

**STRATEGIC CHANGE MANAGEMENT PRACTICES AT
GLAXOSMITHKLINE LIMITED**

DOREEN KATHURE MARETE

**A MANAGEMENT RESEARCH PROJECT SUBMITTED IN PARTIAL
FULFILLMENT OF THE REQUIREMENTS OF THE MASTER OF BUSINESS
ADMINISTRATION (MBA) DEGREE**

SCHOOL OF BUSINESS

UNIVERSITY OF NAIROBI

OCTOBER: 2010

DECLARATION

This management research project is my original work and has not been submitted for examination to any other university.

DOREEN KATHURE MARETE

D61/70699/2008

Sign:  Date 17/11/2010

This management research project has been submitted for examination with my approval as the university supervisor.

Sign:  Date 17-11-2010

DR. JOHN YABS

LECTURER

SCHOOL OF BUSINESS

UNIVERSITY OF NAIROBI

ACKNOWLEDGEMENT

The completion of this project was not easy. It was not created by the author alone, but relied on the cooperative assistance of many unseen hands. First and foremost I owe special thanks to God Almighty for seeing me through. I sincerely acknowledge my supervisors Dr Yabs University of Nairobi in School of Business for his enabling support and guidance, his never ending patience during this study.

I will forever be grateful to my husband Derick for inspiring me to start this program and giving me all the support I needed throughout the course. Special gratitude to my loving daughter Kendi for bearing with me when I was pre occupied with this study.

I would also like to acknowledge the encouragement from all my colleagues and my MBA classmates, friends and relatives whose remarkable devotion and dedication throughout the project work was incredible. May God bless the work of their hands!

DEDICATION

This research study is dedicated to my loving husband Derick and daughter Kendi for the tireless sacrifices of their precious family time throughout the entire MBA program and especially during this research project.

ABSTRACT

Organizations deal with change on a day-to-day basis as do people. This study investigated strategic change management practices at GlaxoSmithKline Limited. The objective of the study was to determine the strategic change management practices adopted at GlaxoSmithKline Limited. And to establish the importance of adoption strategic change management practices at GlaxoSmithKline Limited. The research design employed in this study was case study method. This study collected primary data. Primary data was collected using interview guides. The collected qualitative data from the interview guides was analyzed using content analysis. Content analysis generated qualitative report which was analyzed in a continuous prose

The study concludes that strategic management practices adopted by the management of GlaxoSmithKline Limited. The strategic change management practices due to external force facing GlaxoSmithKline are adopt new strategies in the face of financial distress for the purpose of breaking the critical situations to make the company to implement major corporate changes such as diversification in new products, adopt focus strategy in offering their products to specific groups in the markets and differentiation their products to serve all the categories of the customers.

The study findings concludes that GlaxoSmithKline Limited management should enhance creation of awareness by developing an informal network of relation to get information, commitment, solidifying progress and integrating processes and interests, using formal analytical techniques for establishing, measuring and rewarding key initiatives to ensure significant changes are implemented. The study concludes that the

management of GlaxoSmithKline limited engage in recruiting qualified staff and helps the company members develop a relationship necessary to maximize effectiveness of a change effort, manufacture products that are in need in the market, well implemented strategies, acquisitions that lead to achieved expected synergies, business re-engineering leading to short and less costly processes, down-sizing that lower the costs and quality programs that deliver expected outcomes.

TABLE OF CONTENTS

Declaration.....	ii
Acknowledgement	iii
Dedication.....	iv
Abstract.....	v
CHAPTER ONE: INTRODUCTION.....	1
1.1 Background of the Study.....	1
1.1.1 Strategic Change Management.....	2
1.1.3 GlaxoSmithKline Limited	4
1.2 Statement of the Problem.....	5
1.3 Objectives of the Study	7
1.4 Significance of the Study	7
CHAPTER TWO: LITERATURE REVIEW.....	9
2.1 Introductions	9
2.2 The Concept of Strategy.....	9
2.3 Concept of Strategic Change.....	11
2.4 Strategic Change Management	13
2.5 Approaches to Managing Strategic Change management	16
2.6 Strategic Change Management practices in an Organization	20
2.7 Resistance to Change	23
CHAPTER THREE: RESEARCH METHODOLOGY.....	26
3.1 Introduction.....	26
3.2 Research Design.....	26
3.3 Data collection	26

3.4 Data Analysis	27
CHAPTER FOUR: ANALYSIS, INTERPRETATION AND PRESENTATION ...	28
4.1 Introduction	28
4.2 General Information	28
4.2.1 Respondents' Departments	28
4.2.2 Interviewees' Designation in the Department	28
4.2.3 Respondents total work experience in years	29
4.3 Strategic change management practices.....	29
4.3.1 The environment influences on company operations in terms of strategic alignment	29
4.3.2 Processes employed to ensure significant changes are implemented.....	30
4.3.3 Strategic change managements that have taken place	30
4.3.4 Describing the pace of the strategic change that has taken place.....	31
4.3.5 Importance's of selecting strategic solutions to address issues that confront your Company.	31
4.3.6 Benefits of strategic change management	31
4.3.7 Factors that favor the strategic change processes.....	32
4.3.8 What are the major outcomes of strategic change management at GlaxoSmithKline Limited?.....	32
4.3.9 Major successes of the Company strategic change management process.....	33
4.3.10 How the Company currently responds to changing environment	33
4.3.12 The resistance to strategic change management practices	34
4.3.13 How management style influences the strategic change management.....	35
4.3.14 How the Company responds to resistance to strategic change management practices	35

CHAPTER FIVE:DISCUSSIONS,CONCLUSIONS AND RECOMMENDATIONS.	37
5.1 Introduction	37
5.2 Discussion	37
5.3 Conclusions	41
5.4 Limitations of the Study	44
5.5 Recommendations for further Study	44
APPENDICES.....	50
Appendix I:Letter of Introduction.....	50
Appendix II: Research Instrument for GlaxoSmithKline Limited Staff.....	51

CHAPTER ONE: INTRODUCTION

1.1 Background of the Study

Strategic change management is the change within an organization necessary to reach their strategic goals and objectives. It is incumbent on leadership to communicate the company's strategic goals and objectives in order create willingness to change among those concerned for them to accept the new arrangements. In essence organizations would want everyone to buy in to the change; however, the important issue is to win over critical mass of individuals or groups whose active commitment is necessary to provide the energy for change to occur (Grant, 2005).

Organizations deal with change on a day-to-day basis as do people. Change is inherent in contemporary organizations and its management is not only critical to organizational success and survival but is also at the crux of the field of organization development (OD). Along with important changes taking place in the social fabric within which organizations operate are vital forces impacting organizations within the context of their business operations (Thompson and Strickland, 1999). These include forces outside the organization and emanate from the external environment as well as forces within the organization itself that we classify as the internal environment (Stacey, 2003). Because the performance of firms dependent on the fit between firms and their external environment (the appearance of novel opportunities and threats in the external environment), then change in external environment require firms to adapt to the external environment. As a result, firms would change their strategy in response to the environmental changes. The state of firms will also affect the occurrence of strategic

change. For example, firms tend to adopt new strategies in the face of financial distress for the purpose of breaking the critical situations. Additionally, organizations would possess structural inertia that they tend to keep their previous structure and strategy (Dent and Barry, 2004).

1.1.1 Strategic Change Management

Strategic management is defined as that set of managerial decisions and actions that determines the long-run performance of a corporation, and includes aspects such as environmental scanning, strategy formulation, strategy implementation, and evaluation and control. It is designed to set a firm's courses of action, identifying the strategies it will use to compete in the market-place and how it will organize its internal activities. Strategic change management has evolved as an interdisciplinary corpus of knowledge. Strategic thinking is still an emerging field of study and as such embodies several different schools of thought and methods. One common feature shared by the different approaches is that strategic thinking is utilized by that organisation to plan for the future using a range of analysis techniques and decision-making processes. As such, it has become a common activity for many types of organizations and in many industries, mostly as a result of increasingly competitive behaviour (Dent and Barry, 2004).

