turner, 2011). This chapter presented four styles of corporate cultures, which gives a broader understanding of the main characteristics of each type and how employees relate within these models. In this study, I focus on the Family culture.

The key personal motivation for this study is related to the idea that the author has working experience at IKEA. I have worked at IKEA Älmhult and Gävle and ever since has been much fond and interested in the organizational culture of the company. I have worked with co-workers from different backgrounds and am fascinated by the openness, co-operation and modesty of the colleagues.
Besides, I wish to work at an international company such as IKEA after graduation, where I can work with people from different cultures and backgrounds developing personal and professional skills and broadening my knowledge. The findings from this study can be of support to understand thoroughly the organizational culture of IKEA.

1.4 Problem Formulation

Abdul Rashid, Sambasivan and Johari (2003) state that organizational culture has received attention in the last two decades due to its effects and potential impact on organizational success. In fact, researchers were interested in the concept of organizational culture, and how these core values and philosophy guide the employees’ behavior in the organization towards greater success. According to Evangeline and Ragavan (2016) the organizational culture has an important role in recruiting new employees, influencing employee satisfaction and employee retention. This is in line with the work of Suharti and Suliyanto (2012) that the organizational culture and the leadership style influence employee engagement and loyalty. That is why, leaders need to act by the core values in the day to day operations of the business to foster a system of positive norms that influence employee engagement and loyalty; maintaining and preserving the organizational culture. In this context, the variation in employee retention across organizations may be related to organizational culture values. Therefore, companies should strive for a culture to keep employees engaged, and improve the retention rate (Naidoo and Martins, 2014).

Besides, it is necessary that managers have the understanding for the employees´ attitudes and behavior, and how they can shape them to be favorable for the company. Because, the company core values influence employee attitudes and behaviors and create an organizational culture that reflects what people think and share together. No to mention that, employees spend a considerable time at their workplace; hence the organizational culture can influence both their professional and private lives. In view of this, it is important to study organizational culture to get a deep understanding of the organization, employee attitudes, employee engagement and loyalty.

According to Suharti and Suliyanto (2012) friendly organizational culture which supports and fulfills the employee’s needs will help to create employee engagement and thereby employee loyalty. In this context, companies can with their culture influence employee attitudes, like commitment and loyalty (Barabasz and Ku´zmierz, 2014). This supports
the statement of Barabasz and Kuźmierz (2014) that companies do understand the value to invest in employee loyalty; which impacts employee attitudes, because of the improved outcome. In brief employees who consider themselves part of the organization’s culture; will deliver, work hard, feel engaged and committed to contribute to the company success.

Each company; small or big has its unique style of working that reflects its culture. The organizational culture of IKEA will be the focus of this study. Based on my working experience at IKEA, I had the opportunity to work with co-workers from different backgrounds and was fascinated by the open, friendly, collaborative and down to earth colleagues.

As a result, we can observe that there is a gap in business practices between organizational culture and employee engagement and loyalty.

1.5 Research Aim and Research Questions

Taking into account the previous mentioned aspects, the research aim is to investigate how organizational culture works to achieve employee engagement and loyalty. And the aim will be reached by finding the answers to the following research questions:

1. How does organizational culture influence employee engagement?
2. How does organizational culture influence employee loyalty?

1.6 Limitations

The research concerns the organizational culture of a retailer in the Swedish furniture industry. The scope consequently covers how organizational culture influences employee engagement and loyalty. A qualitative study has been conducted; where thirteen respondents were interviewed. The study is limited to employees of IKEA in Sweden regardless of their position, background, age and gender.

There are certain research limitations that can be identified from this study. Firstly, the study focuses on the Swedish retail industry, which might differ from other markets in Europe, Africa and Asia where organizational culture is being presented. Secondly, other markets have different regulations and business culture, which can have an impact on the benefits that the organizational culture can bring. Thus, the results and conclusions obtained are limited to the target population.
2. THEORITICAL DISCUSSION

The aim of this chapter is to present the theoretical discussion behind the creation of my theoretical framework regarding employee loyalty and organizational culture. My theoretical framework is the “backbone” of the following chapters.

2.1 Human Resource Management

Human resource management (HRM) is related to different practices with the aim to improve the organizational effectiveness, and thereby get better outcomes (Ortega-Parra and Sastre-Castillo, 2013). Chew and Chan (2008) mention three different perspectives on HRM practices, namely universalistic, contingency, and configurational approach. In an universalistic approach, the idea is that it exists one best mix of HR practices, in the contingency approach, the idea comes from the social exchange theory that commitment is reciprocal, and in the configurational approach, the goal is to have a fit between HR practices and strategies. No matter which approach that is used HR practices are the same to improve organizational commitment and retention.

Intended and espoused HR policies are less important, as the actually experienced policies, how the policies are perceived by employees influence their attitudes. The implementation by managers and leaders in the daily work are the most vital part. Employees behavior is a mediator or the connection between employee attitudes and organizational performance. If the employees are satisfied with the HR policies, they will show commitment (Kinnie, Hutchinson, Purcell, Rayton and Swart, 2005)

“Internal fairness; openness, communication, being recognized for their performance and not being forced to make sacrifices in their home lives” are important for worker commitment (Kinnie et al. 2005, p. 20). While commitment by managers are stated to be mostly related to internal career opportunities. Involvement and communication are also crucial. It is also mentioned that managers are commonly expected to develop their career within an industry, rather than to their employer of today. Professionals are driven by intrinsic motivation, and value performance appraisal and challenging assignments (Kinnie et al. 2005).

Meijerink, Bandarouk and Lepak (2016) explain that employees perceive different service values of HRM, because of variations in knowledge, skills and abilities. This can also be related to Esbjerg et al. (2010) and their view that work plays different roles
in people's lives and different aspects attract the different categories of employees. Within grocery retailing they mention three types of employees, namely transitional workers, core workers and career seekers.

In implementation of HR practices companies should take into considerations of individual talents, interests and experiences to maximize the HRM outcomes (Marescaux, De Winne and Sels, 2013). Esbjerg et al. (2010) also state that different types of actors (retailers, HR and store managers, employees or their representatives) are involved in creating HRM practices within grocery retailing. Meijerink et al. (2016) also mention that employees should be seen as co-producers of HRM outcomes/service value.

2.2 Employee Loyalty and Commitment

Allen and Meyer (1990) divided attitudinal loyalty into three types: affective, continuance, and normative commitment. Affective commitment (e.g an employee who wants to stay at the company until they retire because the company has believed in them). Continuance commitment (e.g an employee who is willing to leave the company, but they weigh and evaluate the cost of leaving the job. Should I stay or should I go?). Normative commitment (e.g an employee who wants to quit but they have significant debt. Thus, they can’t afford their bills for very long without a job).

“Affective commitment, that is the individual's affective attachment to the organization, is an important concept to perceive loyalty to the organization and employees' self-sacrifice for the organization. It is the most important dimension of organizational commitment that could be used to predict job behaviors, absenteeism, and turnover intention” (Teimouri, Izadpanah, Akbariani, Jenab, Khoury and Moslehpour, 2015, p. 21-22).

2.2.1 Loyal Employee Behavior

Bloemer and Odekerken-Schröder (2006) mention that behavioral employee loyalty is shown by:

Positive word-of-mouth

Employees should be seen as external representatives of the workplace (Lages, 2012). It is shown that support from a workgroup leads to more favorable external representation.
If the employees have less emotional exhaustion, more job satisfaction and organizational commitment, they are more likely to spread positive opinions to outsiders (Lages, 2012). Indeed, companies are suggested to implement a SWOM-strategy (Staff word-of-mouth). The purpose is to be aware of what opinions employees have and what causes these opinions. Thus, managing the SWOM is important because it can affect the recruitment of new candidates (Keeling, McGoldrick and Sadhu, 2013).

Intention to stay within a company

According to Allen and Meyer (1990) loyal employees stay at the organization for different reasons: First, emotional attachment (the employee wants to stay). Second, continuance commitment (the employee needs to stay). Third, normative commitment (the employee oughts to stay). In fact, when the employee perceives a value congruence, the employee attitudes to the company such as job satisfaction, and organizational commitment become more positive (Amos and Weathington, 2008).

Insensitive behavior of employee

The employee is less likely to accept offerings from other employers (Bloemer and Odekerken-Schröder, 2006). That is to say, when an employee receives a job offer from another company most likely they will decline it because they are happy with their work. I.e. the employee is insensitive towards other employers by disregarding their offers.

Complain behavior

According to Boichuck and Menguc (2013) job dissatisfaction is common in the retail industry. And they mention that retailers need to learn how to support dissatisfied employees to handle their dissatisfaction in a constructive way. Dissatisfied employees can show four different ways of reactions, but the only constructive way is voice (Boichuk and Menguc, 2013). I.e. a dissatisfied employee who speaks up, raises a concern, „Voice” gives the company an opportunity to solve the issue. While Saari and Judge (2004) mention that dissatisfied employees can show so called withdrawal behavior. For instance, an unhappy employee can start coming late to the office, being absent or even leaving the job.

In short, if an employee is loyal, voice is more common than to quit the job, and the organization gets a chance to improve (Elegido, 2013). In fact, loyal employees use different types of voice towards the employer. I.e. Employees that are affectively attached
to the organization often voice their concerns directly, but those that are attached by rational and calculative reasons often use a so called representative voice (a third party like a union steward). But none of them have the intentions to leave (Luchak, 2003).

2.2.2 Employee life cycle - Employee Loyalty Management

How companies can improve and manage the employee loyalty can be explained with a chain model, all stages (recruitment, stabilization, incubation and resignation) need to be coordinated (figure 1). The objective to have loyal employees should start already in the recruitment stage, so the companies select and hire the right candidates from the beginning. Further, value congruence between the individual and the organization, gives a better chance for employee loyalty to be reached (Baoguo and Mian, 2011). Amos and Weathington (2008) agree that organizations with problems regarding turnover, should benefit to consider individual values in relation to the organizational values. With a value congruence between these, it is more likely to increase the retention.

Organizations should give a true picture of the company and the job already at the recruitment stage (figure 1), then the candidates are more likely to have the right expectations and thereby reduce the risk of being unsatisfied and leaving the job (Baoguo and Mian, 2011). Lages (2012) also mentions the importance for companies to already discuss in the hiring process organizational values, goals and expectations of employee performance just to secure to hire the right candidate. In the stabilization stage (figure 1) the company should try to shape the employee´s commitment to the organization. For examples, by the organizational culture the employees will get a shared meaning and harmonious relations within the organization; which will enhance employee loyalty. Development and training of employees are important, as it affect job attitudes and increase organizational commitment (Baoguo and Mian, 2011).

As it is shown in figure 1; in the incubation stage, employees can get the idea to leave the company. Here the company needs to decide if they should strive to retain the employee loyalty, or permit to leave (Baoguo and Mian, 2011). When the company cannot retain the employee, the resignation stage is reached (figure 1). Here the company should start to recruit new candidates once again and also make an exit interview. By the exit interviews the companies can get knowledge about how to improve the employee loyalty management (Baoguo and Mian, 2011).
2.2.3 Internal Marketing and Internal Branding

Internal marketing, can be explained as a philosophy which strives to strengthen the affective relationships with the employees, to ensure that the employees will adopt an attitude that is positive for the organization (Tortosa, Jaume, Llorens-Monzonís, Moliner-Tena and Sánchez-García, 2015).

Caruna and Calleya (1998, p.110) find a link between internal marketing and organizational commitment, especially affective commitment. “The major thrust of the internal marketing concept is to ensure that employees feel that management cares about them and their needs are met”. That is to say, when management know and meet their employees needs and wants. Employees will feel that the company care about them; hence they feel committed to achieve the company’s objective. Therefore, internal marketing should focus on to foster organizational commitment.

Employee loyalty requires constant care from the employer side, as employee loyalty only occur if the companies show the employees loyalty (Aityan and Gupta, 2011). It is important that companies have the right understanding of employees perceived support from the company and managers.

Internal brand management is mentioned to contribute to job satisfaction, brand commitment, and intention to stay within the company (Du Preez and Bendixen, 2015). Brand identity management purpose is to foster positive employee attitudes and behavior.

Source: Baoguo and Mian (2011, p. 710)
and often helps the employees to align themselves to the organization (Bravo, Buil, de Chernatony and Martinez, 2017). This so called organizational identification is a factor to explain job satisfaction, brand citizen-behavior and word-of-mouth (Bravo et al. 2017). Employee perspective and perceptions of its organizational identification do affect the influence of the employee word-of-mouth, job satisfaction and brand-citizen behavior.

Employer branding can be seen as a strategic process to support sustainable organizational development and long-term relations between employer and employees (Kryger Aggerholm, Ersmann Andersen and Thomsen, 2011). Both existing and potential employees are targeted with tangible and intangible conditions, for examples company values to align with the organization. Employer branding is a way to attract new candidates, and therefore it is important to investigate the organizational attractiveness. In line with this thinking, organizational culture also plays a role in attracting new employees.

2.3 Organizational Culture

2.3.1 Definitions of Organizational Culture

Academics and practitioners have found difficulty defining organizational culture through the years. Some argue that culture is an exogenous environmental variable, one that cannot be managed but rather must be accommodated, whereas others see it as a variable endogenous to the organization (similar to organizational structure), mediating the way in which the organization responds to environmental stimuli and change. For Schein (2009), culture is the sum total of all the shared, taken for granted assumptions that a group has learned throughout its history. Also, culture is determined to be the residue of success; culture is also the structure and control system to generate behavioral standards. According to Sadri and Lees (2001) a positive culture can be a significant competitive advantage over organizations with which a firm competes. To sum up, organizational culture is a process and result, it is all of this, it forms employee relations and it is the result of this relations.

2.3.2 Organizational Culture and Values

Core values drive the pathway for both the organization and the employees, they serve as a guiding principle that direct actions toward decision making, generating change, and shaping organizational culture (Armenakis and Shook, 2009). In fact, each company has a culture, some have succeeded in creating a strong and great organizational culture while
others are having hard time describing it. Which bring us to the construct of organizational culture. The latter is defined as a set of beliefs, values, and assumptions that are shared by members of an organization; these underlying values have an influence on the behavior of organizational members, as people rely on these values to guide their decisions and behaviors (Schein, 2009). In this context, Denison and Spreitzer (1991) have identified four types of cultural orientations in the organization:

Group culture
The group culture corresponds to the quadrant identified with high flexibility and an internal focus. Group dynamics are important, as belonging to the group becomes a value that is tightly held. Group cultures also value cohesiveness, participatory decision-making, and considerate support among co-workers. Managers support and leverage these values through empowerment, mentoring, and support of teamwork (Denison and Spreitzer, 1991). Which supports the Clan culture introduced by Cameron and Quinn (2005), where the working environment is a sociable one; people have a lot in common, and it’s like one big family. I.e. the managers act as fathers who support co-workers.

Developmental culture
An externally-focused emphasis on flexibility defines the developmental quadrant. This cultural orientation is one of change and adaptation in hopes of growing the organization. Leadership supports entrepreneurial ventures and inspires creativity in employees in hopes of acquiring new resources for the organization (Denison and Spreitzer, 1991). Which supports the Adhocracy culture mentioned by Cameron and Quinn (2005), where the working environment is energetic and creative; employees take risks. I.e. this culture stresses growth and creation of resources.

Rational culture
The rational quadrant emphasizes externally-focused control. Goal attainment is an important value in this type of culture as goals represent a form of controlling employee actions while directing behavior towards the external environment. These cultures tend to value productivity, achievement, and competition towards well established criteria (Denison and Spreitzer, 1991). Which supports the Market culture mentioned by Cameron and Quinn (2005), where the business environment is centered around
completing work and getting things done, leaders are tough and have high expectations. I.e. this culture is goal and result oriented.

Hierarchical culture
An emphasis on internally-focused control defines the hierarchical quadrant. This culture is one of uniformity and coordination with an emphasis on internal efficiency. Strict guidelines tend to regulate behaviors, and employees value job security in this somewhat rigid environment (Denison and Spreitzer, 1991). Which supports the *Hierarchy culture* mentioned by Cameron and Quinn (2005), where the business environment is formalized and structures and procedures decide what people do. I.e. this culture is about rules, policies and efficiency.

In short, as described above there are cultures that emphasize flexibility or control with regard to internal or external focus. Thus, there is no right or wrong organizational culture, the four types of culture encourage certain behaviors and attitudes and constrain others. In other words, the right organizational culture is the one that is compatible with the track of the company, fits the business needs and align the employee values with the organization’s values.

### 2.3.3 Organizational Culture and Job Satisfaction
Organizations need to strive for a balanced culture. In other words, a culture that takes some values from each cultural orientation. As a matter of fact, employees will also profit from a culture that incorporates the four types of cultural orientations. This supports the idea mentioned by Gregory, Harris, Armenakis and Shook (2009) that individuals use the organization's culture to create behavioral expectancies and then use these behavioral expectancies to decide the type of behavior that is appropriate for a particular situation. To illustrate this, employees will have the support needed to tackle the everyday business issues if the company offers behavioral expectations associated with all the cultural orientations. As a consequence, employees will attribute more pleasant attitudes toward the company.

