SURVEY OF EMPLOYEE PERCEPTION OF THE CHANGE PROCESSES IN TELKOM KENYA HEADQUARTERS

Presented By:

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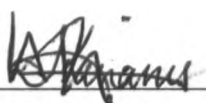A Management Research project submitted in partial fulfillment of the requirements for the Degree of Master of Business Administration, School of Business, University of Nairobi

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DECLARATION

I, the undersigned, declare that this is my original work and has not been submitted to any other college, institution or university.

Signed: _____   Date: _07_ / _11_ / _2007_

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This project has been presented for examination with my approval as the University Supervisor.

Signed: _____   Date: _7/11/07_

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DEDICATION

To my loving mother Rose Muriira and my late father Charles Muriira.

ACKNOWLEDGEMENT

I would like to express my sincere thanks to my supervisor Mr. Jackson Maalu who has helped in perusing and working through various drafts of this study. To all the lecturers who have taken me through the program.

Special thanks to my family members – Patricia, Joy, Jeremy, Lawrence, Njoki and Joni - for encouraging me all through the project development especially when I felt really discouraged.

To you Chris, you have been my pillar of strength.

To all my friends especially Saitoti, your support and encouragement is immeasurable.

To all the respondents who took their time to fill and return my questionnaires.

To my boss Martin for all your patience.

God bless you all.

ABSTRACT

The objectives of this study were to determine the employees' perception of the change processes in Telkom Kenya and to establish factors that influence their perception.

The research design appropriate for this study was that of a survey of employee perception of the change process in Telkom Kenya. The principal advantage of a survey is that it can collect a great deal of data about an individual respondent at one time. The population consisted of all Telkom employees. The sampling frame was employees both in management and support. The data analysis method is quantitative. Data presentation is in the form of tables.

If change efforts are to be effective, people need to change the ways in which they interact with other areas of the organization. People will have to really understand their new roles and responsibilities and will have to focus on the horizontal linkages between processes and functions. A new mindset is required. However, it is important to recognize that it is not just about streamlining operations and ensuring better information and communication. There is a danger that if the organization focuses on this as the object of streamlining processes and implementing new systems efficiency, it will create a narrow focus. This may eliminate the in depth understanding of strategic imperatives, income generation and service delivery issues and practical operating realities. While many organizations are at least adequately prepared to facilitate organizational transitions, few organizations really provide enough focus on how to address personal transitions or the need to ensure that personal transitions are aligned with organizational transitions.

Firms that undertake change in their organization often aim to improve their performance in terms of, for example, higher profits, better responsiveness to the market, and long-term competitive advantage. The real value of organizational change rests on its ability to alter an organization's identity, strategy, structure, operation or human resources as a means to enhance firm performance.

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CHAPTER ONE: INTRODUCTION

1.1 Background

1.1.1 Concept of Change

To deal effectively with all that affects the ability of a company to grow profitably, executives design strategic management processes they feel will facilitate the optimal positioning of the firm in its competitive environment. Such positioning is possible because these strategic processes allow more accurate anticipation of environmental changes and improved preparedness for reacting to unexpected internal or competitive demands (Pearce & Robinson, 1991).

Strategy is the match between an organization's resources and skills and the environmental opportunities and risks it faces and the purposes it wishes to accomplish (Schendel & Hofer, 1979). Organizations are environment-dependent. No organization can exist without the environment. They depend on the environment for their survival and they have to scan the environment in an effort to spot budding trends and conditions that could eventually affect the industry and adapt to them (Thompson & Strickland, 1993).

Stoner et al (2002) describe planned change as the systematic attempt to redesign an organization in a way that will help it adapt to significant changes in the environment and to achieve new goals. Change management is the alteration of a company's strategic objectives in response to new issues. Options include adding, removing, splitting, or merging components within the organizational structure to ensure that your business can address any changes that may become apparent in the future (Deloitte and Touche LLP, 2004).