For an organization to sustain the momentum on normal day-to-day pressures to meet customer demands and in order to avoid situations where people will return to the methods and behaviours that they are familiar and comfortable with, it is necessary to provide resources for change (Kotter, 1996). Buchanan and Boddy (1992) noted, an enormous responsibility falls upon the change management team hence the organization

should give support to the change agents in order for them to motivate others to deal with change difficulties. Change frequently demands new knowledge, skills and competencies and as such companies engaging in change should train and re-train, have on-the-job counselling and coaching in order to encourage rather than threaten staff. For successful change process, reinforcement of the desired behaviour through rewards like increase of pay, recognition and avoiding criticisms could be important. Change management is not a distinct discipline with rigid and clearly defined boundaries. This is because the theory and practice of change management draw on a number of social science discipline and traditions. The task is complicated by the fact that the social sciences are interwoven and so the challenge is to range wide enough to capture the theoretical foundations of change management, without straying so far in to its related disciplines that clarity and understanding suffer (Burnes, 2009).

Although visions and strategies can be crucial in shaping the life of organizations, it is only when some facet of the organization is changed that they advance from being mere possibilities to become reality. This is a two way street. Visions and strategies shape and direct change; they indicate what needs to change and where and create the conditions and climate within which change takes place. On the other hand, because visions and strategies only become reality through the actions of the organization, it is these changes, these actions, which shape visions and strategies.

Care should be taken during this process as complacency and declaring success too fast, poor communication, weak leadership, inappropriate culture and political infighting could deny the organization the intended benefit of change (Kotter, 1996). Some of these

benefits include new and well implemented strategies, acquisitions that lead to achieved expected synergies, business re-engineering leading to short and less costly processes, down-sizing that lower the costs and quality programs that deliver hoped for results. Strategic change management assists managers in developing wider views of the future, as it affects their organisation and provides deeper insights than are otherwise available during the analysis of the external environment ((Burnes, 2009).

Organizations need to change constantly due to the magnitude, speed, impact and unpredictability of change that are greater than before, for example, local markets have become global markets and protected markets have become opened markets to fierce competition. Arguably, the biggest challenge facing managers today is globalization: the creation of a unified world market place, how to achieve sustainability in a world of dwindling natural resources and increasing environmental pollution; how to manage an increasingly diverse workforce; and at a time when business leaders are considered less trustworthy than ever before, how to manage ethically. This necessitates need for strategic change management.

1.1.3 GlaxoSmithKline Limited

GlaxoSmithKline, on the pharmaceutical crusade .The British group, GlaxoSmithKline, ranks among the top five world-class companies in the pharmaceuticals sector in Kenya. Essentially the group's interest lies in three major therapeutic fields' infections, the central nervous system and metabolic and gastric conditions, for which it offers a variety of medicines and vaccines. Not to mention its work in producing treatments for cancer, colds, asthma, allergies, migraine and herpes, and above all its major research in

perfecting treatments for HIV. In addition, it offers a large range of over-the-counter medicines sold in chemists' shops, as well as health and food products such as energy drinks. GlaxoSmithKline is well established in the North American market through its subsidiary, SmithKline Beecham, which concentrates on R&D (research and development), and which for example, designed and developed the famous nicotine patches Nicorette and Niquitin so cherished by smokers wishing to stop smoking, as well as the Aquafresh range of toothpastes. GlaxoSmithKline is currently a dominant group in the pharmaceutical sector (Accessed on 15th September at ,www.gsk.com)

GSK's bestsellers include central nervous system therapies, respiratory and cardiovascular drugs, and antivirals, as well as vaccines. The company's top product is asthma medication Advair, which combines two of the company's other products, Flovent and Sere vent. Other products include herpes treatment Valtrex, epilepsy treatment Lamictal, antidepressant Paxil, prostate enlargement therapy Avodart, and antibiotic Augmentin. The company's consumer products include Tums for sour stomachs, dental care products Aquafresh and Sensodyne, and smoking-cessation products NicoDerm and Nicorette (Accessed on 15th September at, www.gsk.com)

1.2 Statement of the Problem

They argue that rapid and constant changes in the external environment require appropriate responses from organisations which in turn force them to develop an understanding of their strategy, structure, systems, people, style and culture and how these can affect the change process (Wilson 1992). This has in turn led to a requirement for a 'bottom-up' approach to planning and implementing change within an organisation.

The rapid rate and amount of environmental change has prevented senior managers from effectively monitoring the business environment to decide upon appropriate organizational responses. For an organization, change management means defining and implementing procedures and technologies to deal with changes in the business environment and to benefit from the unfolding opportunities (Deem and Brehony, 2005).

Change management is perhaps one of the biggest challenges that managers face in today's organizations. In order to stay competitive in the current market, an organization has to remain open, adaptable and ready for change. Creating new processes, keeping up with market demand and keeping employees motivated and open to change can be a struggle. With the right change management tools, organizational structure and leadership style, organizational change is possible and can be successful (Ansoff, 1999).

Successful adaptation to change is as crucial within an organization as it is in the natural world. Just like plants and animals, organizations and the individuals within them inevitably encounter changing conditions that they are powerless to control (Dent and Barry, 2004). Change management is used to ensure that the human aspects of introducing new processes and technology are addressed. These include: creating an organizational structure aligned with new strategies and processes; having jobs and skills sets that support the new organizational direction; employing effective communications strategies; ensuring customers, suppliers and other stakeholders understand and support the effort, and minimizing resistance to change (Bauer, 2009).

Recent studies on strategic change management practices have been done locally. For instance, Bwibo (2000) carried out a study on strategic change management practices

within non-governmental organizations in Kenya. Ongaro (2004) focused on Kenyatta National Hospital while Onguso (2008) did a comparative study of the practices on National Water Conservation and Pipeline Corporation. Further, Gekonge (1999) focused on the companies listed on the Nairobi Stock Exchange. Due to current stiff competition in the market, there is a need for a study to be carried out to investigate what strategic change management practices that had been undertaken in GlaxoSmithKline Limited. This study therefore seeks to bridge the gap that exists by investigating strategic change management practices in GlaxoSmithKline Limited by answering the question what are the strategic change management practices adopted by GlaxoSmithKline Limited.

1.3 Objectives of the Study

- i. To determine the strategic change management practices adopted in GlaxoSmithKline Limited.
- ii. To establish the importance of adoption strategic change management practices at GlaxoSmithKline Limited.

1.4 Significance of the Study

The findings of this study will be important to the management of GlaxoSmithKline Limited as they will help them understand the importance of management of change practices as they seek to increase penetration in the East African market. The study will also provide an insight to the industry players in understanding the challenges they are likely to face when implementing change management practices in their organizations

and what strategies are adopted in overcoming the challenges and the benefits of indulging in strategic change management.

Findings of the study will also be important to scholars and other researchers who may be interested in understanding the strategic change management in the pharmaceutical sector. To other organizations, this study will bring up the best change management practices which can be borrowed and applied to other sectors of the economy by those facing similar challenges and opportunities arising from changes in strategy. The study will be significant to the government as it will offer an insight to the various challenges faced by pharmaceutical companies who adopt strategic change management and can borrow the same practices and apply the same especially during this time the market is very competitive is keen in changing the face of the pharmaceutical sector.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introductions

This chapter outlines the literature and authorities on strategic change management. Issues on strategic change management have been critically reviewed focusing on concept of strategy and strategic change management practices and finally resistance to strategic changes management practices.

2.2 The Concept of Strategy

A strategy to an organization is, amongst other things, a plan of how the organization can achieve its goals and objectives; it is a 'commitment of present resources to future expectations' (Thompson and Martin, 2005). The aim of strategic management is to decide on organizational goals, the means of achieving those goals, and ensuring that the organization is sustainably positioned in order to pursue these goals. Furthermore, the strategies developed provide a base for managerial decision making (Robbins *et al*, 2000). Strategy is elementarily defined as a long term plan of action designed to achieve a particular goal (Dent and Barry, 2004). The concept, however, is not originally made for business. Rather, the business industry borrowed it from the military to help organizations in bridging the gap between policy and tactics (Robbins, 2000).