The theoretical link between the group culture (Clan culture) domain and satisfaction is based on the idea that organizations with group domain values such as cohesiveness, empowerment, and participatory decision-making are likely to create an environment that
fosters employee satisfaction (Gregory et al. 2009). In brief, companies that focus on core values such as togetherness, participation, inclusion and involvement have the chance to create happy and satisfied employees who will offer better service, achieve higher results and eventually generate happy customers. Thus, companies that truly value employees and consider them as its main source of assets will outclass companies that do not.

Besides, organizations that have prioritized learning and development have found increases in employees’ job satisfaction, productivity, and profitability (Watkins and Marsick, 2003). This idea is consistent with the construct forwarded by Egan, Yang and Bartlett (2004) that a learning organization is viewed as one that has capacity for integrating people and structure to move an organization in the direction of continuous learning and change. That is to say, employees who are provided with training tools, workshops and exchange programs will learn new things, find best practices and work efficiently and effectively, hereby increase the company’s bottom line. No to mention that these trainings will enable the employees to develop themselves personally and to work on their soft skills. Moreover, a learning organization can set the ground for learning transfer. I.e. a satisfied and skilled employee can transfer the knowledge acquired during the trainings to their new and fresh colleagues as demonstrated by Egan, Yang and Bartlett (2004) that organizational learning culture had significant influences on both job satisfaction and motivation to transfer learning. In short, an organizational culture that promotes learning, development and participation can achieve higher employee job satisfaction.

2.3.4 Organizational Culture and Leadership

Culture of an organization is significant; it reflects largely the happiness and health of the employees in the workplace. The core values of an organization begin with its leadership, which will then evolve to a leadership style; subordinates will be led by these values and the behavior of leaders, such that the behavior of both parties should become increasingly in line (Tsai, 2011). In other words, establishing strong values, attitudes and beliefs will lead to the creation of a strong organizational culture. Leaders have to appreciate their function in maintaining an organization's culture; which would in return ensure consistent behavior between members of the organization, reducing conflicts and creating a healthy working environment for employees (Tsai, 2011). Moreover, managers’ leadership style need to be in parallel with the organization’s and individual’s values and adjusted when
needed; to achieve the company’s goals, hereby creating a flexible workplace that accommodate change and generate employee job satisfaction. In this context, when the interaction between the leadership and employees is good, the latter will make a greater contribution to team communication and collaboration, and will also be encouraged to accomplish the mission and objectives assigned by the organization, thereby enhancing job satisfaction (Bass and Avolio, 1993).

Bass and Avolio (1993) stated that in highly innovative and satisfying organizational culture it is likely to see transformational leaders. This style of leadership is built on assumptions such as: people are trustworthy and purposeful; everyone has a unique contribution to make; and complex problems are handled at the lowest level possible. I.e. these leaders have a vision and purpose; they develop and communicate the corporate vision to followers and empower them to be liable for their actions. They foster a culture of creative change and growth rather than one which maintains the status quo, they take personal responsibility for the development of their followers.

In brief, transformational leaders build a culture that believes in people’s potential, they promote growth and support their followers to bring out their best. Thus, employees feel happy, satisfied and loyal to the organization.

2.3.5 Conceptual Theoretical Framework

Taking into account the literature review presented and the research aim, the below theoretical framework is developed (figure 2). Organizational culture is the pathway that guides employee behaviors and attitudes to achieve the company’s objectives. Based on this, we study how organizational culture influences employee engagement and loyalty. The later consists of two categories: attitudinal and behavioral (Allen and Meyer, 1990). While employees that are engaged often have higher loyalty to their company (Suharti and Suliyanto, 2012). Organizational culture Family culture entails core values (figure 2), which reflects the company’s structure to generate certain behavioral standards such as cohesiveness, empowerment, and participatory decision-making; these values can influence employee attitudes (Gregory, Harris, Armenakis and Shook, 2009; Denison and Spreitzer, 1991; Cameron and Quinn, 2005; Trompenaars and Hampden-Turner, 2011) Besides, internal brand management contributes to job satisfaction, brand commitment, and intention to stay within the company (Du Preez and Bendixen, 2015).
Figure 2: The influence of Organizational Culture on employee engagement and loyalty

Source: Own Construction
3. METHODOLOGY

This chapter highlights the research method selection, data collection along with research validity and reliability.

3.1 Quantitative and Qualitative Methods

There are various research methods that can be employed to undertake an empirical study including quantitative and qualitative methods. Quantitative research, the data is in numerical form and the information is analyzed using quantitative data analysis techniques; the latter consists of questionnaires, statistics and graphs (Gunter, 2002). This method is not applicable in the current research because no numerical data will be developed and no hypothesis testing will be performed. While, in qualitative research, the data is largely in textual form analyzed using qualitative data analysis techniques. These techniques include observations and interviews to generate the data (Cameron and Molina-Azorin, 2011). In line with this thinking, Gephart Jr. (2013) said that qualitative research uses linguistics symbols, and stories to produce descriptions and interpretations of actual behavior in specific settings, rather than numbers and statistics. As a result, this method is relevant to the current study because it deals with words instead of numbers and statistics as an interpretative method to decode how organizational culture influences employee engagement and loyalty.

According to Bryman and Bell (2007) qualitative studies are based on variables, which provide deeper responses and a detailed picture about why individuals act in a certain way, and their emotions about these actions. Qualitative research will be used in this study because it will enable the author to have deeper responses about the study topic: organizational culture and employee loyalty. Besides, in a qualitative method, the information, which is mainly in textual form, is analyzed employing qualitative data analysis techniques, including observations, articles, documents and interviews (Cameron and Molina-Azorin, 2011).

A literature review will be developed based on organizational culture and employee loyalty and semi-structured interviews will serve as primary data collection. While articles, documents, books, and corporate websites will serve as secondary data collection.
3.2 Data Acquisition

Hox and Boeije (2005) have identified two kinds of data; primary and secondary data. In primary data, the researcher collects information him/herself to investigate the main research question. An advantage of using primary data is originality and verification, yet, this type of data can be time consuming.

Interviews were selected as primary data collection method because the author aimed to get original information based on the respondent’s experience. According to Denscombe (2010, p174), interviews are more suitable and compatible to the difficulty of a subject matter and leads to a specific finding by collecting data based on opinions, feelings, emotions and experiences. Semi-structured interviews were used; this type of interviews is flexible because it enables the interviewee to express their points of view and also it permits the interviewer to ask questions that pop up during the interview and to dig deeply about the research topic (Denscombe, 2010).

While in secondary data, the information is readily available since it is gathered by other academics, thus, making it timesaving, accessible and feasible for academics (Hox and Boeije, 2005). However, the effectiveness of secondary data can be affected by lack of control of data quality and personal interpretations. Key sources of theories which were utilised to discuss the effect of organizational culture on employee engagement and loyalty were retrieved from various journals such as Journal of Business and Economics. Additional books and journals which are relevant to the topic were also used as stated in the reference list. The author examined these materials profoundly to look for answers to the research questions.

In this study, primary data was gathered using semi-structured interviews; which enables the author to have original information, collected for the specific purpose of the study, where the author asks tailored questions about IKEA organizational culture and loyalty combined with already available information about this topic; which is inexpensive to obtain from time and effort perspective helping the author with their investigation. In this study, the secondary data I used was books, scientific articles and corporate websites. The author used the help of Google Scholar to collect articles from various journals.
3.2.1 Data Collection

The interviews are conducted on IKEA. The studied companies are in Skåne, Småland, and Gävleborg regions in Sweden. The latter region has many IKEA companies that employ local and international co-workers. Which enables the author to interview and get to know the experience of various and numerous employees. 13 IKEA respondents are interviewed, they work in different roles, have different backgrounds and years of working experience at IKEA.

The company used in this study is IKEA; the largest retail furniture company in the world. The author focused on one company for two reasons. First, IKEA has a strong organizational culture, which will take significant time to investigate and examine. Second, the heart of IKEA is in Älmhult that contains fifteen different companies. That is to say, the author will be able to interview co-workers from different IKEA companies. Thus, studying the topic from various perspectives. Besides, the author has uses secondary sources including IKEA corporate website to describe IKEA vision, culture and values.

The author has worked at IKEA Älmhult and Gävle, during that time, he has met and got to know various colleagues. These colleagues gave the author their contact details in case he needs something and just to keep in touch. When I decided to write his Master thesis on IKEA, he thought of his contacts and previous colleagues there. And started the search to identify potential respondents. At the beginning, I made a list of his IKEA contacts who can take part in the study. Sixteen respondents were contacted via email and telephone inquiring about the possibility to participate in a Master thesis research. Many respondents welcomed the idea and were interested and happy to share their knowledge and experience at IKEA. With the exception of three respondents who could not participate due to business travel and heavy meeting schedule. During the first contact with the respondents, the author introduced himself, explained the objective of the study, revealed what will happen with the collected data, provided an estimation of the duration of the interview, secured anonymity and last thanked the respondents for taking the time and effort to do the interview.

These respondents have different roles at IKEA. The author wanted to have a mixed pool of respondents using criteria such as: gender, background, seniority, culture, origin in order to have the views of various co-workers at IKEA which will enrich the study.
3.2.2 Interview Details

The in-depth interviews provide abundant information for the type of research (exploratory) (Palmer and Quinn, 2005). Interviews were used to provide original and first-hand information to the study. Thirteen interviews were conducted between 170407 and 170510 which took between 40 min and 1h45min, while the average interview duration is 1 hour. Some of the respondents took longer time, and this is due to the lengthy working experience they have at IKEA. Indeed, these respondents felt much more comfortable to answer deeply the interview questions. The interviews took place at IKEA premises in Gävle, Jönköping, Älmhult and Malmö. Most of the interviews were face to face and were conducted in Älmhult. While two interviews R3 and R13 were conducted via skype and telephone as illustrated in Table 3.1. This table provides detailed information about the interviews; where a code is provided for every respondent such as Respondent 1= R1. It also indicates the date, location, duration, and channel used. The interviews were semi-structured, which enables the author to ask questions that arise during the interview discussion. Other communication channels were also utilized for additional inquiries such as email and FB (Appendix I).

The interview questionnaire used in the data collection is saved in Appendix II. The questionnaire was constructed using five steps:

- Identifying the objective of the study (The influence of organizational culture on employee engagement and loyalty)
- Selecting the type of the question (Open-ended question)
- Developing questions (clear, concise, direct)
- Identify the target population (IKEA co-workers)
- Protecting privacy (Anonymous respondents)
Table 3.1: Interview Details, source: Own

<table>
<thead>
<tr>
<th>Codes</th>
<th>Dates</th>
<th>Location</th>
<th>Duration</th>
<th>Channel</th>
</tr>
</thead>
<tbody>
<tr>
<td>R 1</td>
<td>170407</td>
<td>Älmhult</td>
<td>1 hour</td>
<td>📧佬</td>
</tr>
<tr>
<td>R 2</td>
<td>170412</td>
<td>Gävle</td>
<td>1 hour</td>
<td>📣佬</td>
</tr>
<tr>
<td>R 3</td>
<td>170421</td>
<td>Malmö</td>
<td>1 hour</td>
<td>📣佬</td>
</tr>
<tr>
<td>R 4</td>
<td>170424</td>
<td>Älmhult</td>
<td>1 hour</td>
<td>📧佬</td>
</tr>
<tr>
<td>R 5</td>
<td>170426</td>
<td>Älmhult</td>
<td>1h30 minutes</td>
<td>📣</td>
</tr>
<tr>
<td>R 6</td>
<td>170426</td>
<td>Älmhult</td>
<td>1h30 minutes</td>
<td>📣</td>
</tr>
<tr>
<td>R 7</td>
<td>170427</td>
<td>Älmhult</td>
<td>1h45 minutes</td>
<td>📣</td>
</tr>
<tr>
<td>R 8</td>
<td>170428</td>
<td>Älmhult</td>
<td>40 minutes</td>
<td>📣</td>
</tr>
<tr>
<td>R 9</td>
<td>170502</td>
<td>Älmhult</td>
<td>1 hour</td>
<td>📧facebook</td>
</tr>
<tr>
<td>R 10</td>
<td>170508</td>
<td>Älmhult</td>
<td>1 hour</td>
<td>📣佬</td>
</tr>
<tr>
<td>R 11</td>
<td>170509</td>
<td>Älmhult</td>
<td>1h25 minutes</td>
<td>📣</td>
</tr>
<tr>
<td>R 12</td>
<td>170510</td>
<td>Älmhult</td>
<td>40 minutes</td>
<td>📣</td>
</tr>
<tr>
<td>R 13</td>
<td>170510</td>
<td>Jönköping</td>
<td>1 hour</td>
<td>📣佬</td>
</tr>
</tbody>
</table>

Symbols: 📧= Email, 📣= Phone, 📣= Skype, 📧facebook= Facebook, R = Respondent

3.2.4 Analysis Method

After conducting the interviews, the data from all respondents was gathered, processed and analyzed, taking into consideration the secondary data obtained from books, scientific articles and corporate websites. The author put and grouped the 13 respondents’ answers in five categories taking into account both the theory and empirical part, instead of using a table that states answer and question of each respondent. The latter structure could be lengthy since the interview questions are open-ended questions. Having the interview
answers structured into categories will give the reader a better understanding and image of the respondent’s experience as described below:

1. Employee Background
2. Employee Loyalty
3. Organizational Culture
4. IKEA ‘‘A great place to work’’
5. IKEA Benefits and Compensation

The analysis chapter was organized into two headings: Human Resource Management and employee loyalty. The author discusses the results in accordance with the research questions one and two, and compares them with the theoretical background. This structure will enable the reader to better understand the results of the analysis. A thematic analysis (a qualitative data analysis technique that concentrates on identifying patterns) was selected to categorize and interpret the data (Bryman and Bell, 2015). According to Braun and Clarke (2006) thematic analysis contains six phases in order to identify and to distinguish the relevant themes from the empirical data. First, to get familiar with the data collected and read it to have an overview of the content. Second, to generate codes for the data gathered to make it easier to understand and organize. Third, to search for themes in order to organize it in different themes according to its similarities and to prepare it for the analysis. Fourth, to review the themes already sorted to ensure their relevance to the research questions as well as to the aim of the study. Fifth, to define and name the themes to identify their importance and the material’s basis. Sixth, to produce the report to present the findings of the themes and also to develop a comprehensible and relevant statement of the data gathered in order to answer the study’s purpose and research questions.

3.3 Research Validity and Reliability

To conduct interviews that yield results that are valid and reliable, the below points need to be considered:

**Internal validity** enquires whether the questions posed can explain the outcome to be researched (causal association between variables) (Yin, 2003). In this study, questions about organizational culture and employee loyalty have been asked which will enable the author to research how organizational culture influence employee engagement and loyalty.
**External validity** refers to the extent in which the results can be generalized (Yin, 2003). The interview questionnaire used in data collection was reviewed by participants, thesis supervisor, colleagues who gave feedback on it in order to increase the external validity of this research. Thus, increasing the extent to which the interview results can be generalized to other situations and to other individuals.

**Reliability** is concerned with the degree to which the questions used in an interview elicit the same type of information each time they are used under the same conditions. The objective of a reliability test is to minimize errors and biases in a study. A file was created for IKEA to maintain the reliability of the results named IKEA documentation. The company documentation utilized in the research are saved (Appendix VI).

### 3.4 Scientific Approach: Positivism and Hermeneutics

Positivism suggests that theory and method are regarded independently; and that the method tests theory (Andersson 1979). Methods are viewed as procedures required to assess what extent theories reflect or match the external reality and theories are viewed as direct depictions of empirical phenomena (Andersson 1979). Thus, positivism needs to provide scientists with valid and reliable knowledge that is both neutral and objective; positivism is an approach to social research that seeks to apply the natural science model of research to investigations of social phenomena and explanations of the social world (Denscombe, 2002).

Hermeneutic, known as interpretive approach, is a part of the epistemological consideration concerning how knowledge is analyzed, allows us to interpret and understand human behavior in social context (Welch, Piekkari, Plakoyiannaki et al., 2011). This definition depicts the subjective nature of this research approach. Indeed, interpretations can take different forms including symbols or conventions that deliver understanding of the message regardless of misinterpretation or disturbance (Wallén, 1996).

The focus of this study is to explore and analyze the influence of organizational culture on employee engagement and employee loyalty using qualitative study and semi-structured interviews to gather answers from the respondents. Consequently, the scientific approach can be viewed as Hermeneutic.
4. EMPIRICAL FINDINGS

This chapter presents information regarding the company background, IKEA Vision, Culture, Core Values, HRM and Loyalty Program. Then presents results from interviews of thirteen IKEA co-workers in Sweden. It will also point out similarities as well as differences between the respondents’ answers related to their own experiences working within IKEA.