The concept of organizational change refers to an effort or a series of efforts designed to modify certain aspects or configurations of an organization: for example, identity, goals, structure, work processes or human resources. Furthermore, ideas of organizational learning or strategic flexibility that emphasize the extent to which a firm is capable of learning and adapting itself to changing environments are associated with the antecedents and outcomes of organizational change. The growing attention to these concepts has enhanced both the frequency and scale of organizational change efforts. Hence, one can reason that the likelihood of employees facing some type of organizational change is higher than ever before (Vithessonthi, 2005).

In addition to the greater level of exposure of employees to organizational change, managers within most organizations are also experiencing greater internal and external pressures to initiate change within their organization in order to maintain or improve firm performance. These pressures include, for example, increased competitive pressures, new government regulations, technological change, or declining firm performance. Given the above-mentioned environments, research on organizational change has been enriched by both empirical and theoretical studies investigating many aspects of organizational change such as change strategies, change processes, or antecedents and outcomes of different forms of change (Vithessonthi, 2005).

The environment of public corporations is a complex phenomenon and has not yet been adequately conceptualized. It is more unpredictable and less stable than that of private enterprises, mainly because it's socio-political contents are very large (Edwards, 1967). Public corporations can be defined as an activity of the government, whether central, state or local, involving manufacturing or production of goods (including agriculture) or

making available a service for a price, such activity being managed either directly or through an autonomous body with the government having a majority holding (Narain, 1979).The change process conditions are different for each organization. That is why there is no standard plan to go from beginning to end in a change process. Every organization is different, knows a different history of change and has a different culture with its own specific dynamics (Deloitte and Touche LLP, 2005). Johnson and Scholes (2003), agree that there is no right formula for the management of change. They note that the success of any attempt at managing change will be dependent on the wider context in which that change is taking place. Change management is not a distinct discipline with rigid and clearly-defined boundaries. Rather the theory and practice of change management draws on a number of social science discipline and traditions (Burnes, 2004).

1.1.2 Human context in Change Management

Organizations are feeling the heat of public criticism. Fuelled by a growing cynicism, many long-standing institutions have become targets for scrutiny and change. Regulators are cracking down on questionable industry wide business practices in troubled sectors. Many companies are restructuring their operations to cope with the new, lean economy. The imperative to change the way organizations do business has never been greater. The imperative may be great, but the success rate of change programs is not so great. About 75% of all organizational change programs fail, largely because employees feel left out of the process and end up lacking the motivation, skills and knowledge to adopt new systems and procedures. Yet the recipe for successful change management is well known and deceptively simple: align the trinity of people, processes and technology with leadership and organizational strategy. The devil, as always, is in the details: how to

implement a change program successfully when dealing with the vagaries of human behavior (Dawson and Jones, 2005).

Johnson and Scholes (2003) note that managing strategic change must address the powerful influence of the paradigm and the cultural web on the strategy being followed by the organization. They further state that if change is to be successful it has to link the strategic and the operational and everyday aspects of the organization. Successful change requires developing strategies to facilitate both the organizational and human side of change. Burnes (2004) recognizes that planned approach to change is closely associated with the practice of Organization Development (OD) and indeed lies at its core. Organizational development is a unique organization improvement strategy that provides a framework of theories and practices capable of solving or helping solve most of the important problems confronting the human side of the organizations. It is about people and organizations and people in organizations and how they function. OD practitioners in their work, have some values clearly reflected, this include: empowering employees to act; creating openness in communication; facilitating ownership of the change process and its outcomes; the promotion of a culture of collaboration; and the promotion of continuous learning.

Stoner, Freeman & Gilbert (2002) describe OD as a top-management-supported , long-range effort to improve an organization's problem solving and renewal process, particularly through a more effective and collaborative diagnosis and management of organization culture – with special emphasis on formal work team, temporary team, and intergroup culture – with the assistance of a consultant – facilitator and the use of the theory and technology of applied behavioral science, including action research. Human

relations movement sees change as problematic. Organizations are social systems, change is not a rational process, and emotions come into play as well. Therefore, persuasion and leadership play a key role in changing organizations (Burnes, 2004).