The early work of Quinn (2000) gave an important contribution, being one of the first attempts to analyze systematically the apparent chaotic process enacted by strategists. He observed the experiences of several companies in achieving strategic change and going beyond the apparent chaos of events, he identified a series of incremental steps

undertaken by managers in the attempt of reaching a goal. Other researchers supporting the process perspective recognized and have searched for the logic behind the path for strategic change. Its clarification is indeed complex and it needs the exploration of both the macro-organizational level and the micro-subsystems involved in the transformation (Kotter , 2005).

Parker and Bradley (2000), entailed the logical incrementalism observing strategy evolution overtime, which starts from the perception of a problem or an opportunity; managers initially react cautiously with an idea, which is further refined for identifying the goal. However the intervention is not clearly identified by time line, managers may know where to arrive but they do not know how to achieve the goal (Hamel and Prahalad, 2003). Furthermore, while leading the change, new opportunities and problems could occur and move them away from the initial idea. Revealing similarities in the case studies, he defines a dominant model based on three major stages: creating awareness and commitment; solidifying progress; integrating processes and interests (Ansoff and McDonell, 2000).

At the first stage, managers develop an informal network of relation to get information, usually by-passing formal systems and giving more prompt and focused information. The enlargement of the debate on possible solutions improves again the basis of decisions and it influences managers' behavior. Influencing behavior and searching for consensus remain basic issues also at the second stage incremental solidifying progress (Thompson and Martin, 2005). This phase narrows the set of options previously considered in terms of organizational structure and human resource empowerment (Andrew, 1989). The last

stage instead entails the use of formal analytical techniques for establishing, measuring and rewarding key initiatives.

This framework presented is an interesting rationale for interpreting change in complex organizations and environments, in which two key issues clearly emerge; the stages of strategy process development and the importance of human resources. However, this process perspective has been further developed alternatively tackling the organizations themselves, the organizational change and the formulation of strategies. Recently there has been a further change of focus, claiming for investigations of how these elements and can influence macro-organizational change (Whittington, 2002). This contributed in stimulating the debate and researchers have begun to address specific dimensions such as strategy creation activities and the relation between personal strategies of managers and strategic direction (Watson, 2003).

2.3 Concept of Strategic Change

Strategic change is concerned with organizational transformation and deals with broad long-term organization wide issues. It will be aligned to the purpose and mission of the organization, its corporate philosophy on such things as growth, quality management, and innovation and values concerning people, the customers' needs served and the technologies employed. It occurs within the context of external competitive, economic, and social environment, the company's internal resources, capabilities, culture, structure and systems.

Lamb (1984) view Strategic change management as a process that assesses the business and the industries in which the company is involved; assesses its competitors and sets

goals and strategies to meet all existing and potential competitors; and then reassesses each strategy annually or quarterly to determine how it has been implemented and whether it has succeeded or needs replacement by a new strategy to meet changed circumstances, new technology, new competitors, a new economic environment., or a new social, financial, or political environment. Hence management of strategic change is seen as how to create conditions that makes proactive change as a natural way of life.

Strategic change is the movement of a company away from its present state towards some desired future state to increase its competitive advantage (Hill and Jones, 2000). According to Huczynski and Buchanan (2003) strategic change describes organizational redesign and refocusing that is major, radical, 'frame-breaking' or 'mould breaking' or 'paradigmatic' in its nature and implications. The term 'strategic' denotes scale, magnitude or depth.

Strategic management is defined as the actions processes and decisions that are executed by organization members to realize their strategic intentions (Hardy, 1995). According to Hardy (1994) managing strategic change is about managing the unfolding non-linear dynamic processed during strategy implementation. It involves change or alignment in policy, systems, styles, value staff and skills of an organization to realize a strategy.

Strategic Change means changing the organizational Vision, Mission, Objectives and of course the adopted strategy to achieve those objectives. Strategic change can be defined as changes in the content of an organization's strategy as defined by its scope, resource deployments, competitive advantages, and synergy (Hofer and Schendel, 1978). Strategic

change is the difference in the form, quality, or state over time in organization's alignment with its external environment (Rajagopalan and Spreitzer, 1997).

2.4 Strategic Change Management

Strategic Change management is a systematic approach to dealing with change, both from the perspective of an organization and on the individual level (Wilson, 1992). A somewhat ambiguous term, change management has at least three different aspects, including; adapting to change, controlling change, and effecting change. A proactive approach to dealing with change is at the core of all the three aspects. For an organization, strategic change management means defining and implementing procedures and technologies to deal with changes in the business environment and to benefit from the unfolding opportunities (Deem and Brehony, 2005).

Successful adaptation to change is as crucial within an organization as it is in the natural world. Just like plants and animals, organizations and the individuals within them inevitably encounter changing conditions that they are powerless to control (Dent and Barry, 2004). The more effectively you deal with change, the more likely you are to thrive. Adaptation might involve establishing a structured methodology for responding to changes in the business environment (such as fluctuations in the economy, or a threat from a competitor) or establishing coping mechanisms for responding to changes in the workplace such as new policies, or technologies (Mintzberg *et al.*, 2003). The key benefits of change management include; helping one to recognize the power of human dynamics in a change process, acting as a map for guiding action and helping stay on course rather than getting caught up in the complexity and tumult of change and thirdly, it

can help you develop a relationship necessary to maximize effectiveness of a change effort (Kottler, 2005).

Organizational change management is a careful planning, organization and execution of an alteration from the norm to the unknown which will require thinking and doing things differently. The entire process has to involve people from the beginning to the end by making the stakeholders buy into the change process and own the process (Drucker, 1954). Change must be managed because it is disruptive and alters the equilibrium of operations. It results in a paradigm shift and causes variations in the status quo. It is vital to carefully manage change for the good of the people affected and the organization. Good change management yields good results (Miles, 1997). The pace of change is ever increasing-particularly with the advent of the internet and the rapid deployment of new technologies, new ways of doing business and new ways of conducting ones life. Organizational change management seeks to understand the sentiments of the target population and work with them to promote efficient delivery of the change and enthusiastic support for its results.

There are two related aspects of organizational change that are often confused. Organizational change management is concerned with the hearts and minds of participants and target population to bring about changed behavior and culture (Thompson, Arthur and Strickland, 1999). The key skills required are founded in business psychology and require “people” people. The other aspect of organizational change is the organizational design where roles, skills, job descriptions and structure of workforce may be designed. Typically, this is more analytical and directive activity,

suited to tough skinned Human Resources professionals. Organizational change management issues are often under-estimated or ignored altogether. People issues collectively account for majority of change effort failures.

Strategic change management is perhaps one of the biggest challenges that managers face in today's organizations. In order to stay competitive in the current market, an organization has to remain open, adaptable and ready for change. Creating new processes, keeping up with market demand and keeping employees motivated and open to change can be a struggle. With the right change management tools, organizational structure and leadership style, organizational change is possible and can be successful (Ansoff, 1999).

Both internal and external forces can drive changes. External factors that might lead to needed change are market shifts and new and emerging technology. Internal factors that may lead to needed change may include employee level productivity, employee morale and executive level decisions. Change within any organization creates greater uncertainty and fear. The more significant the change, the greater the fear, uncertainty and resistance will be. It is critical then that the leadership in the organization take the time to explain the upcoming changes and put employees at ease as much as possible. According to McShane and Von Glinow (2004), people resist strategic change because they are worried that they cannot adopt the new behaviors."