4.1 Company Background

IKEA is the largest furniture company in the world founded by Swedish businessman Ingvar Kamprad; the first IKEA store opened in Älmhult Sweden in 1943 (The guardian, 2015). At that time, Ingvar Kamprad was only 17 years old, though he had a business idea and worked hard to make it work. He used the initials of his name, the farm that he grows up in and his home town to form the name of the company, Ingvar Kamprad Elmtryd Agunnaryd (The guardian, 2015). Ingvar’s fortune is estimated to be over 40 billion dollars today and the company is well known around the world (The guardian, 2015). IKEA sells ready to assemble furniture, good quality products at an affordable cost. IKEA cares about the people and the environment; the company have made partnership with several organizations such as UNICEF, Save the Children, WWF (IKEA, 2014). The headquarter of IKEA is located in Holland, although today there are 392 IKEA stores in 48 countries; in 2015, the company posted net profit of €3.5bn (£2.5bn), a 5.5% increase on the previous year (The guardian, 2015).

4.2 IKEA Vision, Culture and Core Values

To create a better everyday life for the many people’, this is the IKEA vision. ‘’Our business idea is ‘to offer a wide range of well-designed, functional home furnishing products at prices so low that as many people as possible will be able to afford them’. Our vision also goes beyond home furnishing. We want to create a better every day for all people impacted by our business’’ (IKEA, 2017a). IKEA culture reflects Swedish roots coming from Småland in southern Sweden. People living here are hard-working, down-to-earth, help each other and live in a close contact with nature around (IKEA, 2017a). The IKEA culture is hard to describe but easy to embrace; it’s a culture of enthusiasm, togetherness and willpower, inspired by the IKEA founder, Ingvar Kamprad (IKEA, 2017b).
These aspects are translated into IKEA core values which form the basis of IKEA culture as described in figure 3 (IKEA, 2017a). (Appendix V):

Figure 3: IKEA core values

![IKEA Core Values Diagram]

Source: Own Construction, developed from IKEA, 2017a

IKEA has a benefit package offered to co-workers which include the following incentives: **Loyalty Program**: A package of incentives offered to employees to increase their loyalty (IKEA, 2017c). **One IKEA Bonus**: A yearly sum of money that is given to all employees at IKEA (depending on their department) based on the achieved goals (IKEA, 2017c). **IKEA Account**: A yearly sum of 1500 SEK given to all co-workers to be used to pay for shoes, bicycle, dental treatment, charity donation...etc (Interviews, 2017). **IKEA Wellness**: A yearly sum of 1500 SEK given yearly to all co-workers to be used to pay for health, sport and wellness activity (Interviews, 2017). TACK! The IKEA group Loyalty Program; co-workers who have been working at IKEA for five years get a monetary sum decided by the board when the IKEA group's goals have been met (IKEA, 2017c).
4.3 Interviews

The interviews took place at IKEA in three regions: Gävleborg, Småland and Skåne where thirteen co-workers shared their experiences. The interview questions were divided in five sections, Employee Background, Employee Loyalty, Organizational Culture, IKEA ´A great place to work´, and IKEA Benefits and Compensation (Appendix III).

Employee Background

In this section, the thirteen respondents answered general questions regarding current position, responsibilities, background and how they view IKEA as an employer; which has set the base for the interview.

Results from the study show that the respondents have different backgrounds and cultures. The respondents interviewed are both males and females who come from different countries including Sweden, Vietnam, Japan, Canada, Malaysia, UK and South Africa; with the highest participation from Sweden. These respondents range from fresh grads to senior employees; some of them have university degrees while others have built a solid working experience (Appendix III). The results also show a set of values such as togetherness, openness, enthusiasm, down to earth that is shared by all the respondents. This indicates that at IKEA all are welcomed and included; whether it is a fresh graduate, veteran, male, female, local, international. Which demonstrates diversity and inclusion at the workplace. In fact, everyone has a place at the company; what matters is the personality. I.e. “who you are as a person and then your competence and experience” (Respondent 8).

When it comes to the reasons for joining IKEA and how IKEA is regarded as an employer, the respondents provided various inputs as illustrated in table 5.1. First, the respondents state culture, opportunities/development, flexibility, genuine like for IKEA as the furniture retailer, internationalism, reputation, the people (co-workers), and WOM. The latter, where relatives and peers have spread positive words about IKEA, has encouraged and motivated the respondents to seek a job at the company. Second, regarding how IKEA is viewed as an employer, the respondents mentioned that the company values work/life balance, treats employees well. And, that IKEA is an attractive company, good company for people and society, fun workplace, “family like” and believes in people (table 5.1).
Table 5.1 Reasons for Joining IKEA

<table>
<thead>
<tr>
<th>Respondents</th>
<th>Reasons for Joining IKEA</th>
<th>IKEA as an employer</th>
</tr>
</thead>
<tbody>
<tr>
<td>R 1</td>
<td>-WOM</td>
<td>-Work/life balance</td>
</tr>
<tr>
<td></td>
<td>-IKEA Culture</td>
<td></td>
</tr>
<tr>
<td>R 2</td>
<td>-WOM</td>
<td>-Work is fun</td>
</tr>
<tr>
<td></td>
<td>-Opportunities/development</td>
<td>-Takes care of the employees</td>
</tr>
<tr>
<td>R 3</td>
<td>-Likes IKEA as furniture retailer -IKEA Culture -Flexibility</td>
<td>-Work/life balance</td>
</tr>
<tr>
<td></td>
<td></td>
<td>-Work is fun</td>
</tr>
<tr>
<td>R 4</td>
<td>-Likes IKEA as furniture retailer -IKEA Culture -Work environment</td>
<td>-Is a good company</td>
</tr>
<tr>
<td>R 5</td>
<td>-Internationalization -IKEA Culture -Reputation -Nice people</td>
<td>-Attractive employer</td>
</tr>
<tr>
<td></td>
<td></td>
<td>-Treats employees well</td>
</tr>
<tr>
<td></td>
<td></td>
<td>-Offers opportunities</td>
</tr>
<tr>
<td></td>
<td></td>
<td>-Work/life balance</td>
</tr>
<tr>
<td>R 6</td>
<td>-Opportunities/development -IKEA Culture -Honest and easy-going co-workers</td>
<td>-Is a great employer</td>
</tr>
<tr>
<td></td>
<td></td>
<td>-Takes care of the employees</td>
</tr>
<tr>
<td></td>
<td></td>
<td>-Work/Life balance</td>
</tr>
<tr>
<td>R 7</td>
<td>-Opportunities/development -IKEA Culture -co-workers who help each other at work/private life</td>
<td>-Loves IKEA as employer</td>
</tr>
<tr>
<td></td>
<td></td>
<td>-IKEA believes in people</td>
</tr>
<tr>
<td></td>
<td></td>
<td>-Is a good company for people and society</td>
</tr>
<tr>
<td>R 8</td>
<td>-WOM</td>
<td>-Treats employees well</td>
</tr>
<tr>
<td></td>
<td>-Opportunities/Development -IKEA Culture</td>
<td>-IKEA believes in people</td>
</tr>
<tr>
<td></td>
<td></td>
<td>-Is a good socially responsible company</td>
</tr>
<tr>
<td>R 9</td>
<td>-Parents working at IKEA (WOM) -IKEA Culture</td>
<td>-Is a good company that makes change in people’s life</td>
</tr>
<tr>
<td></td>
<td></td>
<td>-IKEA is like family</td>
</tr>
<tr>
<td>R 10</td>
<td>-IKEA Culture -Flexibility -WOM</td>
<td>-Good company</td>
</tr>
<tr>
<td></td>
<td></td>
<td>-Work/Life balance</td>
</tr>
<tr>
<td></td>
<td></td>
<td>-Socially responsible company</td>
</tr>
<tr>
<td>R 11</td>
<td>-WOM</td>
<td>-Work/Life balance</td>
</tr>
<tr>
<td></td>
<td>-IKEA Culture</td>
<td>-Good company that makes change in people’s life</td>
</tr>
<tr>
<td>R 12</td>
<td>-IKEA Culture -Opportunities/Development</td>
<td>-Tack!</td>
</tr>
<tr>
<td></td>
<td></td>
<td>-Takes care of the co-workers</td>
</tr>
<tr>
<td>R 13</td>
<td>-IKEA Culture -Opportunities/Development</td>
<td>-Good company</td>
</tr>
<tr>
<td></td>
<td></td>
<td>-Cares about the employees</td>
</tr>
<tr>
<td></td>
<td></td>
<td>-Cares about the environment</td>
</tr>
</tbody>
</table>

Source: Interviews, 2017
**Employee Loyalty**

In this section, multiple questions were asked to determine loyalty of the respondents. The majority of the respondents consider themselves loyal to IKEA. In fact, 11 out of 13 are loyal; they have loyalty in common. The respondents project their loyalty to the company's culture, the people, the opportunities for development and so on. All the respondents agree that there is a low turnover at the company and for those who leave IKEA it is mostly due to salary reasons. Also, all the respondents are aware of IKEA social responsibility and its initiatives to take care of the people and the environment. Thus, the respondents consider IKEA a good company that makes a change in people's life and feel proud to be part of such company. Last, all the respondents believe in the openness, respect, communication that IKEA emphasizes on when dealing with a conflict.

Many respondents showed their willingness and pride to continue working at the company:

Respondent 1 ´´I see myself in different role within IKEA in the future...I am proud of IKEA sustainability responsibility, charity and sponsorship (UNICEF, Save the Children)´´.

Respondent 2 ´´As long I feel passion for my work I will stay within IKEA...Everyone has the option to leave...Regarding IKEA's social responsibility, I am proud. IKEA is seen as a good company that makes a change in people’s life´´.

Respondent 5 ´´I am very loyal to IKEA and will stay at the company until I retire...IKEA is a good company that makes a change in people's life and I feel proud to be part of such company. IKEA is a socially responsible company; it has made great green efforts to take care of the environment. IKEA also cares about human rights, children and education.´´.

Respondent 7 ´´I am loyal and I am not willing to leave, I can change jobs yet within IKEA. Although I didn’t study engineering, but IKEA educated me until I become expert now...Some employees left IKEA for different reasons and then decided to come back after a while...they missed IKEA *Family culture* and the work/life balance´´.

Respondent 8 ´´I do not consider leaving the company. And, I am thinking about taking a new role in the near future but within IKEA. My manager believed in me from the beginning and I developed a lot since I took this role within HR´´. Regarding turnover, some colleagues left IKEA for a higher salary or when they did not connect well with
their leader. However, I saw many people coming back to IKEA... they missed the culture and prefer to earn less and work in a company where people like each other and enjoy each other”.

Respondent 10 ˝I would like to continue working at IKEA in the future, my current position is cool for me...I likes IKEA social responsibility, sustainability and charity. It is something great that IKEA cares for the people and the planet. I think that IKEA is a company which can change people’s life and that change can come over time”.

Respondent 12 ˝I feel that the company is there for me, and there are unlimited possibilities to move abroad and work at IKEA, or in different departments at the same store...I think that the company is doing well about its social responsibility, sustainability and charity but is not talking enough to the customers about that”.

All other respondents explained that they would like to stay at IKEA, except for respondents 9 and 13:

Respondent 9 ˝I aim to study architecture engineering; thus, it can be difficult to find a job in this field within IKEA. And, I also wish to live in a bigger city than Älmhult. However, if I manage to land a job within architecture at IKEA and live in a bigger city, it will be great”.

Respondent 13 ˝I wish to take new challenges, and work more with my field of study (Logistics). Knowing that I have looked first for positions within IKEA; but I did not find his demand. That is why, I have decided to consider jobs outside IKEA”.

Organizational Culture

In this section, a series of questions were asked to identify deeply the organizational culture of IKEA. All of the respondents are aware of IKEA core values such as: togetherness, simplicity, cost consciousness, daring to be different with a meaning, leading by example...etc. According to the majority of the respondents, IKEA works with the core values during the recruitment process, yearly development talks, monthly job chat and workshops. Indeed, the respondents are influenced by the core values during day to day business, in the way they conduct business, treat each other and solve problems. In addition, IKEA organizational culture is strong and it needs to be preserved and
protected by recruiting co-workers who share the core values. Below are some of the respondent’s values and their view on how IKEA works with the core values:

Respondent 2 ˝Togetherness…. IKEA communicates their values with posters, booklets, and follow up talks. The influence of the values on the employees are shown by how they act, being fantastic employees, and how they deal with problems. The values make me feel responsible, and valued by others˝.

Respondent 3˝Simplicity, togetherness and humbleness. I think that the employees are influenced positively by IKEA values, when I take an important action, I come back to the values and see if it is aligned with the values or not. IKEA values are an important factor why I decided to stay with the company˝.

Respondent 4˝Leading by example…. As per my experience, the employees are getting a positive influence because of the core values, and the HR are hiring people based on values first, then qualifications, and this is important to avoid any serious clash in the way of thinking˝.

Respondent 5 ˝Togetherness...IKEA recruits first on values than competence and diversity...there was a workshop about IKEA values for all the co-workers to refresh their memory…The company needs to preserve this great culture by recruiting people who fit the organizational culture and live by the core values˝.

Respondent 6 ˝Cost consciousness and Leading by example...IKEA works with the values by employing people who share this set of values...during the yearly development talk with the direct manager, they are evaluated on IKEA values...IKEA has built a strong culture, a culture about tolerance, diversity and inclusion..I don’t see how to make it any better, just keep and protect the IKEA culture˝.

Respondent 8 ˝Daring to be different with a meaning...IKEA values have become part of me...IKEA recruits employees based on values first and CV second; to see who you are as a person and then consider the applicant years of experience, study...The organizational culture is around 95% on truck, but still there is possibilities for development˝.

Respondent 10 ˝Humbleness...HR recruits employees based on values, qualifications and business needs˝.
Respondent 13 "Daring to be different with a meaning...I have the IKEA values in my mind and I look for people who share these values, and avoid the ones who are not humble...The organizational culture is quite strong today and can be better by communication more especially to the new employees".

The respondents revealed that the working atmosphere at IKEA encourages togetherness, openness, and communication. Moreover, the respondents have good and friendly relationship with their colleagues and managers as described below:

Respondent 1 "I do not think that there is a border between the manager and the co-worker, I feel involved and listened to especially in Sweden, the relationship between me and my colleagues is very good... I feel comfortable working with the team, and I think IKEA is a great place to work because of its Family culture".

Respondent 2 "The relationships between colleagues and supervisors/managers is good, they have time for each other, and that everyone works for the same purpose, to achieve the same goals. Often conflicts and problems within IKEA relate to misunderstandings, and communication is the best solution. When there are bigger conflicts, support from HR is necessary".

Respondent 4 "I got many responsibilities in my current position...this is positive, it encourages the employees to stay at the company when they are empowered, believed in and given more responsibility. I have a very good relationship with the management and the colleagues. Most of the decisions are done by the team, not by the manager".

Respondent 7 "I have very good relationship with my manager and colleagues. Me and my colleagues are quite open and pay respect to each other, and try to help when we can even in personal situations...I came across some constructive conflicts, and that was positive in my opinion, I learned from them".

Respondent 8 "I have very good relationship with my manager and colleagues...constructive conflict is positive at my work, arguing with each other permits us to have the best possible results...IKEA Family culture plays an important role why employees decide to stay at the company".

Respondent 9 "The environment in general is friendly and I have a great relationship with my co-workers and manager. I feel that the managers are down to earth, open and
supportive...I do not hesitate to reach my manager no matter what the concern is; so, there is no gap between us, and we communicate like friends’’.

Respondent 10´´There is a high level of trust between me and my manager...the manager gave me all the support. I think that the Family culture is an important aspect why people stay at IKEA...I came across some difficult situations and I learned from these situations’’.

Respondent 11´´Regarding leadership at IKEA, I have a very good manager with a lot of freedom, we like to work with each other, he is not interfering but he is supporting’’.

Respondent 12´´I feel respected and like the work environment, it is like coming home for me. I am listened to by my managers and feel myself part of the decisions making even if I am not working in a leadership position’’.

Respondent 13´´The relations with colleagues and supervisors are very open, people are friendly and happy...There are some business conflicts which is normal in such big organizations, but these conflicts are useful sometimes’’.

Section 4: IKEA ´´A great place to work´´

In this section, a set of questions were asked about IKEA as a company. All respondents agree that ´´IKEA is a great place to work´´; they like working at the company due to the benefits, opportunities and working environment. Moreover, the respondents show great interest in IKEA, building a career and staying at the company. Furthermore, a big deal of the respondents said that IKEA organizational culture has made employees engaged, involved and willing to obtain the company’s goals. It can be observed from the interviews that the IKEA is a diversified and including workplace. Based on the respondents, IKEA has created a working environment where people from different backgrounds and cultures feel welcomed, equal and included. And this can only be done through openness, tolerance and communication. Last, all the respondents agree that ´´Voice´´ (a mandatory engagement (anonymous) survey submitted yearly to all IKEA co-workers, where they can express their views about the workplace, colleagues, managers, benefits and IKEA as a whole), is a good tool that enables co-workers to express more themselves, talk about issues they are experiencing and give suggestions. Below are some of the respondent’s view on ´´Voice´´:
Respondent 4 ˝“Voice” is good for the company and the employees, I am impressed how the managers are working on it to close the gaps and develop any shortcomings˝.

Respondent 6 ˝“Voice” serves as a good tool that can be used especially for co-workers who are a bit shy or they cannot say their views directly; it is an opportunity to be heard˝.

Respondent 8 ˝IKEA undertakes a mandatory engagement survey yearly...where they can express their opinions about the company, colleagues, managers and benefits. This anonymous survey is part of the employee engagement˝.