1.1.3 Background on Telkom Kenya Limited

Telkom Kenya Limited (TKL) came into existence in 1999 following the enactment of the Kenya Communications Act in 1998, which replaced Kenya Posts and Telecommunications Corporation Act (Cap 411 of the Laws of Kenya). This resulted in the break-up of the now defunct Kenya Posts and Telecommunications Corporation monopoly into three separate legal entities namely, TKL, Postal Corporation of Kenya and Communications Commission of Kenya (CCK), the sector's regulatory authority. TKL was also granted a five-year exclusivity period in provision of international telecommunications services, Very Small Aperture Terminal (VSAT) hub for international connectivity, Long distance telephone services, Internet backbone, interconnect facilities between operators and Nairobi local telephone services. This exclusivity period expired in June 2004. The company has national wide network coverage.

TKL formerly had four autonomous branches, namely, Gilgil Telecommunications Industries (GTI), Safaricom Limited, Kenya College of Communications Technology (KCCT) and Postel Directories. GTI is an assembly plant, which produces a range of electronic, and construction equipment used in telecommunication network. KCCT is a training institution offering telecommunications and business courses. On the other hand, Safaricom Limited is a TKL subsidiary, which offers mobile cellular services. It is a joint venture with Vodafone Airtouch International of UK at a 60:40 equity ratio. It has been

provided with a license by CCK to run Mobile Radio Communications Systems. Finally, Postel Directories is an associate company in which TKL has a 40 per cent shareholding.

TKL has been faced by several forces of change such as: Globalization - The global trend towards telecommunications deregulation and privatization is a major market driver ;Liberalization of the Telecommunications Industry - The enactment of the Kenya Communications Act, as well as publication of *Telecommunications and Postal Sector Policy Statement* in 1999 has transformed the industry radically ; The regulatory authority in the sector, the CCK, is also a force change to reckon with in the industry, it offers licenses to operate telecommunications network to those who win in a competitive binding process- The license is issued under certain condition, which must be fulfilled failure to which the operator is penalized; Performance Management Contract - As from June 2004 TKL was required to sign a performance management contract with the government- This meant changing its way of operating ; Technology - Introduction of modern and advance telecommunications technology is a major force of change in the industry- Advancement in technology enables operators offer a wider variety of services ; Changing Consumer Need - The basic telephone has mainly been used for purpose of voice communication, subscribers now want to have other services in addition to traditional telephony; Socio-Economic Factors - People of all ages, race and sex use mobile and fixed phones for social interaction and business contacts; Macro-economic factors such as high inflation rate, low disposable income also affect the industry; High level of investment, favorable exchange rate, low interest rates favour the growth of the sector.

Faced with the above challenges the Company has had to change. Telkom restructuring commenced in February 2006 and involved the following measures: Staff Restructuring – This involves retrenchment of 11,873 members of staff; conducting skills audit and drawing up an optimal structure; divestiture of loss making subsidiaries; divesting GTI through a joint venture and transfer of KCCT to CCK. Other measures include financial Restructuring, Network expansion and modernization, Strategic procurement, Sale of 9% of TKL's shares in Safaricom to finance the staff rationalization program and TKL Privatization.

The staff rationalization has been broken down to three phases. In the first phase employees aged 50 years and above a total of approximately 2,796 employees left the organization, this was as from February 2006 to December 2006. In the second phase employees aged below 50 years, a total of 6,845 employees comprising of semi-skilled, non-core and disciplinary cases left the organization by 31st May, 2007. The final staff rationalization will affect approximately 4,474 employees based on the criteria set by the Human Resource Consultants. The implementation of this phase is scheduled to be completed by end of December 2007.

On divestitures of subsidiaries: GTI bid was won by an Egyptian firm. Conclusion of Joint Venture agreement negotiation has been delayed owing to the losing bidder, who has challenged the award, having been granted a stay order by the High Court. The KCCT transfer to CCK has been done as part of the arrangements to offset License fees arrears due to CCK by TKL. The Loresho Campus (which is part of KCCT) was sold to the Kenya Police and handed over on 25th April, 2007. On financial restructuring, TKL has made a submission on debt restructuring to the Ministry of Finance for implementation as

follows: Tax waiver of accrued interest and penalties of tax and a payment plan for the accumulated principal tax arrears; Conversion of liabilities to Equity and Government Debt Swap. On computerization and process re-engineering TKL has automated operational processes to improve service delivery, that is, order management, billing system, financial & procurement system and Service provisioning & faults management system.