Staw and Epstein (2000), noted that strategic management is a rapidly developing field of study that has emerged in response to increasing environmental turbulence. According to the authors, this area of study looks at managing the organization as a whole and

attempts to explain why some organizations performed well while others did not. The scope of the strategic management process covers organization-wide issues in the context of a whole range of influences. The strategic management process involves organization, management and the environment as a whole. Thus, in understanding the strategic management process and how it works, a general knowledge of the organization, its internal and external environments and management is required (Chandler. A, 1962)

2.5 Approaches to Managing Strategic Change management

A number of renowned practitioners have contributed models on change management. The action research model advocates for a systematic collection of data and then selection of a change action based on what the analyzed data indicates. It aims at providing a scientific methodology for managing planned change. The process of action research consists of five steps which are diagnosis, analysis, feedback, action and evaluation (Lewin, 1951).

The same approach seems to be supported by Dawson (1996) through the process/contextual perspective. It states that to understand the process of change, we need to consider the past, present and future context in which the organization functions, including external and internal factors. The substance of the change itself and its significance and timescale including the transition process, tasks, activities, decisions, timing, sequencing, political activity, both within and external to the organization and the interactions between these factors. Dawson identifies five specific aspects of the internal context which are human resources, administrative structures, technology, product or service, and the organization's history and culture. He also identifies four key features of

the substance of change which are the scale, its 'defining characteristics', its perceived centrality, and the timeframe of change initiatives. The substance of change influences the scale of disruption to existing structures and jobs. The transition process may be slow and incremental, or rapid. In addition, managers can draw upon evidence from the context and substance of change to marshal support and to legitimate their own proposals through organizational political action. It's therefore the interaction between context, substance and political forces which shape the process of organizational change.

Lewin (1951) also developed the three - step model, which states that successful change in organizations should follow the steps of freezing the status quo, movement to a new state and refreezing the new change to make it permanent. The status quo can be considered to be an equilibrium state. To move from this equilibrium, there is need to overcome the pressure of both individual resistance and group conformity - unfreezing is necessary. It can be achieved in one of three ways where the driving forces, which direct behavior away from the status quo can be increased, the restraining forces, which hinder movement from existing equilibrium can be decreased or a combination of first two approaches (Robbins, 2003). However, Huczynski and Buchanan (2003) state that refreezing no longer seems to be an option given constant transformation which is now the norm. Permanent thaw is perhaps a more appropriate metaphor. Many organizations now face a 'high velocity' environment. They continue to say that turbulent and rapidly changing external conditions are translated into a complex, multi-faceted, fluid and interlinked streams of initiatives affecting work and organization design, resource allocation, and system procedures in continuous attempts to improve performance. The environment for most organizations is likely to remain volatile, or become even more

turbulent. Current trends do not lead to predictions of continuity and stability in the near future.

Bullock and Batten (1985) summarize their model in 4 broad stages. The Exploration Phase which involves awareness of need for change and searching for solutions, planning phase which involve understanding the problem, collecting information, setting change goals, designing action plans, action phase involving arrangements for managing change, feedback processes and Integration phase involving consolidating and stabilizing change, reinforcing new behaviors .This model was an expansion of Lewin 3- step model and did not factor the volatility and dynamism of organizations environment.

Kotter (1996) came up with the eight-stage change process whose initial step is establishing a sense of urgency crucial in gaining needed cooperation. This is because when urgency low, it's difficult to put together a group with enough power and credibility to guide the effort or to convince key individuals to spend the time necessary to create and communicate a change vision. The second step is creating the guiding coalition since a strong guiding coalition is always needed. The coalition must have the right composition, level of trust and shared objective. Building such a team is always an essential part of the early stages of any effort to restructure, reengineer, or retool a set of strategies. Four key characteristics seem to be essential to effective guiding coalitions these are position power, expertise, credibility and leadership. The third step is developing a vision and strategy. Vision refers to a picture of the future with some implicit or explicit commentary on why people should strive to create that future. In a

change process, a good vision serves in clarifying the general direction for change, it motivates people to take action in the right direction and it helps coordinate the actions of different people. A strategy provides both logic and a first level of detail to show how a vision can be accomplished.

The fourth step is communicating the change vision since the real power of a vision is unleashed only when most of those involved in an enterprise or activity have a common understanding of its goals and direction. That shared sense of a desirable future can help motivate and co-ordinate the kind of actions that create transformations. The fifth step is empowering broad-based action to empower a broad base of people to take action by removing as many barriers to the implementation of the change vision as possible at this point in the process. The biggest obstacles that often need to be attacked are structures, skills, systems and supervisors.

Generating short term wins is the sixth step, this is necessary as major change usually take a lot of time. There is need to have convincing evidence that all the effort is paying off especially to non believers who require even higher standards of proof. They want to see clear data indicating that the changes are working and that the change process isn't absorbing so many resources in the short term as to endanger the organization. Running a transformation effort without serious attention to short-term wins is extremely risky. Seventh step is consolidating gains and producing more change since the first major performance improvement will probably come well before the halfway point, the guiding coalition should use the credibility afforded by the short term win to push forward faster, tackling even more or bigger projects. The final step is anchoring new approaches »n (he

culture since according to Kotter, culture changes only after successfully altering people's actions, after the new behavior produces some group benefit for a period of time, and after people see the connection between the new actions and the performance improvement.

Beckhard and Harris (1987) also proposed a change formula. The change formula is a mathematical representation of the change process. The basic notion is that, for change to occur, the costs of change must be outweighed by dissatisfaction with the status quo, the desirability of the proposed change and the practicality of the change. There will be resistance to change if people are not dissatisfied with the current state of the organization, or if the changes are not seen as an improvement, if the change cannot be done in a feasible way, or the cost is far too high. The multiplicative nature of this formula indicates that if any variable is zero or near zero, resistance to change will not be overcome. In other words, the variables do not compensate for one another, and when one is very low, the cost of change is likely to be too high.

2.6 Strategic Change Management practices in an Organization

Considering the definition of strategic change, strategic change could be affected by the state of organization and its external environment. Because the performance of organization might dependent on the fit between organization and its external environment, the appearances of novel opportunities and threats in the external environment, in other words, the change of external environment, require organization to adapt to the external environments again. As a result, organizations would change their strategy in response to the environmental changes. The states of the organization will also

affect the occurrence of strategic change. They tend to adopt new strategies in the face of financial distress for the purpose of breaking the critical situations. Additionally, organizations would possess structural inertia that they tend to keep their previous structure and strategy (Hannan & Freeman, 1984).

Ansoff and McDonnell (1990) defined strategic change as a shift in the product of services mix produced by the organization and/or the markets to which it is offered. This definition of strategy is further enriched by Porter when he came out with ideas on competitive advantage. Selection of an attractive product market position is strategy in which presently there is no competition and for the future an entry barrier can be created is a sought after strategic position. Therefore, strategic change occurs in different contexts and is based on the environment. The key objective of strategic change therefore is to enhance the competitiveness of the organization and continuous adaption of the organization to various environmental turbulence levels.

The process of change is simply moving from the current way of doing things to a new way of doing things. Bridges (1991) believes that it isn't the actual change that individuals resist, but rather the transition that must be made to accommodate the change. He states "change is not the same as transition. Change is situational, the new site, the new boss, the new team roles, and new policy. Transition is the psychological process people go through to come to terms with the new situation.

Companies need to be innovative to ensure their existence. Kanter (2006) states that established companies can afford falling into the classic traps that stifle innovation by widening the search for new ideas, loosening overly tight controls and rigid structures,

forging better connections between innovators and mainstream operations, and cultivating communication and collaboration skills. Innovations involve ideas that create the future. But the quest for innovations is doomed unless the managers who seek it take time to learn from the past. Getting the balance right between the highest returns from current activities and exploring requires organizational flexibility and a great deal of attention to relationships.

The importance of leadership in the initiation and management of change has also been stressed (Kotter, 1990a, b, 1996; Caldwell, 2003), with an emphasis on establishing direction, aligning, motivating and inspiring people (Kotter, 1990a). While leadership has often been seen as primarily the province of executive managers, the reality in most organisations is that all managers need to develop leadership capacity and skills. While Caldwell (2003) claims that change leaders tend to be executives or senior managers and change managers tend to be middle managers, he also suggests that: "In practice, of course, the two roles may often be indistinguishable, because the attributes required to lead and manage change are simply inseparable aspects of managerial work in organisations facing the ever-increasing challenges of coping with constant change" (Caldwell, 2003).