Respondent 9 ˝I think that “voice” is beneficial and important to develop the business relationships. It is a system where you reflect about what is done right, and what should be developed and worked on˝.

Respondent 11 ˝“Voice needs to be more focused on the function, it will be better if it manages the way how we work˝.

Respondent 13 ˝It is good to have Voice survey; but I think that it costs a lot of time and money, and can’t see what has been done with “Voice” results of last year˝.

IKEA Benefits and Compensation

In this section, different questions were asked to identify the benefits and compensation that IKEA offers to its co-workers. All the respondents believe that IKEA provides plenty of opportunities and trainings for development. These trainings can be open to all employees regardless of their role or they can be specific to a certain position or field. Below are some of the respondent’s view on training and development.

Respondent 1 ˝Co-workers from the first days at the company go through different trainings; in order to learn about the company, the culture and the core values. Also, co-workers occasionally get education according to their job needs and demands˝.

Respondent 2 ˝Colleagues develop when they share opinions and experiences within the company and managers can offer new responsibilities in the same function or another function as well˝.

Respondent 5 ˝I had education about IKEA code of conduct, IWAY (IKEA way of doing business) and Fire & Safety measurement˝.
Respondent 7 ´´There is no limit for the ambition at IKEA, when you grow, IKEA grows…. IKEA offers training within quality engineering in order to spread the competence and knowledge´´.

Respondent 8 ´´There are a lot of opportunities that IKEA offers to employees. IKEA invests a lot of time on each person, especially at IKEA DS North Europe; there is around 2200 employees and the HR spend around 10 hours per year on every employee’s development´´.

Respondent 10 ´´I, as a manager, try to inspire my team members, I act as mentor for them so they get motivated and become inventive´´.

Respondent 12 ´´I can be a mentor for the new employees, there is no limitation in development inside IKEA´´.

Opportunities for development was mentioned by different respondents, who emphasized on the significance of learning, trainings and development within IKEA. According to the respondents, the company offers its co-workers different trainings that can be categorized into two groups: General and specific. General trainings aim to make the co-worker aware of the organizational culture of IKEA, organizational structure, dos and don'ts, the company as a whole. These trainings include introductory meeting with the line manager and department, IWAY, code of conduct and fire and safety. While, specific trainings aim to broaden the co-worker knowledge about their field and learn a soft or hard skill. These trainings are related to the specific role and field such as logistic co-worker training, customer service training, take personal leadership training, IT training, HR training and so on. In other words, IKEA co-workers are provided with trainings and workshops that enable them to learn new things, renew and improve, find best practices and be efficient, thus increase the company’s production and profit.

Besides, it has been observed from the interviews that the majority of the respondents believe that IKEA uses a promotion from within strategy to fill a vacancy. And, if there is no match than an external hiring is considered:

Respondent 1 ´´Many new co-workers have already worked at IKEA before, thus it is more about promoting from within´´.
Respondent 2 ´´Regarding recruitment, the manager first looks internal, but if there is no alternative a recruitment outside IKEA is necessary´´.

Respondent 5 ´´In my department, most of the new colleagues have already worked at IKEA, so it is more about promotion from within´´.

Respondent 8 ´´IKEA looks for candidates to fill the vacancies from inside the company (Promotion from within) before hiring from outside if there is no matching. It is like the rule of thumb, but still each recruiting manager has his/her approach´´.

Respondent 9 ´´I think that the recruiting manager looks for candidates inside IKEA as those co-workers share the company’s values´´.

Other respondents think that both internal and external candidates join IKEA such as:

Respondent 4 ´´Choosing an employee for a vacancy might depend from case to case, sometimes the hiring manager chooses from IKEA and sometimes from outside, they are looking for the best candidate to fill the position´´.

Respondent 13 ´´When it comes to hiring new employees, I and the HR might consider the current situation, for example, if we took so much employees from inside this year, we try to find applicants from outside for more diversity, and vice versa´´.

Moreover, all the respondents value the benefit package offered by IKEA such as IKEA account, IKEA wellness, Christmas gift, Tack!, One IKEA Bonus, employee discount...etc. The respondents consider this benefit package as a nice gesture from IKEA to appreciate and thank its co-workers. Finally, all the respondents agree that IKEA provides a healthy balance between work and private life through the use of FLEX/COMP; which allows the co-workers to feel well, perform better and achieve higher results. Below are some of the respondent’s view on IKEA benefits and compensation:

Respondent 1 ´´IKEA co-workers benefit from a balance between work and private life...we are entitled to parental leave according to the law in Sweden. Tack! is a nice gesture from IKEA to thank its co-workers´´.
Respondent 2´´ FLEX/COMP permits co-workers to have flexibility. I.e. it makes it possible to get the children to the “child care” in the morning or pick them up in the afternoon, and work some hours from home´´.

Respondent 4´´The company wanted the employees to have work/life balance. I like IKEA benefits and think they are good such as IKEA allowance (to have a swim), IKEA account (to buy some nice shoes), IKEA bonus and Tack!´´.

Respondent 5´´Co-workers have a balanced working life; they have FLEX and COMP hours that can be utilized to spend more time with their families...I look forward for the day I will receive the Tack! allowance´´.

Respondent 9´´IKEA cares about the co-worker's life also...the benefits that are available at IKEA as a caring gesture from the company towards its employees, for example, IKEA account, Christmas gift, wellness allowance, yearly bonus and Tack!´´.

4.4 Summary of the Empirical Findings

Table 5.2 presents a summary of the empirical findings highlighting the major similarities from the respondents’ answers and categorizing them into the corresponding themes.
### Table 5.2 Summary of the Empirical Findings

<table>
<thead>
<tr>
<th>Themes</th>
<th>Findings</th>
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| **Organizational Culture**    | - The respondents are aware of IKEA core values.  
- The majority of the respondents believe that IKEA works with the core values through recruitment, workshops and development talks.  
- The respondents are influenced by the core values during day to day business.  
- The organizational culture affects the reasons why the respondents stay at IKEA.  
- The organizational culture is strong and needs to be preserved and protected.  
- The respondents have a good and friendly relationship with colleagues/managers. |
| **Employee Loyalty**          | - 11 out of 13 respondents are loyal to IKEA.  
- The respondents project their loyalty to the company’s culture, the people and opportunities for development.  
- The respondents are aware of IKEA social responsibility.  
- IKEA is a good company that makes a change in people’s life.  
- The respondents feel proud to be part of IKEA.  
- The respondents believe in openness, respect and communication when handling conflicts. |
| **“A Great Place to Work”**   | - The respondents agree that IKEA is a great place to work.  
- IKEA organizational culture is a competitive advantage; the respondents show great interest in IKEA, building a career and staying at the company.  
- The majority of the respondents believe that the organizational culture has made employees engaged and involved.  
- IKEA manages diversity and inclusion through openness, tolerance and communication.  
- “Voice” is a good tool to express oneself, talk about issues and give suggestions. |
| **Benefits and Compensation** | - IKEA provides many opportunities and training for development.  
- The majority of the respondents believe that IKEA uses a promotion from within strategy first than external hiring.  
- The respondents value IKEA benefit package; a nice gesture to thank and appreciate the co-workers.  
- The respondents agree that IKEA offers a healthy work/life balance. |

Source: Interviews, 2017
5. ANALYSIS

This chapter presents an analysis of the empirical findings related to the theoretical framework. The discussion of the study results has been arranged in accordance with the research questions one and two.

5.1 Organizational Culture and Human Resource Management

HRM at IKEA incorporates the company's core values and strategies when it comes to developing human resource policies. This is in line with the work of Chew and Chan (2008) about configurational approach, which aims to have a fit between HR practices and strategies.

5.1.1 Recruitment and Selection

The study results show that the recruitment at IKEA is based first on values. This idea was shared by majority of the respondents who highlighted the importance of core values when it comes to recruiting new people at IKEA. This is parallel with the work of Baogue and Mian (2011) who stated that the objective to have loyal employees should start already in the recruitment stage, so the companies select and hire the right candidates from the beginning. Further, value congruence between the individual and the organization, gives a better chance for employee loyalty to be reached. This indicates that IKEA search for co-workers who share its core values, which helps in recruiting the right candidate who identify themselves with the organization and become loyal. This supports the construct of internal brand management which contributes to job satisfaction, brand commitment, and intention to stay within the company (Du Preez and Bendixen, 2015).

The study results also show that when there is an opening, the majority of respondents said that IKEA looks for internal applicants. i.e. applicants who are already working at the company. And, if there is no match, IKEA considers external applicants. However, there are cases where the recruitment manager chooses an external applicant to bring diversity to the team, still most openings are filled with internal applicants. In other words, IKEA co-workers. This indicates, a tendency for IKEA to select promotion from within instead of hiring from outside. Which can justify the high importance that IKEA places on core values; to hire individuals who share the same core values and are aligned within the organizational culture. This is consistent with the work of Lages (2012) who mentions the importance for companies to already discuss in the hiring process organizational values, goals and expectations of employee performance to secure to hire the right
candidate. In short, recruiting the right candidate enables IKEA to build ambassadors that will spread the IKEA vision and be an inspiration to others.

5.1.2 Training and Development
The study results show that IKEA trainings develop the co-workers on a professional and personal level, hereby making them better as co-workers and individuals. This supports the work of Watkins and Marsick (2003) who state that organizations which have prioritized learning and development have found increases in employees’ job satisfaction, productivity, and profitability. In line with this thinking, development and training of employees are important, as it affects job attitudes and increases organizational commitment (Baoguo and Mian, 2011). This indicates that IKEA has a culture of learning that can set the basis for learning transfer. “When you grow, IKEA grows” (IKEA, 2017a). According to the respondents, satisfied and competent IKEA co-workers practice indirect leadership through mentorship. That is to say, they become a mentor to a new co-worker who guides them, provides them with adequate tools to learn and understand the tasks and offers them support. In short, the mentors transfer the knowledge to their new colleagues as demonstrated by Egan, Yang and Bartlett (2004) that organizational learning culture had significant influences on both job satisfaction and motivation to transfer learning.

5.2 Engagement and Loyalty
5.2.1 Engagement
The study results show that different respondents believe in the advantages of the “Voice” survey, where co-workers have the chance to give their opinion about the leader, colleagues, workplace, benefits, and IKEA as a whole. This supports the statement of Boichuk and Menguc (2013) that the only constructive way dissatisfied employees can show their reaction is voice opposed to withdrawal behavior (Saari and Judge, 2004). That is to say, dissatisfied employees who speak up and raise a concern give the company a chance to improve and make things better; compared to dissatisfied employees who engage in withdrawal behavior such as lateness, absenteeism and resignation. In the same context Keeling, McGoldrick and Sadhu (2013) state the importance of implementing a SWOM-strategy in companies to be aware of what opinions employees have and what causes these opinions. It can be observed from this analysis that co-workers have a loyalty towards IKEA to make things better. This loyalty can be linked to engagement. In other words, when IKEA offers “Voice” survey, it empowers co-workers, it gives them
freedom to renew and improve things, responsibility to be liable for their actions, hence co-workers take ownership, are involved in meeting the company’s goals and become engaged. In the same context, co-workers’ engagement can be improved by frequent evaluation and constructive feedback including; monthly ‘’job chat’’ or yearly development talk. This is parallel with the work of Marescaux, De Winne and Sels (2013) who state that companies should take into considerations individual talents, interests and experiences to maximize HRM outcomes.

In fact, IKEA encourages communication, openness and honesty. That is to say, to talk about things, to speak up, to raise a concern. In doing so the company, has an opportunity to change things, to improve and to grow. As mentioned by one respondent when you grow IKEA grows. Yet, there are co-workers who might be reluctant to communicate directly due to culture, traditions or shyness as stated by some respondents. In this case, ‘’Voice’’ serves as a great tool to make the voice of these co-workers heard. This is consistent with the work of Elegido (2013) that loyal employees use different types of voice towards the employer. Employees that are affective attached to the organization often voice their concerns directly, but those that are attached by rational and calculative reasons often use a so called representative voice, a third party like a union steward. But none of them have the intentions to leave. It can be observed from this analysis that ‘’Voice’’ results can be used to create and improve HRM practices from co-workers’ perspective. This supports Esbjerg et al. (2010) who state that different types of actors (retailers, HR and store managers, employees or their representatives) are involved in creating HRM practices within grocery retailing. Meijerink et al. (2016) also mention that employees should be seen as co-producers of HRM outcomes/service value.

5.2.2 Classification Approaches to Loyalty

The study results show that the majority of the respondents would like to stay working at IKEA. Some respondents are loyal due to the fact that IKEA has provided them with plenty of opportunities for development. Which means that the company supports the co-workers along the way to develop on a personal and professional level. In line with this thinking, other respondents consider IKEA as a good employer that treats its employees well, accepts them for who they are, believe in them, and listen to them. This is consistent with the construct that affective commitment relates to employees who are emotionally attached to the company (Allen and Meyer, 1990; Bloemer and Odekerken Schröder, 2006; Caruna and Calleya, 1998). In this context, Teimouri, Izadpanah, Akbariani, Jenab,
Khoury and Moslehpour (2015, p. 21-22) stated that “Affective commitment, is an important concept to perceive loyalty to the organization and employees' self-sacrifice for the organization...”. This indicates that IKEA has succeeded in creating an emotional bond with the co-workers by believing in the potential, rewarding hard work, and believing in people.

Elegido (2013) who mentions that employees can show their loyalty by, for example, avoid to gossip, be a mentor for new employees, working overtime, although it is not suitable, doing extra for the customer. Also, Bloemer and Odekerken-Schröder (2006) mention that behavioral employee loyalty is shown by (i) positive word-of-mouth, (ii) intention to stay within a company, (iii) insensitive behavior of employee, and (iv) complain behavior. This is consistent with the study results; which show that the majority of the respondents have no intention to leave the company (Luchak, 2003) and can express their loyalty to IKEA in different ways including not leaving IKEA (intention to stay within a company), not accepting offers from other employers (insensitive behavior of employee), spreading pleasant words (positive WOM), becoming mentor/trainer, and speaking up to improve and change things (complain behavior). In this context, when conflicts and problems occur at the workplace, the respondents highlighted communication. I.e. to have a conversation with the concerned person let it be a co-worker or a manager and to try to solve it, and to make things better. This supports the work of Elegido (2013) who states that if an employee is loyal, voice is more common than to quit the job, and the organization gets a chance to improve. The results show that IKEA fosters openness where co-workers can raise their concern and talk comfortably about the conflicts knowing that support is available from higher management and HR. Furthermore, study results revealed that conflict can be good and constructive. I.e. creating a learning experience for both parties.

The study results showed that few colleagues of the respondents left IKEA, mostly for salary reasons, yet came back after a while. This indicates that these co-workers experienced a difference while working outside IKEA, they missed the culture, the IKEA Family culture. As a matter of fact, they were willing to sacrifice the salary for the culture, to earn less and to be part of such an organizational culture again. This is in parallel with the work of Teimouri, Izadpanah, Akbariani, Jenab, Khoury and Moslehpour (2015, p. 21-22) who argue that “Affective commitment, that is the individual's affective attachment to the organization, is an important concept to perceive loyalty to the
organization and employees' self-sacrifice for the organization. This supports the work of Amos and Weathington (2008) that organizations with problems regarding turnover, should benefit to consider individual values in relation to the organizational values. It can be observed from this analysis that a positive and strong organizational culture can win back old/lost employees and thus be a competitive advantage for IKEA. This is consistent with Sadri and Lees (2001) who state that a positive culture can be a significant competitive advantage over organizations with which a firm competes. In the same context, when the employee perceives a value congruence, the employee attitudes to the company, as for examples, job satisfaction, satisfaction towards the organization, and organizational commitment become more positive (Amos and Weathington, 2008).

5.3 Classification Approaches to Organizational Culture

The study results show that all respondents are aware of IKEA core values, and named the followings as their favorites: togetherness, humbleness, cost-consciousness, daring to be different with a meaning and leading by example. It can be observed from the analysis that different respondents mentioned togetherness as their favorite value at IKEA. This indicates the culture of IKEA to work hand in hand, combine diverse minds (diversity), respect each other differences (tolerance) & have everyone onboard (inclusion).

IKEA is a socially responsible company and this can be confirmed in its value ’’Caring for people and planet’’. In fact, the respondents consider IKEA a good company that takes care of the people and the environment. As a result, co-workers feel honored and proud to work at a company that permits people to live a sustainable life at home, enhances working conditions of co-workers and supports human rights and children worldwide. This indicates that IKEA makes a change in people’s life. Moreover, leading by example, the respondents described their relationship with managers and colleagues as good, nice, positive and great. I.e. a relationship that is based on trust, understanding, collaboration, communication, openness, recognition and respect; which creates an open atmosphere where co-workers and leaders are committed and aligned to achieve the company’s objectives and have fun working together. In this context, when the interaction between the leadership and employees is good, the latter will make a greater contribution to team communication and collaboration, and will also be encouraged to accomplish the mission and objectives assigned by the organization, thereby enhancing job satisfaction (Bass and Avolio, 1993). In the same context, when the founder values and attitudes fit the business environment, the company will achieve great results and create strong organizational
culture (Schein, 2010; Tsai, 2011). This is consistent with the work of Kinnie et al. (2005) that “Internal fairness; openness, communication, being recognized for their performance and not being forced to make large sacrifices in their home lives” are important for worker commitment. It can be observed from this analysis that leading by example is not merely between manager-co-worker it can be also between co-worker-co-worker. That is to say, all people working at IKEA irrespective of their position need to set good example for each other and act by IKEA values.