Strategic Change management in organization is usually required when changes occur to the environment in which an organization operates. Strategic change has been classified in many different ways. Most theorists classify strategic change according to the type or the rate of change required and this is often referred to as the substance of change. Bateman (1999) proposes a broad definition for the amount of strategic change

management which he argues may be either incremental or transformational. Bate maintains that incremental change occurs when an organization makes a relatively minor change to its technology, processes or structure whereas transformational change occurs when radical changes programmes are implemented. Bate also argues that modern organisations are subject to continual environmental change and consequently they must constantly change to realign themselves.

Change programs and projects have to make sense from the beginning, when the actual idea of change came in to place. The feeling that a change is right for a company and the necessary sense of urgency to secure its realization will only occur if it is clear that the change has been tailored to the company and its particular business situation (Boonstra, 2003). Change is only possible when it is contextualized against the backdrop of a company's particular past and presents (Pettigrew 1987).

2.7 Resistance to Change

What faces those charged with bringing about changes in organisations is much more of a mess than a difficulty. There is evidence to suggest that the universal, prescriptive model of change management is inadequate to describe the diversity of approaches actually used by organisations (Dunphy and Stace, 1993).

Some seek to restrict the meaning of change management to the felt need to improve organizational performance and members' own position within the organization (Goodstein and Burke, 1991). It is well known that people are, for the most part, resistant to change of any sort. This is especially true in the case of transformational change. In government sectors, many factors come into play, such as fear of the unknown, the

possibility of economic insecurity, threats to social relationships, and failure to recognize the need for change (Nadler, 1988). Such reasons will result in change that is ultimately stamped out and equilibrium returned, unless state leaders as change agents step in to facilitate acceptance of the change. Management should include effective reforms, in-depth, personal, top management communication and demonstrative and regular monitoring.

Resistance to strategic change is often considered to be the major source of resistance within organizations and the key reasons why change initiatives fail and persists to haunt even in future. Well thought out acceptance within employers and employees is based on an approach that integrates everyone involved in a way that promotes commitment and desire to change (Schein, 1993). As organizations continue to experience changes even the slightest, management must ensure that employees see that the change process has priority, is beneficial, and is permanently present and that key information is not lost within the chain. Therefore the key levers of attention management include effective branding, in depth, personal, top management communication and demonstrative, regular monitoring (Davenport and Beck 2000).

Another issue of importance in change theory is the difference between how the government sectors looks at present and how it is expected to look after the change. The importance of identifying state parameters prior to change has been noted in only a few cases. Cameron et al. (1993) discusses “organizational readiness” for change. Depending on the existing culture and the degree to which a change differs from that culture and public sector may be more or less ready for such a change. Tichy and Devanna (1986)

discuss “creating a need for change”; in effect, opening up the government culture to be receptive to the change. Resistance to change is especially relevant if the vision of a change agent differs from the values and beliefs of the existing organizational culture. If that is the case, then cultural issues in the government sector must be addressed (Schein, 1991). This is the part of the process that is easy to overlook in major change efforts in organizations. If the government traditions fail to assimilate the vision and its implications, desired change will never become accepted and will ultimately not achieve the set goals and objectives.

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

The chapter presents the research design and methodology of the study. It entails the way the study was designed, the population, the data collection techniques and the data analysis procedure.

3.2 Research Design

The research design employed in this study was case study method. This method was preferred because it allowed for prudent comparison of the research findings. This was the case study that determined the strategic change management practices adopted by GlaxoSmithKline Limited. This required primary data collection on qualitative data for comparison. According to Kothari (2004), a case study involves a careful and complete observation of social units. It is a method of in-depth study rather than breadth and places more emphasis on the full analysis of a limited number of events or conditions and other inter-relations. Primarily data collected from such a study are reliable and up to date.

3.3 Data collection

This study collected primary data. Primary data was collected using interview guides. The interview guides contained unstructured (open-ended) questions which enabled the researcher collect the respondents' views, background, opinions, hidden motivation, decisions, interests and feelings about the strategic change management practices at GlaxoSmithKline Limited .The interview guide contained two section one for general information and the other addresses strategic practices issues. With the unstructured questions the respondents were managers who were engaged in formulation and

implementation of change management practices. This enabled the researcher to obtain information about the strategic change management practices at GlaxoSmithKline Limited.

3.4 Data Analysis

The collected qualitative data from the interview guides was analyzed using content analysis. Content analysis is defined as a technique of making inferences by systematically and objectively identifying specific characteristics of messages and using the same to relate to trends. It provided the researcher with a qualitative picture of the respondent's concerns, ideas, attitudes and feelings. Content analysis generated qualitative report which was analyzed in a continuous prose.

CHAPTER FOUR: DATA ANALYSIS, INTERPRETATION AND PRESENTATION

4.1 Introduction

This chapter presented analysis and findings of the study as set out in the research methodology. The results were presented on the strategic change management practices at GlaxoSmithKline limited. The study collected data from 2 respondents who were interviewed and worked in the pharmaceutical department. The data was gathered exclusively through an interview guides as the research instruments. The interview guides were designed in line with the objectives of the study and were used to collect qualitative data.

4.2 General Information

4.2.1 Respondents' Departments

The study sought to know the department from where the respondents worked in. From the findings, the respondents were working in the pharmaceutical department.

Respondent's designation

From the findings, one of the respondents was the commercial director while the other was the Strategic Manager. This implies that the information on strategic change management practices in adopted in GlaxoSmithKline Limited was collected from relevant personnel's.

4.2.2 Interviewees' Designation in the Department

The study sought to know the designation in the department. From the findings, the respondents were working in operation department and strategic management department

This implies that the respondents are involved in formulating strategic decision of the company and therefore were aware of the strategic practices that had been adopted in the company .

4.2.3 Respondents total work experience in years

The study sought to investigate the total work experience over which the respondents had worked in the company. From the findings, the respondents from strategic department indicated that he has worked in the organization for more than 8 years while the respondents from the operation department indicated that he has worked in the company for 15 years. This implies that information on strategic change management practices was collected from personnel who had experience on strategic change management practices adopted by GlaxoSmithKline Limited.

4.3 Strategic change management practices

4.3.1 The environment influences on company operations in terms of strategic alignment

The study sought to investigate ways in which environment influence the operations of GlaxoSmithKline Limited in terms of strategic alignment. From the findings, majority of the respondents indicated that change in external environment influences the firm to adapt to the external environment. The respondents indicated that rapid and constant changes in the external environment require appropriate responses from management in GlaxoSmithKline Limited in deciding upon appropriate organizational responses and the Company changes the strategy in response to the environmental changes. The study further found that environmental factors make GlaxoSmithKline Limited to adopt new

strategies in the face of financial distress for the purpose of breaking the critical situations. This implies that environment influences the performance of GlaxoSmithKline Limited as it Strategic adoptions to volatile markets make the company to implement major corporate changes such as diversification in new products ,adopt focus strategy in offering their products to specific groups in the markets and differentiation their products to serve all the categories of the customers.

4.3.2 Processes employed to ensure significant changes are implemented

The study investigated the processes that are employed to ensure significant changes are implemented in an orderly manner at GlaxoSmithKline Limited. From the findings, majority of the respondents indicated that the management of the GlaxoSmithKline Limited management creates awareness by developing an informal network of relation to get information, and commitment, solidifying progress and integrating processes and interests, using formal analytical techniques for establishing, measuring and rewarding key initiatives to ensure significant changes are implemented.

4.3.3 Strategic change managements that have taken place

The study sought to investigate the strategic change management that has taken place at GlaxoSmithKline Limited over the last years. From the findings, respondents indicated that the company had established a structured methodology for responding to changes in the business environment such as fluctuations in the economy, or a threat from a competitor for examples offering of effective products in the markets, formulation. The study further found that the company had established coping mechanisms for responding to changes in the workplace such as new policies, or technologies.

4.3.4 Describing the pace of the strategic change that has taken place

The study requested the respondents to describe the pace of the strategic change that has taken place at GlaxoSmithKline Limited. From the findings, majority of the respondents indicated that the management of the GlaxoSmithKline Limited has acted swiftly to change in the market due to influence of competitors in the markets, political and government influence, customer need by offering products that creates competitive advantage such as central nervous system therapies, respiratory and cardiovascular drugs, and antivirals, Advair, which combines two of the company's other products, Flovent and Sere vent in response to the customer needs in addition to offering a large range of over-the-counter medicines sold in chemists' shops, as well as health and food products such as energy drinks.

4.3.5 Importance's of selecting strategic solutions to address issues that confront your Company.

The study sought to know the extent to which the importance's of selecting solutions to address issues that confront the company. From the findings, majority of the respondents indicated that selecting strategic solutions to address issues that confront your Company was important to a very great extent.

4.3.6 Benefits of strategic change management

The study sought to know the benefits of strategic change management in GlaxoSmithKline Limited. From the findings, the respondents indicated that strategic change management helps the management of the company to recognize the power of

human dynamics in a change process, recruiting qualified staff it also acts as a map for guiding action and helping stay on course rather. The study further found that strategic change management helps the company members develop a relationship necessary to maximize effectiveness of a change effort.

4.3.7 Factors that favor the strategic change processes

The study sought to investigate the factors that favor the strategic change processes in GlaxoSmithKline Limited. From the findings, the respondents indicated that the need for performance improvement, cost reduction and communication means influence favor the strategic change process. It was also found that level of staff involvement in the process, technological advancement, training of the employees strategic choice .new requirements from the state and employees motivation influence strategic change at the company.

This clearly implies that need for performance improvement, cost reduction and communication, level of staff involvement in the process, technological advancement, Training of the employees Strategic choice in the company, new requirements from the state influence strategic change in the company so as to suit and continue achieving high performance and creates competitive edge over it rivals in the market.

4.3.8 What are the major outcomes of strategic change management at GlaxoSmithKline Limited?

The study sought to know the major outcomes of strategic change management at GlaxoSmithKline Limited .From the findings the major outcomes of the strategic change in management adopted by the company were better management health care practices which include improve developing drugs and other food stuff for examples Advair,

company's top asthma product medication which combines two of the company's other products, Flovent and Sere vent, redundancy of some staff work force, greater accountability and efficient of fund, acquisition of competent staff. The study also found that due to improvement of the strategic change management the company has been able to improve in efficiency leading to improve healthcare products development management.

4.3.9 Major successes of the Company strategic change management process

The study sought to know the major successes of GlaxoSmithKline Limited strategic change management process. From the findings, majority of the respondents indicated that the firm members have seen the importance of decision rights and information flow in driving effectiveness and how the company succeed or fail at execution of the strategy.

4.3.10 How the Company currently responds to changing environment

The study ought to investigate how GlaxoSmithKline Limited currently responds to changing environment. From the findings, the respondents indicated that the company has adopted a narrow organization structure with departments focusing on each market segment for effective management of its customers. In terms of market performance, the company has continued to be one of the top players in the health care services and it has consistently defended its market share over the years due to adoption of focus on profitability and efficiency in service delivery. The respondents also indicated that the company has invested heavily in Hi-tech equipment and on-going training of the personnel to adapt effectively due to change in technology. From the findings, most of the respondents indicated that the company has also open braches across the country to

reach as many customers as possible, developed effective marketing strategies and offering better training of marketing staff to effectively market the product of the company in more strategic approach. The respondents also indicated that the company only engages in offering products and healthcare products that are allowed by the government thereby adapting to the government regulations.

4.3.11 How strategic change management practices are affected by the firm structure

The study sought to investigate how the strategic change managements are affected by the firm structure. From the findings the respondents indicated that the failure of organization structure to design according to the needs of the strategy and the relationships among various positions and activities are not well prescribed the strategic change management does not succeed. The study further found that lack of organizational structure to fit the strategy affect the strategy implementation. This implies that there is need to take a very close look at the organization structure and evaluate if it supports your strategy.

4.3.12 The resistance to strategic change management practices

The study requested the respondents to indicate the resistance to strategic change management practices faced at GlaxoSmithKline Limited. From the findings, respondents indicated that the firm members resist change due to fear of the unknown outcome, the possibility of economic insecurity, threats to social relationships, and failure to recognize

the need for change. This implies that firm members restrict the meaning of change management to the need to improve organizational performance

4.3.13 How management style influences the strategic change management

The study sought to investigate how the management style influences the strategic change management in the GlaxoSmithKline Limited. From the findings, the respondents indicated that Management style influences the strategic change management due to development of strategic intentions and conflicting priorities, formulation of an effective senior management team, improving vertical communication and enabling effective co-ordination across functions. The study further found that managerial decisions cause changes of environmental conditions where by they resort to participants in the environment in order to legitimize their actions and obtain and that the managers strategic decisions at their disposal is partial so as to foresee trends in the (changing) environment influence strategic change in the company, With regard to other environmental aspects, like technology, more efficient actions are actually carried out, such as forming associations and attending to professional publications to enhance better management in the company for effective and efficient strategic change management practices to be adopted for better performance .

4.3.14 How the Company responds to resistance to strategic change management practices

The study sought to know how the GlaxoSmithKline Limited currently responds to resistance to strategic change management practices. From the findings, respondents indicated that in response to resistance to strategic change management practices

management should include effective reforms, top management communication and demonstrative and regular monitoring. The respondents also indicated that the management encourages the employees to see the change process as a priority, beneficial, and is permanently present and that key information is not lost within the chain. The study further found that the management of the company carry staff training through seminars and workshops, adopt an effective and attractive motivation programs, engaging the staff in strategic decision making and rewarding those staff that has exemplary performance.

CHAPTER FIVE : DISCUSSIONS, CONCLUSIONS AND RECOMMENDATIONS.

5.1 Introduction

This chapter provided the summary of the findings from chapter four, and also it gives the conclusions and recommendations of the study based on the objectives of the study. The objectives of this study were to determine the strategic change management practices that have been adopted at GlaxoSmithKline Limited.

5.2 Discussion

The study established environment influence the operations of GlaxoSmithKline Limited in terms of strategic alignment. From the findings, change in external environment influences the firm to adapt to the external environment. The respondents indicated that rapid and constant changes in the external environment require appropriate responses from management in GlaxoSmithKline Limited in deciding upon appropriate organizational responses and the Company changes the strategy in response to the environmental changes. The study further found that environmental factors make the GlaxoSmithKline Limited to adopt new strategies in the face of financial distress for the purpose of breaking the critical situations. This implies that environment influences the performance of GlaxoSmithKline Limited as it Strategic adoptions to volatile markets make the company to implement major corporate changes such as diversification in new products ,adopt focus strategy in offering their products to specific groups in the markets and differentiation their products to serve all the categories of the customers. This concurred with Thompson and Strickland (1999) who indicated that with important

changes taking place in the social fabric within which organizations operate are vital forces impacting organizations within the context of their business operations.

The study found out that management of the GlaxoSmithKline Limited management creates awareness by developing an informal network of relation to get information, and commitment, solidifying progress and integrating processes and interests, using formal analytical techniques for establishing, measuring and rewarding key initiatives to ensure significant changes are implemented. This was in line with Dent and Barry (2004) adopt different strategic approaches it has become competitive in the market.

The study established the strategic change management that has taken place at GlaxoSmithKline Limited over the last years structuring methodology for responding to changes in the business environment such as threat from a competitor like Canozn Chemicals Limited for examples offering of effective products in the markets, formulation.