The study results show that IKEA works continuously with core values using different methods including; posters, booklets, workshops and development talk so that co-workers act by the core values inside and outside the company and be good IKEA ambassadors. This supports the construct of brand identity management which aims to foster positive employee attitudes and behavior and often helps the employees to align themselves to the organization (Bravo, Buil, de Chernatony and Martinez, 2017). I.e. co-workers having an organizational identification with IKEA. From a recruitment perspective, IKEA works with the core values by employing people who share these values. This is similar to the work of Tortosa, Jaume, Llorens-Monzonís, Moliner-Tena and Sánchez-García (2015) about internal marketing, which strives to strengthen the affective relationships with the employees, to ensure that the employees will adopt an attitude that is positive for the organization. In the same context. The respondents stated that co-workers are influenced by the core values, and this can be witnessed in day to day business. In other words, the way co-workers behave, collaborate, take challenges, solve conflicts, support each other and care about each other.

IKEA core values which form the basis of the organizational culture. It can be observed from this analysis that culture was highlighted by all respondents as a reason for joining IKEA (table 5.1). Some of the respondents had a first glimpse of the organizational culture through WOM; where family members, peers and acquaintances talked positively about IKEA workplace and how is it to be a co-worker there. This is consistent with the findings of Lages (2012) that employees who have less emotional exhaustion, more job satisfaction and organizational commitment, are more likely to spread positive opinions to outsiders. While other respondents got to know the culture closely by accepting an offer at the company. The IKEA culture, the ‘’family like’’ as described by the respondents was also highlighted as a reason for staying at IKEA. This indicates that IKEA culture is a leading competitive advantage over other firms in the industry that
attracts new co-workers and succeed in retaining these co-workers. This supports the idea of Kryger Aggerholm, Ersmann Andersen and Thomsen (2011) that employer branding is a way to attract new candidates. I.e. employer branding makes a company distinctive, promises a certain employment experience and appeals to the best talents in the industry. Besides, the theoretical link between the Family culture (Clan culture) domain and satisfaction is based on the idea that organizations with group domain values such as cohesiveness, empowerment, and participatory decision-making are likely to create an environment that fosters employee satisfaction (Gregory, Harris, Armenakis and Shook, 2009; Denison and Spreitzer, 1991; Cameron and Quinn, 2005; Trompenaars and Hampden-Turner, 2011). I.e. having happy, satisfied and empowered employees, means engaged and loyal employees. And, this is an outcome of the IKEA culture. This strong culture that is to a large extent on track, that needs to be protected and preserved by recruiting co-workers who share its core values and act by them. The study results also show that the respondents value work/life balance that exists at IKEA. Indeed, co-workers have flexibility and can create a balance between work and private life. For example, the company has FLEX/COMP policy where co-workers can start work late or leave early to take care of a personal errand or simply to spend more time with their families; this applies also to ‘working from home’, where co-workers have the flexibility to work some days at the office and other days at home. As a result, affecting positively the health and wellbeing of co-workers, thus enhancing their performance and productivity.

The study results show that IKEA has a benefits package offered to its co-workers; which includes IKEA account, IKEA wellness, employee discount, Christmas gift, One IKEA Bonus and Tack! This indicates that IKEA cares about the co-workers, shows interest in their health and wellbeing and appreciates their efforts. It can be observed from this analysis that Tack! the IKEA loyalty program values and recognizes the co-worker’s contribution. Besides, the loyalty program encourages co-workers to remain at IKEA. It shows that the company believes in the people and in long term relations. This supports the statement of Aityan and Gupta (2011) that employee loyalty requires constant care from the employer side, as employee loyalty only occur if the companies show the employees loyalty. In line with this thinking, by implementing One IKEA Bonus, performance driven program, IKEA believes that each co-worker contributes to reach the goals. To sum up, benefit package described above is merely one way that makes IKEA ‘‘a great place to work’’.
After conducting the current study and analyzing the different patterns, a modified framework was created; the findings of this research supports the proposed conceptual framework profoundly, mainly for… A modified conceptual framework is hence created to better depicts the influence of organizational culture on employee engagement and loyalty. (figure 4). New elements were added: Internal brand management, "Voice" and empowerment. And, employee loyalty was described under three new elements: Learning and development, rewards and compensation and "Family".

It was interesting to bring out the different facades of employee engagement and loyalty under the organizational culture umbrella. To start with, organizational culture Family culture is the outcome of core values; which reflects the company's structure and way of doing things; these core values can influence employee attitudes. The company’s organizational culture of learning and development, reward/compensation and "Family" makes employees loyal. Moreover, the company's organizational culture of "Voice" (openness and communication) and empowerment makes employees engaged. Last, internal brand management contributes to job satisfaction, brand commitment, and intention to stay within the company (Du Preez and Bendixen, 2015).

Figure 4: Organizational Culture influence on employee engagement and loyalty

Source: Own Construction
5.4 Summary of the Analysis Results

The below table presents the results of the analysis; summarized under two themes: HRM and employee loyalty. These themes have been analyzed with regard to the empirical findings and theoretical background.

Table 5.3 Summary of the Analysis Results

<table>
<thead>
<tr>
<th>Empirical Findings</th>
<th>Theoretical Background</th>
<th>Analysis</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>HRM</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Companies that select and hire the right candidates from the beginning can have loyal employees.</td>
<td>Baogue and Mian (2011), Du Preez and Bendixen (2015), Lages (2012)</td>
<td>According to the theory of Baogue and Mian (2011), Du Preez and Bendixen (2015), Lages (2012), my empirical findings confirm that companies that select and hire the right candidates from the beginning can have loyal employees. According to the findings, companies search for co-workers who share its core values and are aligned with the organizational culture, which helps in recruiting the right candidate who identify themselves with the organization, become brand ambassadors and thus loyal.</td>
</tr>
<tr>
<td>Organizational learning culture has significant influence on job satisfaction and motivation to transfer learning.</td>
<td>Watkins and Marsick (2003), Baoguo and Mian (2011), Egan, Yang and Bartlett (2004)</td>
<td>Based on the work of Watkins and Marsick (2003), Baoguo and Mian (2011), Egan, Yang and Bartlett (2004), my empirical findings also confirm that organizational learning culture has significant influence on job satisfaction and motivation to transfer learning. According to the findings, organizations which have prioritized learning and development have found increases in employees’ job satisfaction, productivity, and profitability. I.e. organizational culture of learning and development gives employees motivation to develop personally and professionally, transfer learning and stay loyal to the company that has provided them with these opportunities.</td>
</tr>
<tr>
<td><strong>Employee Loyalty</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Organizational culture of openness and communication “Voice” makes employees engaged to</td>
<td>Boichuk and Menguc (2013), Saari and Judge (2004), McGoldrick and Sadhu (2013)</td>
<td>Based on Boichuk and Menguc (2013), Saari and Judge (2004), McGoldrick and Sadhu (2013), Elegido (2013), Esbjerg et al. (2010), Meijerink et al. (2016), Marescaux, De Winne and Sels (2013) researchers, my empirical findings confirm that organizational culture of openness and</td>
</tr>
</tbody>
</table>
### Improve Existing Practices and Make Things Better

Elegido (2013)  
Esbjerg et al. (2010)  
Meijerink et al. (2016)  
Marescaux, De Winne and Sels (2013)

Communication “Voice” makes employees engaged to improve existing practices and make things better.

According to the findings, employees are able to express their views, give their suggestions and raise a concern, then such organizational culture of openness and communication creates a comfortable atmosphere where employees are empowered and involved; which makes them engaged to make things better, hence companies can benefit from employees’ talents and experiences to maximize HRM outcomes.

### Employees Who Are Emotionally Attached to the Company (Affective Commitment) Tend to Be Loyal

Odekerken-Schröder (2006)  
Allen and Meyer (1990); Bloemer and Odekerken Schröder (2006); Caruna and Calleya (1998).  
Teimouri, Izadpanah, Akbariani, Jenab, Khoury and Moslehpour (2015, p. 21-22)

Based on the theories of Bloemer and Odekerken-Schröder (2006), Allen and Meyer (1990); Bloemer and Odekerken Schröder (2006); Caruna and Calleya (1998), Teimouri, Izadpanah, Akbariani, Jenab, Khoury and Moslehpour (2015, p. 21-22), my empirical findings also confirm that employees who are emotionally attached to the company (affective commitment) tend to be loyal.

According to the findings, employees contribute their loyalty to: The company provides plenty of opportunities for development, the company is good employer; it treats employees equally, accept them, believe in them and reward hard work and the company emphasizes a balance between professional and private life.

### Employees Express Their Loyalty in Different Ways

Odekerken-Schröder (2006)  
Elegido (2013)  
Lages (2012)

Based on the work of Bloemer and Odekerken-Schröder (2006), Elegido (2013), Lages (2012), my empirical findings confirm that employees express their loyalty in different ways.

According to the findings, employees can show their loyalty by: Positive word-of-mouth, intention to stay within a company, complain behavior, being a mentor for new employees, working overtime and doing extra for the customer.

### Organizational Culture Can Provide Immense Benefits to the Organization and Thus Be a Competitive Advantage

Amos and Weathington (2008)  
Sadri and Lees (2001)  
Kryger Aggerholm, Ersmann Andersen and Thomsen (2011)

According to Amos and Weathington (2008), Sadri and Lees (2001), Kryger Aggerholm, Ersmann Andersen and Thomsen (2011) theories, my empirical findings confirm that Organizational culture can provide immense benefits to the organization and thus be a competitive advantage.

According to the findings, positive organizational culture can be a leading competitive advantage over other firms in the industry that attracts new co-workers succeed in retaining these co-workers and even winning back lost employees.
<table>
<thead>
<tr>
<th>Good relationship between employees and managers make employees engaged to grow.</th>
<th>Bass and Avolio (1993), Schein, 2010; Tsai, (2011), Kinnie et al. (2005)</th>
<th>Based on the work of Bass and Avolio (1993), Schein, 2010; Tsai, (2011), Kinnie et al. (2005), my empirical findings confirm that good relationship between employees and managers make employees engaged to grow. According to the findings, when the interaction between the leadership and employees is good, employees will be engaged; by making a greater contribution to team communication and collaboration, accomplishing the company’s objectives, thereby the company will achieve great results and create strong organizational culture.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Co-workers are influenced by the core values and act by them on day to day business. And IKEA works with the core values by recruiting people who share these values.</td>
<td>Bravo, Buil, de Chernatony and Martinez (2017); Tortosa, Jaume, Llorens-Monzonís, Moliner-Tena and Sánchez-García (2015)</td>
<td>Bravo, Buil, de Chernatony and Martinez, (2017) state that brand identity management aims to foster positive employee attitudes and behavior and often helps the employees to align themselves to the organization. Tortosa, Jaume, Llorens-Monzonís, Moliner-Tena and Sánchez-García (2015) state that internal marketing strives to strengthen the affective relationships with the employees, to ensure that the employees will adopt an attitude that is positive for the organization.</td>
</tr>
<tr>
<td>Organizational culture of family creates happy and loyal employees.</td>
<td>Gregory, Harris, Armenakis and Shook, 2009; Denison and Spreitzer, 1991; Cameron and Quinn, 2005; Trompenaars and Hampden-Turner, 2011</td>
<td>Based on the work of Gregory, Harris, Armenakis and Shook (2009); Denison and Spreitzer (1991); Cameron and Quinn, (2005); Trompenaars and Hampden-Turner (2011), Aityan and Gupta (2011), my empirical findings confirm that Organizational culture of family creates happy and loyal employees. According to the findings, companies that have Family culture, where everyone is welcomed, respected, listened to, cared for and appreciated, then such organizational culture of Family makes employees feel included and identify themselves with the company, hence creating happy and loyal employees.</td>
</tr>
</tbody>
</table>

Source: Own Construction
6. CONCLUSION

This chapter presents conclusions regarding starting point, the aim and the research questions. Also, managerial and theoretical implications and suggestions for further research are included.

6.1 Answering the Research Questions

Research question 1: How does organizational culture influence employee engagement?

The analysis presented in this work has significant implication for the influence of organizational culture on employee engagement. This reasoning suggests that employees have a Voice (directly or indirectly). In other words, they are able to express their views, give their suggestions, raise a concern and speak their minds, then such organizational culture of openness and communication can in the long run creates a comfortable atmosphere that makes employees engaged to improve existing practices and make things better.

The study results show that if employees are empowered. They take responsibility, are liable for their own actions, and take ownership, then such organizational culture of empowerment conveys the trust and belief that the company puts in the employees; ultimately making employees engaged to grow and achieve a sustained superior performance. Because, empowerment gives employees both responsibility and freedom to improve the current ways of doing business and be involved in meeting the company’s objectives. Besides, empowerment enables employees to develop, to take new challenges and take leadership roles; which makes them grow.

Research question 2: How does the organizational culture influence employee loyalty?

The analysis presented here has significant implication for the influence of organizational culture on employee loyalty. This reasoning proposes that if companies believe in the importance of learning, training and development, then such organizational culture of learning and development gives employees motivation to develop personally and professionally, transfer learning and stay loyal to the company that has provided them with these opportunities. As a matter of fact, employees who have the advantage to enroll
in various trainings general or specific, permits them to acquire new knowledge, find best practices and be efficient/effective. Thus, become better employees and individuals. Moreover, employees who have the possibility to be a mentor or a trainer for new employees, get a chance to practice indirect leadership, by guiding the newcomers, providing them with adequate tools to grasp the tasks and supporting them. Which is a win-win situation.

The study results reveal that if companies reward employees for their hard work using monetary and non-monetary incentives, and emphasize a balance between professional and private life, then such organizational culture of reward/compensation and work/life balance make employees feel valued, cared for, recognized, hence stay loyal. In fact, companies that support employees who are willing to take new challenges, climb the corporate ladder and provide them with schedule flexibility and benefit package enhance the employee's’ well-being and productivity.

It can be observed from the analysis, that companies that have Family culture, where everyone is welcomed, accepted for who they are, respected, listened to and appreciated, then such organizational culture of Family makes employees feel included, equal and identify themselves with the company, hence creating happy and loyal employees. Not to mention employees who share a set of core values and act by them in their daily business; tend to feel part of a group, identify themselves with the organization which make them feel proud to be part of such organization.

To conclude, if one company is capable of influencing employee engagement and loyalty through its organizational culture, then it is likely that others can as well.

6.2 Theoretical Implications

While conducting this study, it became obvious that organizational culture influences employee engagement and loyalty. As a result, the author has found this as an important area for present and future research that would add to the existing theories.

The research can serve as basis for academics to undertake further research on organizational culture and employee engagement/loyalty. Also, empirical research of this study is conducted in Sweden on IKEA co-workers, where thirteen respondents shared their working experience. Therefore, new knowledge in this area will contribute to literature in the retail industry by describing how organizational culture influences
employee engagement and employee loyalty. First, organizational culture *Family culture* is the result of core values; which reflects the company's structure and way of doing things; these core values can influence employee attitudes. The company’s organizational culture of learning and development, reward/compensation and ‘Family’ makes employees loyal. Last, the company's organizational culture of ‘Voice’ (openness and communication) and empowerment makes employees engaged.

### 6.3 Managerial Implications

This study offers important knowledge for companies who wish to influence employee engagement and loyalty through organizational culture. These companies should attempt to understand what is it that makes their culture unique, imitable and valuable and then nurture and develop these cultural attributes to maximize the value of its human capital. However, the findings of this research reveal mainly the employee perspective on how organizational culture influences employee engagement and loyalty. Thus, these results can be used as a basis for understanding an organization’s culture from a management/company point of view in order for the company to define and upgrade its role and goals.

Another managerial implication from this study is to preserve the organizational culture at IKEA. Many of the respondents argued that the organizational culture is good and on the right truck. As a matter of fact, the study findings show that IKEA has a unique, imitable and valuable culture. That is why, ‘sticking to what they know best’ can be a strategy to preserve the company's culture while it grows. Which can be done by studying the culture to nurture its strengths. As a result, generating high financial performance and motivating its intellectual assets.

The results from this study can be of help to IKEA to have a better understanding of the needs of their co-worker, their views on the organizational culture and the challenges they face. Other retailers can find it beneficial to discover how IKEA is using organizational culture to foster employee engagement and loyalty.

### 6.4 Contribution

When undertaking the current study, the author learned that organizational culture contributes to organizational success by influencing employee engagement and loyalty. First, core values that constitute the organizational culture guide the employee behavior
to be more engaged. That is to say, an organizational culture that promotes Voice (complaint behavior) and empowerment (ownership & responsibility) make employees engaged to renew, improve and make things better. Second, this study provides insights on the different approaches of employee loyalty within retail industry including; co-workers who commute daily from major cities such as Malmö, Helsingborg and Växjö to work at IKEA Älmhult (employee self-sacrifice for the organization). Also, employees who feel indebted to IKEA, because the company invested and believed in them (affective commitment). And, employees who are intending to stay at IKEA because the company accepted them for who they are (inclusion & diversity). Not to mention the benefit package provided by the company and work/life balance policy which makes the employees feel valued, appreciated and cared for. Finally, the author learned from the study that organizational culture that encourages Family culture, equality and inclusion makes employees loyal.