The study found out the importance of selecting solutions to address issues that confront the company and this enabled the company to adapt very well in the competitive market . The study found that the benefits of strategic change management in GlaxoSmithKline Limited are helping the management of the company to recognize the power of human dynamics in a change process, recruiting qualified staff it also acts as a map for guiding action and helping stay on course rather. The further found out that strategic change management helps the company members develop a relationship necessary to maximize effectiveness of a change effort, manufacture products that are in need in the market, operate within the requirement of the law and create competitive edge over it rival in the

market. The study further found that benefits of strategic management practices in the company also includes new and well implemented strategies, acquisitions that lead to achieved expected synergies, business re-engineering leading to short and less costly processes, down-sizing that lower the costs and quality programs that deliver expected outcomes.

The study established that factors that favors the strategic change processes in GlaxoSmithKline Limited includes need for performance improvement, cost reduction and communication means influence favor the strategic change process. The study further found that found that level of staff involvement in the process, technological advancement, and training of the employee's strategic choice .new requirements from the state and employees motivation influence strategic change at the company.

The study established that the major outcomes of strategic change management at GlaxoSmithKline Limited were better management health care practices which include improve developing drugs and other food stuff for examples Advair, company's top asthma product medication which combines two of the company's other products, Flovent and Sere vent, redundancy of some staff work force, greater accountability and efficient of fund, acquisition of competent staff. The study found out that due to improvement of the strategic change management the company has been able to improve in efficiency leading to improve healthcare products development management.

The study found out that GlaxoSmithKline Limited was responding to changing environment adoption of a narrow organization structure with departments focusing on each market segment for effective management of its customers, becoming top players in

the health care services and adoption hi tech technology and of focusing on profitability and efficiency in service delivery. The study also established that the company was open braches across the country to reach as many customers as possible, developed effective marketing strategies and offering better training of marketing staff to effectively market the product of the company in more strategic approach. The study also found that company only engages in offering products and healthcare products that are allowed by the government thereby adapting to the government regulations.

The study found that strategic change managements were being affected by the management structure through designing design according to the needs of the strategy and the relationships among various positions and activities unwell prescribed the strategic change management does not succeed. The also found that lack of organizational structure to fit the strategy affect the strategy implementation.

The study found that GlaxoSmithKline Limited staff resisted change due to fear of the unknown outcome due to adoption of strategic change, the possibility of economic insecurity, threats to social relationships, and failure to recognize the need for change and fear of loss of their sources of income.

The study found that GlaxoSmithKline limited was currently responding to resistance to strategic change management practices adoption of effective strategies top management communication and demonstrative and regular monitoring through encouraging the employees to be positive on change process as a priority, beneficial, and is permanently present and that key information is not lost within the chain. The study further found that the management of the company carry staff training through seminars and workshops,

adopt an effective and attractive motivation programs, engaging the staff in strategic decision making and rewarding those staff that has exemplary performance.

5.3 Conclusions

The study concluded that environment influences the operations of GlaxoSmithKline Limited in terms of strategic alignment due rapid and constant changes in the external environment require appropriate responses from management in GlaxoSmithKline Limited in deciding upon appropriate organizational responses and the Company changes the strategy in response to the environmental changes.

The study concludes that environmental factors make GlaxoSmithKline Limited to adopt new strategies in the face of financial distress for the purpose of breaking the critical situations to make the company to implement major corporate changes such as diversification in new products, adopt focus strategy in offering their products to specific groups in the markets and differentiation their products to serve all the categories of the customers.

The in response to force of external environment, the study concludes that GlaxoSmithKline Limited management should enhance creation of awareness by developing an informal network of relation to get information, commitment, solidifying progress and integrating processes and interests, using formal analytical techniques for establishing, measuring and rewarding key initiatives to ensure significant changes are implemented. The study also found that the company was practicing selecting solutions

to address issues that confront the company in this enabled the company to adapt very well in the competitive market .

The study concludes that the management of GlaxoSmithKline Limited should always adopt strategic change management practices so as to help the management of the company to recognize the power of human dynamics in a change process, recruiting qualified staff and helps the company members develop a relationship necessary to maximize effectiveness of a change effort, manufacture products that are in need in the market, well implemented strategies, acquisitions that lead to achieved expected synergies, business re-engineering leading to short and less costly processes, down-sizing that lower the costs and quality programs that deliver expected outcomes.

The study concludes that factors that influences the strategic change processes in GlaxoSmithKline Limited were need for performance improvement, cost reduction and communication means influence favor the strategic change process improve level of staff involvement in the process, technological advancement, training of the employees strategic choice .new requirements from the state and employees motivation influence .

The study concludes that strategic change management that were being adopted in GlaxoSmithKline Limited due to changing environment includes adoption of a narrow organization structure with departments focusing on each market segment for effective management of its customers, becoming top players in the health care services and adoption hi tech technology and of focusing on profitability and efficiency in service delivery, developing effective marketing strategies and offering better training of marketing staff to effectively market the product of the company in more strategic

approach. The study also found that company only engages in offering products and healthcare products that are allowed by the government thereby adapting to the government regulations.

The study found that strategic change managements were being affected by the management structure through designing design according to the needs of the strategy and the relationships among various positions and activities unwell prescribed the strategic change management does not succeed. The also found that lack of organizational structure to fit the strategy affect the strategy implementation.

The study found that GlaxoSmithKline Limited staff resisted change due to fear of the unknown outcome due to adoption of strategic change, the possibility of economic insecurity, threats to social relationships, and failure to recognize the need for change and fear of loss of their sources of income.

The study finally concludes that management of GlaxoSmithKline Limited was minimising resistance to strategic change management practices by the staff through adoption of effective strategies top management communication and demonstrative and regular monitoring through encouraging the employees to be positive on change process as a priority and carry staff training through seminars and workshops, adopt an effective and attractive motivation programs, engaging the staff in strategic decision making and rewarding those staff that has exemplary performance.

5.4 Limitations of the Study

The main limitation of study was inability to include more organizations. This study only the study was limited to a case study and could have included more pharmaceutical so as to provide a more broad based analysis. However, resource constraints placed this limitation.

The study also faces challenges of time resources limiting the study from collecting information for the study particularly getting the respondent to interview due to their tight schedules.

The study also faced challenges on distorted responses due to sensitivity of the information require for the study to achieve it objective.

The study was further limited due to generalising the study as it only focus on a case study of GlaxoSmithKline Limited.

5.5 Recommendations for further Study

The study investigated the strategic change management practices at GlaxoSmithKline Limited. A further study should be carried to investigate the effects of strategic change management practices on the performance of the GlaxoSmithKline Limited. The study suggests that a study should also be carried out to investigate the effects of staff resistant to strategic change management in the pharmaceutical firms in Kenya.

REFERENCES

- Ansoff, H.I. (1999). *Implanting strategic management*, Prentice Hall, Cambridge, United Kingdom.
- Ansoff, H.I., & McDonnell, E (1990). *Implementing strategic management: 2nd edition*, Prentice Hall, New York.
- Aosa, E. (1996), Management in Africa: Contextual Factors and their Influence, The University of Nairobi Journal of Management Role, 1 July 1996
- Beckhard, R.F., and R.T. Harris, (1987). *Organizational Transitions: Managing Complex Change*. Reading, MA: Addison-Wesley.
- Bolognese A. F., (2002), Employee Resistance to Organizational Change, www.newfoundations.com/OrgTheory/Bolognese721.html, Re-edited, 9th March 2005
- Brown, S. L. And Eisenhardt, K. M. (1997), *The Art Of Continuous Change: Linking*
- Buchanan, D.A., and Boddy, D. (1992), *Power politics and organisational change: Winning the Turf Game*. Sage: London.
- Bullock, R.J., and D. Batten, (1985). "It's Just a Phase we're going through." *Group and Organizational Studies* 10: 383–412.
- Burnes, B. (2009). Behavioral issues in change, in Carnall, C. (ed.), *Change management: the theory and practice of strategic change management*, London.

- Butcher, D. and Atkinson, S. (2001), "Stealth, secrecy and subversion: the language of change", *Journal of Organizational Change Management*, Vol. 14 No.6, pp.554-69.
- Bwibo Adieri (2000) a survey of strategic change management practices within non-governmental organizations in kenya. Unpublished MBA Project. University of Nairobi.
- Chandler A.D. (1962). *Strategy and Structure: chapters in the History of the Industrial Enterprise*, Cambridge, MA: MIT Press.
- Chapman (2005), Researching the roles of internal-change agents in the management of organizational change, *British Journal of Management*, Vol. 8 No. 1, pp. 61-73.
- Child, J. (1972) Organization Structure and Strategies of Control: A Replication of the Aston Study, *Administrative Science Quarterly*.
- Dawson, P. (1996) Understanding Organizational Change, in Huczynski, A and Buchanan, D (2003), *Organizational Behavior*, 4th Ed. Pearson Education Ltd., England
- De wit B and Meyer R (2004) *Strategy: Process, content and Context*, 3rd Edition; Thompson Learning, North Yorkshire 2004 Edition
- Dent, M., and Barry, J. (2004). New public management and the professions in the UK: reconfiguring control?, in Dent, M., Chandler, J., Barry, J. (Eds), *Questioning the New Public Management*, Ashgate, Aldershot, pp.7-20.

- Diefenbach, T. (2006), "Competing perceptions and business models of senior managers in a higher education institution", *International Journal of Knowledge, Culture and Change, Management*, forthcoming
- Emery, Gay (1998): *Corporate Finance Principles & Practice*. Addison – Wesley, Reading
- Gekonge C. (1999). A survey of the strategic change management practices by Kenyan companies: a case of companies listed by the NSE, *Unpublished MBA Research Project*, University of Nairobi.
- Gekonge C (1999) a survey of the strategic change management practices by Kenyan companies: a case of companies listed by the NSE. Unpublished MBA Project. University of Nairobi.
- Grant, D. (2005), "Guest editorial: discourse and organizational change", *Journal of Organizational Change Management*, Vol. 18 No.1, pp.6-15.
- Hannan, M. and Freeman, J. (1984). Structural inertia and organizational change. *American Sociological Review*, 49: 149-164
- Hill, C. And Jones, G. (2001) *Strategic Management Theory*, 5th edition, Houghton Mifflin Company.
- Hofer, C. W. & Schendel, D. (1978). *Strategy formulation: Analytical concepts*. St. Paul, MN: West.
- Huczynski, A and Buchanan, D. (2003), *Organizational Behavior*, 4th Ed. Pearson Education Ltd., England

- Jeff (2007) *The Challenge of Organisational Change: How Companies Experience It and Leaders Guide It*, Free Press, New York, NY.
- Johnson G., Scholes K,(2003),*Exploring Corporate Strategy; Texts and Cases*, Prentice Hall, New Delhi, 6th edition.
- Katzenbach, J. R. And Smith, D. K. (1993) *The Discipline of Teams*, Harvard Business Review
- Kotter, J. P. and Schlesinger, L. A (1979), *Choosing Strategies for Change*, Harvard Business Review, March - April 1979 issue
- Kotter, J.P. (1996). *Leading change: why transformation efforts fail*, *Harvard Business Review*, No. March-April, pp. 59-67.
- Lewin, K. (1951) *Field Theory in Social Sciences*, in Huczynski, A and Buchanan, D (2003), *Organizational Behavior*, 4th Ed. Pearson Education Ltd., England
- McAuley, J., Duberly, J. and Cohen, L. (2000), "The meaning professionals give to management and strategy", *Human Relations*, Vol. 53 No.1, pp.87-116.
- Modahl, M. (2000), *Now or Never. How Companies Must Change Today to Win the Battle for the Internet Consumer*, Orion, London,
- Mullins L.J (1999), *Management and Organizational Behaviour*. (5th Ed.): In Marrow, A.J (1969), *The Practical Theorist: The Life and Work of Kurt Lewin* Teachers College Press.1977 Ed. New York.

- Nickols (2006). The challenge of global change for strategy: Opportunities for charting a new course”, in Shrivastava, A.H. and Dutton, J. (Eds), *Advances in Strategic Management: Responding to a Changing World*, Vol. 9, JAI Press,
- Ongaro K. (2004). Strategic change management practices in Kenyatta National Hospital, *Unpublished MBA Research Project*, University of Nairobi.
- Onguso P.N (2008). Effectiveness of strategic change management practices at National Water Conservation And Pipeline Corporation, *Unpublished MBA Research Project*, University of Nairobi.
- Otiso Henry Nyabuto (2008) strategic change management practices : the case of Africa merchant assurance company.
- Paton, R.A. and McCalman, J. (2000), *Change Management: A Guide to Effective Implementation*, 2nd ed., Sage Publications, London.
- Senge, P. M. (1990), *The Fifth Discipline The Art and Practice of the Learning Organization*, New York: Random House.
- Stacey, R. (2003). *Strategic management and organizational dynamics: the challenge of complexity*, Prentice-Hall, Harlow
- Thompson, A.A., and Strickland III, A.J (1999). *Strategic management: concepts and cases*, 11th edn., Singapore: Irwin/McGraw-Hill.
- Wilson, D.C. (2002). *A strategy for change: concepts and controversies in the management of change*, Routledge, London.

APPENDICES

Appendix I: Letter of Introduction

Doreen Kathure Marete

RE: REQUEST TO COLLECT DATA FOR MBA RESEARCH PROJECT

I am a student at the University of Nairobi pursuing a Masters of Business Administration program.

Pursuant to the pre-requisite course work, I am conducting a research project on **STRATEGIC CHANGE MANAGEMENT PRACTICES AT GLAXOSMITHKLINE LIMITED**. The focus of my research will be GlaxoSmithKline Limited and this will involve use of an interview guide to be administered to members of your management team.

The information that will be provided will be used for academic purpose only. Your assistance is highly valued. Thank you in advance.

Yours faithfully,

Doreen Kathure Marete

Appendix II: Research Instrument for GlaxoSmithKline Limited Staff

PART A: GENERAL INFORMATION

1. Name of department.

.....

2. What is your designation in the department?

.....

3. What is your total work experience in years?.....

PART B: STRATEGIC CHANGE MANAGEMENT PRACTICES

4. How does the environment influence the operations of this company in terms of strategic alignment?

.....
.....
.....
.....
.....
.....
.....
.....
.....

5. Which are the processes that are employed to ensure significant changes are implemented in an orderly manner?

.....
.....
.....
.....

6. Which are the strategic change managements that have taken place at GlaxoSmithKline Limited over the last years?

.....
.....
.....
.....
.....

7. How would you describe the pace of the strategic change that has taken place at GlaxoSmithKline Limited?

.....
.....

11. To what extent is the importance of selecting strategic solutions to address issues that confront your Company?

Very great extent []

Great extent []

Moderate Extent []

Less extent []

No Extent []

Give reasons for your answer

.....
.....
.....
.....

12 What are the benefits of strategic change management in the GlaxoSmithKline Limited?

.....
.....
.....
.....

13 Which factors favor the strategic change processes in GlaxoSmithKline Limited?

.....
.....
.....
.....

14 What are the major outcomes of strategic change management at GlaxoSmithKline Limited?

.....
.....
.....

15 What are the major successes of the GlaxoSmithKline Limited strategic change management process?

.....
.....
.....
.....

16 How is GlaxoSmithKline Limited currently responding to changing environment?

.....
.....
.....
.....

17 How are the strategic change management practices affected by the firm structure?

.....
.....
.....
.....

18. Kindly indicate the resistance to strategic change management practices faced at GlaxoSmithKline Limited?

.....

.....

.....

.....

.....

.....

.....

.....

19 How does management style influence the strategic change management GlaxoSmithKline Limited?

.....

.....

.....

.....

18. Kindly indicate how GlaxoSmithKline Limited currently responding to resistance to strategic change management practices?

.....

.....

.....