6.5 Reflection on my Study

One fact that might be interesting to investigate is how the engagement survey ‘’Voice’’ is handled. How it is measured? That is to say, do the ‘’Voice’’ results make a change? Can co-workers see the difference? Is one year enough time to implement these changes and take actions? How to make ‘’Voice’’ specific to each business function?

It will also be interesting to research the possibility for IKEA to reduce the longer processes. Some of the respondents highlighted the challenges they encounter when they wish to implement a new action, strategy or simply take a new way. This is due to the fact, that IKEA promotes togetherness, that co-workers should include each other, listen to each other’s suggestions, and go through a variety of process together. As a result, taking longer time to produce the desired results. Is longer processes a shadow side of togetherness? How IKEA can work on it?

Last, the current study focuses on the employee's perspective related to organizational culture and loyalty, it will be interesting to investigate and incorporate the employer perspective as well. I.e. IKEA side.

6.6 Limitations and Suggestions for Future Research

The author conducted interviews with 13 respondents, while adding more interviews could have generated more details and insights to the study. Besides, having worked at
IKEA in two companies could have affected the objectivity of this study. yet, I did my best to be as objective as possible; by being critical, asking questions, evaluating my sources for bias, and expressing my thoughts explicitly.

Moreover, further research could be done by incorporating more target groups especially within Human Resource Management. In order to get a wider picture and better understanding on organizational culture, employee engagement and loyalty from a Human Resource perspective. 

Furthermore, further research could be done by comparing organizational culture of different companies in Sweden. Consequently, this could result in more effective conceptualization of the influence of organizational culture on employee engagement and loyalty and provide a more profound research.

Last, the author used interviews as primary data collection method; where using observations or focus groups can give deeper insights on organizational culture and employee attitudes.
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APPENDICES

Appendix I: Interview Guide
The following questions are used as a guide throughout the interviews.

**Employee Background**
Position:
Responsibilities:

1. Why did you join Ikea?
2. Is it the first job for you?
3. Do you like working for IKEA, why?
4. What do you think about IKEA as an employer?
5. Can you see yourself working for IKEA in the future? The same position or another?
6. Which kind of training and education have you got within IKEA?
7. Have you met any specific challenges within IKEA?

**Employee Loyalty**
1. Do you think that you are loyal to IKEA, why, kindly explain?
2. Do you have an idea about Ikea social responsibility? Sustainability, charity and sponsorhip (UNICEF, Save the Children).
3. Do you consider IKEA a good company that makes a change in people’s life?
4. Why do employees leave IKEA?
5. Do you think IKEA has a problem with high turnover?
6. Conflicts or problems, how are they solved?

**Organizational Culture:**
1. Are you aware of IKEA core values? Which one is your favorite?
2. How IKEA works with the core values?
3. How are the employees influenced by the core values?
4. How does this culture affect the reasons why you are staying at IKEA?
5. Do they reflect the work environment?
6. How can the organizational culture be better within IKEA?
7. How are your relations with colleagues and supervisors/managers?

**IKEA ‘‘A great place to work’’**
1. What makes IKEA ‘‘a great place to work’’?
2. How is IKEA culture a competitive advantage?
3. What is the relationship between IKEA culture and employee engagement/retention?
4. How IKEA manages cultural diversity and inclusion?
5. What is your feedback about ‘‘Voice’’?

**IKEA Benefits and Compensation**
1. What opportunities IKEA offers for employee development?
2. Who join IKEA, promoting from within/hiring from outside?
3. What is your feedback about Ikea benefits and Work/life balance?
Flex, Parental leave, employee discount Christmas gift, Ikea account, wellness allowance, Tack! etc.
Appendix II: Respondents Answers

Respondent 1

Position: Need planner

Responsibilities: Responsible for balancing the customer need against supplier capacities, to secure availability for end customers.

Employee Background

She started working in Vietnam in 2007 in purchasing department dealing with suppliers and then moved to Sweden four years ago to work as need planner at IKEA in Sweden. She moved to Sweden with her family, two children and her husband. She worked earlier in “Procter & Gamble” for 12 years as customer service and logistic manager. She took six months to decide joining IKEA in Vietnam and the main reason behind that is the heavy workload in “Procter & Gamble”. She got an advice from her friend who was working in IKEA as business development manager in Vietnam to join IKEA. IKEA culture was a reason also why she chooses the company. She sees herself in different role within IKEA in the future. She got leadership training in IKEA also.

Employee Loyalty

She is loyal to IKEA and is not thinking to change the company unless she needs to change the place and there are no chances at IKEA in the chosen destination. She is proud of IKEA sustainability responsibility, charity and sponsorship (UNICEF, Save the Children). She thinks that some employees might leave IKEA for higher income in other companies, but at the same time many people came back to IKEA, so the retention rate is high.

Organizational Culture

She does not think that there is border between the manager and the co-worker, she feels herself involved and listened to especially in Sweden, the relationship between her and her colleagues is very good although they came from different countries and cultures- Also, she feels comfortable working with the team, and she thinks that IKEA is a great place to work because of its family culture, so even if the co-workers come from different cultures still they share IKEA core values.

IKEA “A great place to work”

IKEA is “a great place to work” because of its culture. IKEA tries to hire employees who share its values so co-workers will have the team spirit, and will feel engaged and listened to. Working in a diversified environment may vary from company to another, but at IKEA it is very good and beneficial to the company, so our differences are our strengths. When it comes to Voice; she believes that “Voice” evaluation is good for the employees; it makes them feel that the company care about their opinions.

IKEA Benefits and Compensation

IKEA has many opportunities for employee development. Co-workers from the first days at the company go through different trainings; in order to learn about the company, the culture and the core values. Also, co-workers occasionally get education according to their job needs and demands. Besides, co-workers get a chance to develop a specific skill or learn something new such as: presentation, excel, communication…etc. According to the respondent, many new co-workers have already worked at IKEA before, thus it is more about promoting from within. When it comes to IKEA benefits, the company offers the co-workers allowance that can be used to pay for sport activities and recreation (Wellness Account) along with shoes that can be wore at work (IKEA Account). Also, they receive a yearly Christmas gift. IKEA co-workers benefit from a balance between work and private life; they have access to FLEX and
COMP hours that can be used to handle their personal errands and they are entitled to parental leave according to the law in Sweden. Regarding Tack! The respondent considers as a nice gesture from IKEA to thank its co-workers.

Respondent 2
Position: Logistic Manager

Responsibilities: Fulfil the goals with the lowest costs and contribute to the store growth.

Employee Background
The respondent applied for a job as a co-worker in IKEA Uppsala 10 years ago, after a recommendation from the brother, and has worked for IKEA since then. Earlier the respondent had some extra jobs during the studies, but afterwards IKEA is the only employer. Working for IKEA is seen as fun and an opportunity to develop himself personally. The company takes care of their co-workers, with introduction, and follow up meetings every year. Regarding the future, the respondent says “as long I feel passion for my work I will stay within IKEA”, and can later see himself working in the service office in Helsingborg. The respondent moved to Gävle for passion and thinks it is too early to go back to Uppsala, still he wants challenges to develop further. The respondent has got a lot of training and education within IKEA, for examples, introduction as logistic co-worker, leadership, and yearly education about fire, security, health and CPR. The challenges within IKEA have been to prioritize the work, and to take part in conversations, as the respondent has a need to reflect over information before answering, but feedback from colleagues help the respondent to develop.

Employee Loyalty
The respondent stays at IKEA for passion, and thereby see himself as loyal to IKEA. And if others talk in negative way, the respondent can step in and try to correct this behavior, this is not in line with the IKEA values. Regarding IKEA’s social responsibility, the respondent is proud, and thinks it is not communicated enough what they do. The web site mentions some, but there are also local initiatives, as taking care of new citizens, but this is more under the area of customer relations. IKEA is seen as a good company that makes a change in people’s life. If the company/managers see that something is wrong, for example in an employee behavior, they have conversation with the employee, to find out what is wrong and try to solve it. Often conflicts and problems within IKEA relate to misunderstandings, and communication is the best solution. When there are bigger conflicts, support from HR is necessary.

Everyone has the option to leave. As long as they are open and do a good job while they are working at IKEA there is no problem. When co-workers leave IKEA, it needs to be planned This store is perceived not to have any problem with high turnover. In Uppsala it is more common, but still planned, as there are more students that work while studying at the university.

Organizational Culture
The respondent is aware of IKEA values, he likes togetherness. It is mentioned that IKEA communicates their values with posters, booklets, and follow up talks. The influence of the values on the employees are shown by how they act, being fantastic employees, and how they deal with problems. The values make the respondent feels responsible, and is valued by others. The respondent wants the organizational culture to be associated with priority, Voice and honesty. The respondent mentions that there is a need to prioritize and to make efforts on the right things. And the relationships between colleagues and supervisors/managers is good, they have time for each other, and that everyone works for the same purpose, to achieve the same goals. Honesty is important.

IKEA “A great place to work”
The respondent thinks that IKEA is “a great place to work”, because of the colleagues who share personal things, support each other, make a difference, and thereby get a chance to learn about life. The connection between the IKEA culture and employee engagement/retention is shown by acting through values. The way IKEA manages cultural diversity and inclusion at the store needs more attention. The goal is that the workforce within the store would match the citizens in Gävle, but now there is a long way left.

“Voice” is a feedback system that is global and seen as a good tool, it shows experiences and gives feedback. The respondent does not think that the system is misused. And the feedback is often something you are already aware of by the employee behavior during their work.

**IKEA Benefits and Compensation**

Colleagues develop when they share opinions and experiences within the company and managers can offer new responsibilities in the same function or another function as well. Regarding working abroad, it is possible to apply, but contacts are better. The managers can leave for projects abroad for a couple of months and later come back to the same position. Regarding recruitment, the manager first looks internal, but if there is no alternative a recruitment outside IKEA is necessary. The respondent thinks that IKEA has good benefits. FLEX/COMP permits co-workers to have flexibility. I.e. it makes it possible to get the children to the “child care” in the morning or pick them up in the afternoon, and work some hours from home.

**Respondent 3**

Position: Project Support

Responsibilities: Supporting Multichannel Transformation Program Global Rollout Project

**Employee Background**

She started working at IKEA media relation in Japan in 2006 and decided to move to Sweden three years ago as a project support. She liked IKEA and got an opportunity to move to Sweden within the company. She was impressed how big and organized IKEA store is and applied for a job. Then, she discovered the company. It was her first job after graduating from the university. Working at IKEA was special for her and fun, the working ethics in Japan is different than that in Europe, for example, you cannot leave until your manager leaves the office, and there is long working hours, so at IKEA the case was different especially with work/life balance and flexibility. She is interested in working in a different role inside the company and would like to continue working at IKEA. She does a development talk with the manager every year. She got some challenges during her career, one of them was a conflict with her manager and she thought to change the department in Japan, the relationship was better after she moved to Sweden.

**Employee Loyalty**

She feels herself loyal to IKEA as she moved from Japan to Sweden within the same company, because IKEA is a socially responsible company, the respondent become proud to work at such company. She liked IKEA and its system before she joined, and went deeper after she was hired. It was a turning point in her life. Some employees have IKEA for a higher salary for example or to change the location, but many came back to IKEA after they experienced the difference on culture while working outside the organization. She got a conflict with her manager and she thought to change the department, but they could find a solution at the end, and it’s been considered as a learning experience.

**Organizational Culture**

She likes IKEA values as they are close to her personality, especially, simplicity, togetherness and humbleness. She thinks that the employees are influenced positively by IKEA values, when she takes an important action, she comes back to the values and see if it is aligned with the values or not. The respondent insists that the IKEA values are an important factor why she decided to stay with the company. She has a
very good relationship with her manager and colleagues, no major issues happened rather than one conflict with her previous manager earlier in Japan which was solved.

**IKEA “A great place to work”**

The amount of opportunities that IKEA can offer makes it “a great place to work”, there are so many options inside the company. Regarding “Voice”, it is a good tool for the company and the employees, some employees like herself might hesitate to speak in certain things to her manager, and “Voice” is a good tool to make yourself heard. There are many international companies around the world, they are having different cultures, and might share some values, but IKEA is different and unique. At IKEA, the employee feels that he/she is listened to and part of the decisions. It is a very important consequence out of IKEA culture and values.

**IKEA Benefits and Compensation**

IKEA offers plenty of opportunities to its employees, and concentrates on development, she thinks that the management tries to fill the vacancies, in many cases, from inside IKEA if possible. She appreciates IKEA benefits, and likes the work/life balance at the company. The respondent is satisfied, and uses IKEA account and wellness allowance. According to the respondent Tack! the IKEA loyalty program motivates coworkers to stay at IKEA.

**Respondent 4**

Position: Product Development Engineer

Responsibilities: To provide customers with high quality products, to lead the technical development in the product development process, to secure creative, production adapted solutions to exceed customer expectation in quality

**Employee Background**

This Swedish chemical engineer started her career in another company, which is related to her study and background. She worked outside IKEA for around ten years before she got a call from a recruiting agency offering her a chance to get a job at IKEA in 2012, they got her CV from a previous job application. She accepted the job offer and was very happy to join IKEA. The respondent grew up beside IKEA store in Malmö and liked the company as a customer before she liked it as an employee when she joined. She is planning to stay at IKEA and maybe getting a higher position inside the company. She got some training inside IKEA including project management training and take personal leadership. Regarding challenges, the first challenge she faced is her character (quick temper), she is aware of it and working on it. Second, she relies so much on her personal network and sometimes she comes across business conflicts which are difficult to solve, but we still communicate.

**Employee Loyalty**

She considered herself loyal to IKEA because she likes the culture and the work environment. She likes IKEA social and environmental initiatives, and thinks that IKEA is really a good company. She came across a big conflict with a manager from a different country, a matter of dishonesty from her point of view, as that manager is not following IKEA values as per her understanding. They reached an agreement at the end, but that did not change her view about IKEA. The participant has not come across many people leaving IKEA, most of her colleagues remain working there.

**Organizational Culture**

She does not remember all IKEA values by heart but she likes “leading by example” so much. She can see a positive influence of IKEA values on the employees. As per her experience, the employees are getting a positive influence because of the core values, and the HR are hiring people based on values first, then
qualifications, and this is important to avoid any serious clash in the way of thinking. She got many responsibilities in her current position comparing to her previous job, and this is positive according to her and encourage the employees to stay at the company when they are empowered, believed in and given more responsibility. She has a very good relationship with the management and the colleagues. Most of the decisions are done by the team, not by the manager, so the employees are listened to, and part of the decisions.

**IKEA “A great place to work”**

The big responsibility that she got makes her feel valued and that the company believes in competence and capabilities, and this is the reason why is IKEA “a great place to work”. She thinks that the employees are feeling engaged because of IKEA culture, and that’s very important for employee’s loyalty. The respondent is working in a diverse and international environment where there are employees from different background, but still they believe in IKEA values and like the culture. She thinks that “Voice” is good for the company and the employees, she is impressed how the managers are working on it to close the gaps and develop any shortcomings.

**IKEA Benefits and Compensation**

There are a lot of opportunities to develop inside IKEA and this very important as per the respondent, there is a big budget for the development at the company plus the positive mindset about development. Choosing an employee for a vacancy might depend from case to case, sometimes the hiring manager chooses from IKEA and sometimes from outside, they are looking for the best candidate to fill the position. The respondent worked too much because she is an ambitious person, but that is not asked by the company, it is something in her personality, but the company wanted the employees to have work/life balance. She likes IKEA benefits and thinks they are good such as IKEA allowance (to have a swim), IKEA account (to buy some nice shoes), IKEA bonus and Tack! The latter is a way for IKEA to show its gratitude to co-workers.

**Respondent 5**

Position: Customer Service co-worker

Responsibilities: Ensure customers have a positive final touchpoint during the IKEA shopping experience, resolves problems to meet the customer’s needs and expectations.

**Employee Background**

The respondent started working at IKEA five years ago; before that she worked in different positions related to customer service. She applied for a vacant position at IKEA website within customer service. The respondent got admitted after a three months recruitment process; which included assessment evaluation, personality test, and Grandpa/Grandma interview. This was her first full time employment in Sweden. According to her, the reason for joining IKEA is because of the internationalism, culture and reputation of the company. Besides, the respondent wishes to continue working within IKEA in the future, this could be within customer service or trying a new field depending on the opportunities. During her first day at IKEA, she had an introductory meeting with the line manager where they talked about the job description, working hours and the manager’s expectations. Then she had meetings with different managers to know more about the department. Also, she had the opportunity to participate in site visits to the store and distribution center in Älmhult. When it comes to challenges, one of the challenges she faced at IKEA was to get to learn the systems, Dos and Don’ts since it was her first job at IKEA.

**Employee Loyalty**

The respondent considers herself very loyal to IKEA and wishes to stay at the company until she retires. Because, IKEA is a good employer that treats its employees well, accept them for who they are, offer them opportunities for development, listen to them, take into account their suggestions, make efforts to secure a balanced working life and provide them with monetary and non-monetary compensation. IKEA values and supports co-workers who are hardworking, who are willing to take in more tasks and wishes to grow. IKEA is a socially responsible company; it has made great green efforts to take care of the environment. In fact,
IKEA is aware that its products and operations affect the planet, that is why it has decided to be part of the solution and to offer people green life at home within electricity, energy and re-using. IKEA also cares about human rights, children education. It has partnership with organizations such UNICEF and Save the Children, IKEA is also involved in enhancing refugee lives through IKEA Foundation by providing shelters and providing the basic widgets. There is no doubt that IKEA makes a positive change in people’s life. Many people who join IKEA, stay within IKEA. Of course, they can change jobs, departments, city but a great part of them stay within IKEA. As a result, IKEA has low turnover rate. When it comes to conflicts or problems, generally speaking Swedes try to avoid conflicts, however there is an open environment where co-workers can express honestly and comfortably their concerns and issues.

Organizational Culture
The respondent is aware of IKEA core values and togetherness is her favorite. Togetherness means giving each other a hand, working together to achieve IKEA objectives and deliver results. IKEA puts a high emphasis on its values. It actually recruits first on values than competence and diversity. The company tries to make sure that its new co-workers are identified with the core values and that the current co-workers act upon them. Recently, there was a workshop about IKEA values for all the co-workers to refresh their memory about the core values. A great deal of IKEA co-workers is influenced by the core values and this can be seen in their daily work, how they interact with colleagues, and also with external parties. Co-workers who are humble, straightforward, decisive, informal and work hard. The main reason for staying at IKEA is due to its culture; she simply loves IKEA culture, everyone is welcomed regardless of gender and background, they are heard, they have challenges, they support each other, they are recognized and they have fun at work. The company needs to preserve this great culture by recruiting people who fit the organizational culture and live by the core values. Last, the respondent said that she has a good relationship with her colleagues and manager; she has built a good bond with the team members over the last years.

IKEA “A great place to work”
IKEA is a “great place to work”, it has all what a co-worker can ask for: opportunities, work-life balance and nice people. As a matter of fact, IKEA culture is considered as its competitive advantage. IKEA has become an attractive employer that people wish to work for, build their career and stay many years at the company. According to the respondent, IKEA culture has made employees more engaged, more involved and more willing to perform to achieve the company’s goals. Thus, having loyal employees and increasing the retention rate. IKEA believes in diversity and inclusion; that people from different backgrounds and cultures work together enables the company to go further, achieve higher results. And having everyone onboard is important for IKEA; to include co-workers, to involve them in the decisions, to ask for their opinion. The key to manage cultural diversity and inclusion is about communication and openness. That is to say, to communicate with each other, to try to understand the differences and to accept each other for who they are; because each one is unique. When it comes to “Voice”, the respondent said that it is a good tool that enables co-workers to express more themselves, talk about issues they are experiencing and give suggestions.

IKEA Benefits and Compensation
Based on her experience, the respondent had education about IKEA code of conduct, IWAY (IKEA way of doing business) and Fire & Safety measurement. All these trainings and education helped her to get to know IKEA closely, learn more about its culture, values and people. Not to mention, that she took part in trainings that are related to her role such as: Presentation skills, customer service and personal leadership. In her department, most of the new colleagues have already worked at IKEA, so it is more about promotion from within. IKEA offers employees many benefits such as wellness allowance (gym, swimming pool, massage, yoga...etc.), Christmas gift every year on December 24th. Co-workers have something called IKEA account that can be used to buy shoes (that can be wore at the company or sport shoes) and bicycle. Co-workers have a balanced working life; they have FLEX and COMP hours that can be utilized to spend more time with their families. Last, the respondent looks forward for the day, she will receive the Tack! allowance. She believes that this loyalty program shows the appreciation and thankfulness of IKEA to the co-workers regardless of the position they hold.
Respondent 6
Position: IT support
Responsibilities: Take IKEA co-workers IT issues via email/telephone, report the issues in the system, provide solutions, make visits when it is necessary.

Employee Background
The respondent has been working at IKEA for almost three years, it is his first real job. He did his bachelor in IT and after that moved to Älmhult to work for IKEA. The respondent said that he joined IKEA because it is a great employer that takes care of its co-workers and offer them plenty of opportunities for development. He wants to work for IKEA for many years and he wishes to stay in the same field IT, but different positions in the future, maybe as a leader. Since he joined IKEA he has received several trainings and education that are related to his work (IT) and related to the company as a whole such as code of conduct and IKEA values. According to him, the main challenge he encountered was regarding knowing the team and making relations with them at the beginning.

Employee Loyalty
The respondent considers himself loyal to IKEA; he likes to work at IKEA, he has a flexible working life, opportunities to grow and work with honest and easy-going colleagues. IKEA is a social responsible organization, it has turned waste in resources such as designing a Basket that is used from banana trees, or economizing resources such as designing a water tap that can save up to 30% use of water or designing LED light bulbs that save up electricity consumption. IKEA cares about children, people in difficult situations and try to support through making partnership with UNICEF and Save the Children. In short, IKEA is a great company that cares about the people and planet and makes a change in people’s life. This can be witnessed in IKEA vision ‘to create a better everyday life for the many people’. There are few people who leave IKEA and this could be related to changes in family situation, starting their own business, studying or simply joining another company. Hence, IKEA has succeeded in retaining its employees and having low turnover rate. Based on his time at IKEA, when there is a conflict between two co-workers; IKEA wishes the concerned parties to communicate, to talk with each other and try to solve it. And, if the conflict is still there they can contact the line manager, HR or any other manager within their department. Of course, they can involve the managers and HR from the beginning.

Organizational Culture
The respondent is aware of IKEA core values such as cost-consciousness and leading by example; to set a good example for co-workers and act by IKEA values, to take initiatives and be an inspiration to others. IKEA works with the values by employing people who share this set of values. Actually, during the yearly development talk with the direct manager, they are evaluated on IKEA values and how they identify with them. He said that many employees are influenced with the core values and they apply them at work. For example, when they support a colleague who needs to be off from work to fix a personal errand. The respondent enjoys being part of a such culture and likes to stay working at IKEA; a culture about humbleness, simplicity, collaboration and most importantly being yourself. IKEA has built a strong culture, a culture about tolerance, diversity and inclusion and he doesn’t see how to make it any better, just keep and protect the IKEA culture. According to him, his relationship with colleagues and supervisor is informal; they work together and they also socialize sometimes outside of office (e.g. after work).

IKEA “A great place to work”
The culture of IKEA makes it a ‘great place to work’. The organizational culture of IKEA has made the company famous among those who are looking for jobs. For example, someone who is working at IKEA and talks to his family/peers positively about the values, the culture, how everyone one is valued regardless of their position makes the listener interested in working in such a company, and being part of a company that has such good culture. The relationship between IKEA culture and employee engagement is positive. That is to say, having such an open workplace increases employee engagement, it makes them more willing to take challenges, learn new things, even dare to make mistakes. Consequently, the co-worker feel comfortable, responsible and involved and this leads to creating loyal co-workers. When it comes to
managing diversity and inclusion; the respondent highlights three things: respect, openness and communication. Last, “Voice” serves as a good tool that can be used especially for co-workers who are a bit shy or they cannot say their views directly; it is an opportunity to be heard.

**IKEA Benefits and Compensation**

IKEA offers different opportunities for development locally and internationally. For instance, one can participate in “Backpacker”; which is a one year assignment where co-workers have the chance to spend six months at IKEA company in location X and the other six months in location Y (the location is chosen based on lottery and it could be anywhere in the world where IKEA is located). The respondent said that he did front week where the co-worker spent four days from Wednesday till Sunday at the store at the bedroom department). The respondent enjoyed being at the store, wearing IKEA uniform and trying to help customers getting their products and answering their questions. Regarding recruitment, both people from inside and outside join IKEA, it depends on the vacancy. Finally, the respondent considers IKEA as a company that is doing well job in creating a balanced working life for their employees. He has FLEX and COMP hours that he can use when he wants. IKEA provides co-workers with wellness subsidy that can be used to take care of co-workers’ health and also IKEA account, that can be used to pay for dental treatment. And, the Christmas gift, every year there is something nice and different to look for. Regarding Tack! the respondent considers it important for their continuous growth at IKEA.

**Respondent 7**

Position: Product Requirement Engineer, Children’s IKEA

Responsibilities: Responsible for the specification of product during its full lifecycle, to identify and create product requirements and to choose test methods for the product area.

**Employee Background**

The participant worked as a quality controller in two plastic factories and one construction company before joining IKEA. The good reputation of the company was attracting him as an applicant. It was not easy to enter IKEA because he did 3 interviews before they hired him. He started working at IKEA in 2000 in Kuala Lumpur, Malaysia then in 2002 he moved to Ho Chi Minh City in Vietnam where IKEA has operations and suppliers’ relations. He stayed there for around two years, then moved back to Malaysia to work at IKEA again as quality engineer. After two and half years, IKEA shut down its office in Malaysia where he worked but they extended his contract for another six months, and during this period, he got a call from a manager at IKEA in Shanghai who asked him to fly over and meet him, so he did. He met the manager and the team and was offered a job there, so he moved to Shanghai in 2007 to work as a senior quality engineer, and stayed there for eight years until he decided to move to Sweden to work at IKEA in February 2015. The amount of opportunities and development inside the company made him loyal to the company and not willing to leave it, but he might work in a different role inside IKEA. He has never been to the university, but he gained the experience in his field after he worked and developed his skills, and this is an important factor why he loves IKEA as an employer. He got many trainings in his field during his career at IKEA and become recently a trainer. The first time he moved abroad to work at IKEA Vietnam was difficult and challenging for him as it was the first time he experienced the life abroad.

**Employee Loyalty**

IKEA is a good company towards employees and society, and has a wide range of good activities towards the people, like supporting UNICEF, save the children and its sustainability policy. These activities made him proud of IKEA. Although the participant didn’t study engineering, but IKEA educated him until he become expert now. He feels proud of his achievement especially when he sits with his close friends and family members in Malaysia who said: “look at this guy, he did not even go to the university, but travelled the world and reached a high position in his career”. They are proud of him. He is like many employees who came across some constractive conflicts, and that was positive in his opinion, he learned from them, but he did not come across any bad conflict like disrespect for example. The participant noticed that there are some employees who left IKEA for different reasons and then decided to come back after a while. One of them worked in an American company in China where she earned more but she missed IKEA Family.
culture and the work/life balance, then she decided to come back to IKEA. Another two employees came back to IKEA for the same reason.

Organizational Culture

Simplicity and togetherness are his favorite values; he likes also “daring to be different”. He noticed that there is a huge positive impact of IKEA values on the employees. And the higher management is concentrating on the values and the culture a lot as they are very important to the company and the employees. The participant is having a very good relationship with his manager and colleagues. They have a high level of communication which make them close to each other. He and his colleagues are quite open and pay respect to each other, and try to help when they can even in personal situations. He feels that the work environment is affected positively by IKEA core values.

IKEA “A great place to work”

IKEA values and Family culture is what make the company “a great place to work” so even if an employee got a higher salary in another company but lacks this nice environment, he/she might not get interested in that opportunity. The participant feels engaged and listened to in the diversified environment at IKEA during his experience in different countries. “It is good that you tell the management and the HR how do you feel, and that survey is done yearly through “voice”. IKEA created this system to find any improvements in the company that can be done or any defects they can work on. The survey is mandatory and helps shy employees to express themselves in some way although IKEA encourage the direct communications between the co-workers and the managers and between co-workers themselves.

IKEA Benefits and Compensation

IKEA offers many appealing opportunities, and helps the employee to develop. The participant is very proud about the level he reached and still looking for the future. There is no limit for the ambition at IKEA, when you grow, IKEA grows. He valued the way the manager deals with the co-workers, it is about sharing the ideas and communication, not only giving orders by the manager, IKEA is unique in that point. The participant got offered a job in India while he was working at IKEA Sweden, he did not apply for the job, but one manager in India noticed him and decide to reach him to offer him a position, but the participant was not interested at the moment. He noticed that IKEA is looking for talents all the time whatever they are inside or outside the company. He used IKEA wellness allowance, and goes regularly to the aktivitetshuset (Activity house) in Älmhult where IKEA co-workers gather and play some sports. He likes other benefits also like IKEA account (1500 Kr per year) which can be used to buy shoes for example. Concerning Tack! this loyalty program is a way to say thank you to the co-workers for their contribution to the success of IKEA.

Respondent 8

Position: Leadership and competence developer, HR

Responsibilities: Responsible for delivering/offering continuous and focused leadership & competence development opportunities in order to achieve both business and people goals.

Employee Background

The respondent started working at IKEA eight years ago, he worked five years at IKEA store in Canada in different positions including cook, warehouse, sales and HR then he moved to Sweden under “Back packer” program three years ago. This program enables the participants to do a six months assignment in one country and another six months in a different country. In his case, he was first located in Sweden and then in the Netherlands. Back at home, he worked in a restaurant for three years before joining IKEA, he also undertook a Bachelor degree in business. He moved to IKEA after a positive WOM from his friend; who encouraged him to join IKEA and be part of a company that treats employees well and offers then plenty of opportunities for development. When it comes to his future plans, he would like to stay at IKEA,
to work at the same position or a different one maybe after one or two years. Regarding the challenges that the respondent encountered; he said that working in Sweden as a Canadian was a challenge for him from a cultural level; where he needed to adapt to a new environment.

**Employee Loyalty**

According to the respondent, he has a great connection with his line manager; his manager believed in him from the beginning and he developed a lot since he took this role within HR. As a result, he became more motivated to stay at the company and to be loyal. Related to IKEA social responsibility, he recognizes that IKEA operations has an impact on the environment and he is aware of the different initiatives that IKEA has to take care of the planet. As stated by the respondent the company is doing a good job in communicating these initiatives. Regarding turnover, he said that some colleagues left IKEA for a higher salary or when they did not connect well with their leader. However, he saw many people coming back to IKEA after they worked in different companies and mainly because of IKEA’s culture. In fact, they missed the culture and prefer to earn less and work in a company where people like each other and enjoy each other. Last, the respondent stated that he has a very good relationship with his manager and colleagues, and when it comes to conflicts; he believes that constructive conflict is positive at his work, arguing with each other permits us to have the best possible results.

**Organizational Culture**

His favorite IKEA value is “daring to be different with a meaning”. That is to say, to be yourself, to be unique with a purpose. According to the respondent, IKEA values have become part of him. In other words, the values have merged with his personality. The respondent thinks that IKEA employees are influenced positively by IKEA values; it doesn’t mean that all employees are the same but still believe in IKEA values. Regarding recruitment, IKEA recruits employees based on values first and CV second; to see who you are as a person and then consider the applicant years of experience, studies and so on. The respondent is having great relationship with his manager who believed in him even when he did not believe in himself, and that was very encouraging for him. IKEA *Family culture* plays an important role why employees decide to stay at the company. According to the respondent, the organizational culture is around 95% on truck, but still there is possibilities for development.

**IKEA “A great place to work”**

What makes IKEA “a great place to work” is the people, the career opportunities and the possibility to be yourself. As stated by the respondent, IKEA undertakes a mandatory engagement survey yearly; submitted to all IKEA co-workers, where they can express their opinions about the company, colleagues, managers and benefits. This anonymous survey is part of the employee engagement.

**IKEA Benefits and Compensation**

There are a lot of opportunities that IKEA offers to employees. IKEA invests a lot of time on each person, especially at IKEA DS North Europe; there is around 2200 employees and the HR spend around 10 hours per year on every employee’s development. As a matter of fact, The HR starts with a goal every year, and makes a plan on how they can reach it. Regarding selection and recruitment, the respondent thinks that IKEA looks for candidates to fill the vacancies from inside the company (Promotion from within) before hiring from outside if there is no matching. It is like the rule of thumb, but still each recruiting manager has his/her approach. For example, a manager who has a team of ten co-workers who have 20 years of experience within IKEA, can choose to hire the eleventh co-worker from outside IKEA in order to bring someone new and to have some diversity. Last, the respondent likes IKEA benefits and use them such as IKEA wellness and IKEA account.

**Respondent 9**

Position: Salesperson, Bedroom department
Responsibilities: Help maximize sales & achieve sales targets, to do regular spot checks on pricing and other communications, to provide information on products, prices, measurements.

**Employee Background**

He started his career by working at IKEA at the spring of 2014, after finishing high school. To finance his long trip to Australia with his friends, he got a temporary contract at the time, then he travelled in September of the same year to Australia. He got a working holiday visa, so he was allowed to work there. He applied for a job in Australia at one of IKEA stores and worked for around 4 and half months in logistics and sales. Selling IKEA products using a different language than his mother tongue was a challenge for him, but he overcame it. He travelled after that to New Zealand, Indonesia and other Asian countries before he came back to Sweden. It was fun and a learning experience for him. Before he moved back home, he emailed his previous manager at IKEA Älmhult store in Sweden asking about the possibility to join back, fortunately, he got lucky, and joined the IKEA store again in Älmhult few days later. He continues working at IKEA store until today and is happy about it. He got some training inside IKEA about sales (Active selling training) plus a physiotherapy training as he works in the bedroom department so he can help the customers better. The participant is passionate about architecture and decided recently to apply for university program and is waiting for the result, he might leave IKEA if he got accepted and move to another city to study. He might apply for a job at IKEA after graduation if there is a possibility, but as architecture is little bit far away from IKEA business in general plus he would prefer to live in a bigger city than Älmhult which is the heart of IKEA in Sweden, he might apply for a job in another company after graduation.

**Employee Loyalty**

He considers himself loyal to IKEA and is very happy about his achievement inside the company. The participant has limited information about IKEA social responsibility and Sustainability, but he thinks that IKEA is doing well in this regard. IKEA is a good company that makes a change in people’s life. If he got a job close to his passion about architecture in the future, that will be great. His relationship with his manager and colleagues is very good, they are like a family with some exceptions, because most of the employees share IKEA values so they co-operate well with each other. He feels that the co-workers around him are influenced by IKEA values and share them, there were some rare cases where IKEA values were questioned on a specific person, but the environment in general is friendly and the participant is having a great relationship with his co-workers and manager. He feels that the managers are down to earth, open and supportive. His manager even cares about him as a person and about his personal life.

**Organizational Culture**

The participant shares and likes IKEA values, he was raised in a family where his parents worked at IKEA for long time and shared the set of values. His favorite value is togetherness, he likes working in groups and has the team spirit. In case he needs help, he feels that he is not left out, and “when you need help there is always someone that you can turn to”. He feels that the co-workers around him are influenced by IKEA values and share them, there were some rare cases where IKEA values were questioned on a specific person, but the environment in general is friendly and the participant is having a great relationship with his co-workers and manager. He feels that the managers are down to earth, open and supportive. His manager even cares about him as a person and about his personal life.

IKEA “A great place to work”

The culture of IKEA makes it “a great place to work”, since the company cares about the employees, that’s make the environment at work friendly and comfortable for the employees. He, as an employee feels that he is listened to and he is part of the decisions, he doesn’t hesitate to approach his manager in any case, let it be a suggestion for the business development or a project, then they discussed it together. IKEA is a diversified company where the culture plays a significant role managing the relationship between the co-workers. The participant thinks that “voice” is beneficial and important to develop the business
relationships. It is a system where you reflect about what is done right, and what should be developed and worked on.

**IKEA Benefits and Compensation**

At IKEA, there is plenty of opportunities to develop. If the employee is having the drive, he/she can go a long way. The participant thinks that the recruiting manager looks for candidates inside IKEA as those co-workers share the company’s values. IKEA cares about the co-worker's life also, so the participant feels that the work/life balance is well handled inside IKEA. The participant considers the benefits that are available at IKEA as a caring gesture from the company towards its employees, for example, IKEA account, Christmas gift, wellness allowance, yearly bonus and Tack! This employee loyalty program encourages the co-workers to remain at IKEA. It shows that the company believes in the people and in long term relations.

**Respondent 10**

Position: Range Manager of textiles

Responsibilities: Development of the textile.

**Employee Background**

The participant studied textile designing in the UK and worked as freelancer designer before she moved with her husband to Philadelphia in USA who got a job within IKEA there. Her husband got an offer later at IKEA in Älmhult ten years ago, so they moved here. They bought a house and raised two kids in Sweden. The participant started working at IKEA in Älmhult first helping with collecting the products for the designers to make IKEA catalogues, then she got an administrative job, later on, she got a job as a designer. She developed inside IKEA until she became a range manager of textiles. It was not easy for her to get into IKEA, she stayed for 18 months in Sweden before she got the opportunity to enter the company. Work at IKEA was challenging for her. What attracted her is the work/life balance at IKEA, for example, if she need to pick up her daughter early for an activity, she can go and do it; flexibility is very important here. The participant likes the responsibilities assigned to the employees. She would like to continue working at IKEA in the future, her current position is cool for her. She got leadership training at IKEA which was great and useful.

**Employee Loyalty**

She feels loyal to IKEA because she like the culture and the work environment. She likes IKEA social responsibility, sustainability and charity. It is something great that IKEA cares for the people and the planet. She thinks that IKEA is a company which can change people’s life and that change can come over time. There were some people who left IKEA, the reason could be “not fitting the culture” or because of the location. Some of them came back later on. The participant came across some difficult situations and she learned from these situations. The communication was very important in these situations, sitting and speaking what’s in her mind and being clear.

**Organizational Culture**

The participant is aware of IKEA values and her favorite one is humbleness. You cannot do anything at IKEA by only yourself. You need to be humble to people and help them. The participant feels that the employees around her are influenced by IKEA values, and the HR recruits employees based on values, qualifications and business needs. There is a high level of trust between the participant and her manager, and the relationship between them is great where the manager gave her all the support. The participant is having good relationship with her colleagues. She thinks that the Family culture is an important aspect why people stay at IKEA.

**IKEA “A great place to work”**
IKEA is “a great place to work” where the participant has the opportunity to work in the field that she is passionate of. The work also gave her the chance to make the difference in society. She enjoys the work and has fun working with nice colleagues, and if she missed this, she might not be there. As a manager, she considers “Voice” an important tool for development, it is a significant survey done by her team which shows their opinions about her and the business flow. However, the voice results can take time to be implemented and seen. The relationship between IKEA culture and employee engagement is very high. She, as a manager, tries to inspire her team members, she acts as mentor for them so they get motivated and become inventive. She is using the same way of the inspiration even with her daughter at home.

**IKEA Benefits and Compensation**

Working hard and being yourself and not getting distracted gives you opportunities for development. She and her husband developed inside the company and reached higher positions. When there is a vacancy, the hiring manager looks for candidates inside IKEA first then outside, she herself employed one person from within and three external people and looked inside IKEA when searching. She likes the five weeks holiday every year, the parental leave, Work/ life balance, Ikea account, the pension system and flexibility. She used to buy shoes using this extra allowance, and uses the offer benefits and discounts which she gets as an IKEA employee. She thinks that the loyalty program Tack! is great and important for people to feel valued. Usually, people feel good if somebody recognizes their work and are listened to. If someone has an idea, he/she should not hesitate to say it here are a lot of opportunities that IKEA offers to employees. IKEA invests a lot of time on each person, especially at IKEA DS North Europe; there is around 2200 employees and the HR spend around 10 hours per year on every employee’s development at IKEA.

**Respondent 11**

**Employee Background**

Position: Sourcing Developer

Responsibilities: Maintain and develop the supply chain range, working on the business area, living room, textiles and kitchen.

The participant finished high school in 1982 then worked for 5 years in a small retail company before she joined IKEA in 1987. IKEA was growing that time; knowing that the participant is originally from Älmhult and she has family members working as well at IKEA. The latter, has so much good career possibilities, so she got a job in this famous furniture retailer. She worked in different roles starting with financial department then she moved to another IKEA company and developed through the years until she become a sourcing developer 10 years ago. She got a lot of responsibilities and she is happy about that, it gave her more energy. She would like to continue working at IKEA but maybe in a different leadership role. Because she got leadership and material training inside IKEA and has been passionate to learn new things about production. She used to work hard even without getting asked by her manager to do so. When it comes to obstacles, understanding the supply chain at IKEA was challenging for her.

**Employee Loyalty**

She feels loyal to IKEA because she likes the culture and the work environment in such a big global company, especially in Almhult which is the heart of IKEA. The work is fun, and the environment is multicultural. She is proud about IKEA social responsibility and thinks that the company is doing fair in that concept. IKEA wants to be honest about its acts and not to cheat the customers. IKEA is a good company that makes a change in people’s life where there is no limit for development and enhancement. But still there are some employees who leave IKEA because of different reasons like not fitting IKEA values, the family situation or relocation. Some of them come back to the company. The participant learned from the business conflicts and try to be better and better in the future.

**Organizational Culture**
The participant is aware of IKEA values and her favorite one is the cost consciousness, she is also careful with the cost as a person. IKEA values have effect on the employees where they are influenced by these core values on a daily basis. The participant is having good relationship with her colleagues and tries to be direct and open with them because it makes life easier, she is able to give and take feedback, they tries to have fun when working, and creates a good team atmosphere. Team efficiency is very important so she tries to be clear about responsibilities so everyone can contribute. The respondent encourages mentoring as a way to teach and help the new co-workers. Regarding leadership at IKEA, she is having a very good manager with a lot of freedom, they like to work with each other, he is not interfering but he is supporting.

IKEA “A great place to work”

IKEA is “a great place to work” because the participant can make a difference in the company when she does a good job, and that make the company better. She likes what she is doing, and feels satisfied if the customers are happy. IKEA employs a lot of international people, and there is no problem in managing diversity, yet IKEA culture is about giving responsibility and empowerment to the employees, “we don’t ask people do this, do that”. When it comes to the yearly survey; “Voice” needs to be more focused on the function, it will be better if it manages the way how we work.

IKEA Benefits and Compensation

There is a lot of opportunity that IKEA offer to the employees, when there is a vacancy the hiring manager looks for candidates from inside and outside, the diversity is required, and the first search could be from inside the company. She thinks that the company cares for its employees and their personal life and that there is a work/ life balance but still there are some employees who prefer to work hard even if the management didn’t ask for that. She likes the employee discount and uses IKEA account and wellness allowance. Tack! IKEA loyalty program is great and makes the employee feel valued. The yearly bonus is fantastic and she sometimes uses it to travel to African countries like Botswana, Tanzania and South Africa.

Respondent 12

Position: Salesperson.

Responsibilities Help maximize sales & achieve sales targets, to do regular spot checks on pricing and other communications, to provide information on products, prices, measurements.

Employee Background

The participant is from Älmhult originally, she finished high school and took some English and criminology courses in Lund university, then she started working at IKEA 12 years ago because it is a stable company where she can grow in and do what she wants to do. She feels that the company is there for her, and there are unlimited possibilities to move abroad and work at IKEA, or in different departments at the same store. She did selling and leadership training at IKEA and might seek a new position in the future in the company within product development, she considers herself as a specialist. Longer processes are a challenge in such a big company, for example if she speaks to the product development team about a gap in a product, they might need 2 years to be replaced or fixed.

Employee Loyalty

She feels loyal to IKEA because she likes the culture and the work environment at IKEA and if she moves abroad, she wants to work with IKEA. She thinks that the company is doing well about its social responsibility, sustainability and charity but is not talking enough to the customers about that. Many colleagues moved inside IKEA and few leave the company for relocation or study. The participant is having close relationship with her managers and colleagues, and no major conflict happened between them during her time at IKEA.

Organizational Culture
The participant is aware of IKEA values and her favorite one is togetherness because she has fun working together with her colleagues and she can smile and laugh at work even if her day didn’t start well, she can feel better when she starts interacting with her colleagues. Although the colleagues are different and having various strengths but still they share IKEA values where there is a positive influence of these values on the daily work life.

**IKEA “A great place to work”**

IKEA is “a great place to work” because it is like a second home, the participant feels respected and likes the work environment, it is like coming home for her. She is listened to by her managers and feels herself a part of the decisions making even if she is not working in a leadership position. “Voice” is an important survey for all employees especially for the shy people, but she as a person can still speak to her manager directly in any matter.

**IKEA Benefits and Compensation**

There is a lot of opportunities that IKEA offers to the employees; the training inside the company is something influential and useful. She got training in selling (active selling) which is a global training that teaches how to sell and deal with the customer. The participant become a trainer for that training and is happy about that development. She can be a mentor for the new employees, there is no limitation in development inside IKEA. when there is a vacancy the hiring manager looks for candidates from inside and outside. The participant herself was part of the recruiting process few years ago and she considered IKEA values in the hiring process. She likes the IKEA benefits and uses IKEA account, wellness allowance and the other benefits offered by IKEA. These benefits represent a caring gesture from the company towards the employees. Tack! IKEA loyalty program is great because you feel that the company is thinking about you and your retirement when you yourself did not think a lot about it, so there will be some money for you when you need it after the retirement. She feels secure in this regard.

**Respondent 13**

**Position:** Team leader, logistics

**Responsibilities:** Supervise the team and make sure that they are reaching their Key Performance Indicators – KPI and some budget responsibilities.

**Employee Background**

He has been working in this role for six years; he started at IKEA 11 years ago as a summer worker picking goods in the warehouse, then after 2 years, he became a foreman then a team leader. He worked earlier in different companies in England and South Africa. There was a business culture difference between England and Sweden. Working at IKEA in Sweden is good where there is no gap between the managers and the co-workers, everybody seems to be in the same level, the co-workers can express themselves and speak to the team leaders freely in an open organization. He studied international economy and business at Växjö university, then he did a logistic Master at Jönköping university. He will leave IKEA by the end of May because he wanted to try something different and use his studies and background at the job, he applied earlier for a different role at IKEA, he was very close but didn’t get it. He will be an overseas establishment responsible in a different company; his task will be making the required studies for the company to enter a new market overseas. But he will not close the door for IKEA in the future as it is a very good company. He got a fundamental leadership training at IKEA. He faced some challenges such as; keeping a good level of service, quality, production and keeping cost low.

**Employee Loyalty**

He has been loyal to IKEA even he has a lot to do and he could find another job, but he did not go for it. The participant put in the hard work at IKEA because he believed that he can progress at the company and he did. He is very proud about the role IKEA plays in the its social responsibility, he thinks that IKEA plays
a bigger role with this regard more than some countries. He doesn’t think that employees, in many cases, leave IKEA for higher salary, but may be for an easier day, because some positions have stress. He wanted to put his education to his job so he decided to quit. It is rare that employees leave IKEA in his department, so his colleagues were shocked when he resigned. He didn’t have any major conflict during the years he worked for IKEA and this is something positive, there are some business conflicts which is normal in such big organizations, but these conflicts are useful sometimes.

Organizational Culture

The participant is aware of IKEA core values, and his favorite one is “Daring to be different” it motivates him to be creative, he wants to be a creative leader who has creative solutions, so if someone puts him in a box, he can’t function. IKEA has a strong culture and the employees are getting affected positively by this culture, the values are simple but effective. The organizational culture is quite strong today and can be better by communication more especially to the new employees. The relations with colleagues and supervisors are very open, people are friendly and happy. The participant was part of the hiring process as a team leader, and he has the IKEA values in his mind and he looks for people who share these values, and avoid the ones who are not humble.

IKEA °°A great place to work°°

IKEA is °°a great place to work°° because the participant found everything he wants, his manager even asked him if his desk and chair are good enough or not, so there is a care from the company towards the employees. He hopes in the next decade that IKEA become a benchmark like google when it comes to the employees’ satisfaction and the work environment. He feels engaged and listened to, he has the opportunity to give his overview to the supervisor. It is good to have “Voice” survey; but he thinks that it costs a lot of time and money, and can’t see what has been done with “Voice” results of last year. He thinks that everybody is included and engaged in the department, although there is a diversified workforce there.

IKEA Benefits and Compensation

There are a lot of opportunities to develop inside IKEA. When it comes to hiring new employees, he and the HR might consider the current situation, for example, if they took so much employees from inside this year, they try to find applicants from outside for more diversity, and vice versa. The participant think that flex time is good so he can leave early sometimes, and work more other times. He uses the other IKEA benefits like IKEA account and wellness allowance, he is a runner so he buys running shoes. IKEA bonus is very nice when the person gets extra money every year. IKEA loyalty program Tack! is very good and beneficial to the employees when it is time for the retirement.
Appendix III: IKEA Documentation

Behind the Scenes IWAY:


2016 Yearly Summary (PDF)


IKEA Co/worker Principles


Inter IKEA Group Code of Conduct

Appendix IV: IKEA Core Values

Source: IKEA, 2017a

**Leadership by example:** Our managers act according to IKEA values, create an atmosphere of well-being and expect the same from co-workers.

**Constant desire for renewal:** We know that adapting to customer needs with innovative solutions contributes to a better everyday life at home.

**Togetherness and enthusiasm:** Together, we have the power to solve seemingly unsolvable problems. We do it all the time.

**Cost-consciousness:** Low prices are impossible without low costs, so we proudly achieve good results with small resources.

**Striving to meet reality:** We stay true to practical solutions to develop, improve and make decisions based on reality.

**Humbleness and willpower:** We respect each other, our customers and our suppliers. Using our willpower means we get things done.

**Daring to be different:** We question old solutions and, if we have a better idea, we are willing to change.

**Accept and delegate:** We promote co-workers with potential and stimulate them to surpass their expectations.

**Simplicity:** We take an easy-going, straightforward approach when solving problems, dealing with people or facing challenges.

**Constantly being ’on the way’:** We review what’s done today and ask what can be done better tomorrow, so we can find new ideas and inspiration.

**People and Planet Positive:** For many years, we’ve focused on economizing with resources. We have been making more from less, turning waste into resources, sourcing energy and materials in a responsible way and protecting natural resources. We want to play our part in creating a better life for the people and communities touched by our business. We support education of children, help refugees and participate in different supporting programs via IKEA Foundation and in cooperation with UNICEF. “You find loads of money-saving products and solutions in IKEA range to help you save energy and water, and reduce waste. These are only the first steps towards fulfilling of People and Planet Positive Strategy” (IKEA, 2017a).