The company has come up with network development initiatives to enhance growth in connectivity through supplier credit arrangements and wireless lines for the rural areas; migration to Internet Protocol (IP) based next generation networks to enhance provision of new services; deployment of broadband services countrywide and Broadband Wireless Services in Nairobi and Mombasa; Outsourcing of Access network and deployment Long Distance Optic Fibre Infrastructure. To enable the company be privatized the sale of 26% of the company's shares to a strategic equity partner and offer 34% (subsequent to the entrance of the strategic partner) through an Initial Public Offering in the Nairobi Stock Exchange has to be been planned within the 2007/2008 financial year. To ensure that there is proper co-ordination and implementation of the change programme, a number new corporate structure has been adopted.To enable the change process, a Master Plan is in place that outlines long term objectives, grand strategies, functional strategies, annual objectives, policies, targets and milestones, action plan on the implementation of the strategies. The organization has a strategy map developed indicating performance drivers and diagnostic measures, this is demonstrated in Company's Strategic Plan for the period 2005- 2010.

1.2   Statement of Research Problem

The effectiveness of an organization and its people depends on the extent to which each person and department perform their role and move towards the common goals and objectives. Where individuals are stimulated to commit themselves to a goal, and where their personal pride and self-esteem are at stake, then the level of motivation is at peak. For most people the toughest critic and the hardest taskmaster they confront is not their immediate boss but themselves (Oakland, 1998).

If change efforts are to be effective, people need to change the ways in which they interact with other areas of the organization. People will have to really understand their new roles and responsibilities and will have to focus on the horizontal linkages between processes and functions. A new mindset is required. However, it is important to recognize that it is not just about streamlining operations and ensuring better information and communication. There is a danger that if the organization focuses on this as the object of streamlining processes and implementing new systems efficiency, it will create a narrow focus. This may eliminate the in depth understanding of strategic imperatives, income generation and service delivery issues and practical operating realities. While many organizations are at least adequately prepared to facilitate organizational transitions, few organizations really provide enough focus on how to address personal transitions or the need to ensure that personal transitions are aligned with organizational transitions. Transitions, both personal and organizational, are critical drivers of successful change (Deloitte and Touche LLP, 2005).

Attitudes towards organizational change tend to result in pre-determined intentions to behave and then subsequent behaviors. In this sense, managers and/or employees who

have a negative attitude towards organizational change are more likely to resist efforts to change. In the same way, it is probable that managers or employees who have a positive attitude toward organizational change are more likely to support efforts to change (Vithessonthi, 2005).

Empirical research has begun to show that in organizational settings, certain perceptions such as the perception of uncertainty are associated with people's behaviors. An empirical study by Ashford and colleagues (1989), for example, has shown evidence for a positive relationship between perceived job insecurity and intention to quit. Another empirical study by Eisenberger, Fasolo and Davis-LeMastro (1990) has demonstrated that employees' perceived organizational support is related to various attitudes and behaviors. In a more recent study, Gopinath and Becker (2000) found that perceived procedural justice concerning the divestment activities of the firm is positively related to post-divestment commitment to the firm. Earlier studies have been conducted in TKL covering different issues. Kandie (2001) confirmed that TKL has put in place strategies to position itself ahead of competitors; however he notes that implementation had been hampered by issues such as lack of financing, bureaucratic processes, attitudes, cultures and Pension Scheme Liabilities. Kiptarus (2003) states that in public organizations management does not have the freedom to optimize its own performance and this has led to poor strategy implementation. The study also indicated that employees were not involved in strategy formulation.

As the organization positions itself competitively by embracing different changes, it should be noted that it is very difficult to separate services an organization offers and the individual offering the service. The quality of service offered by an organization is to a

great extent judged by the consumer with respect to the person the company has entrusted to give this service to the customer (Davis & Aquilano, 2002). Therefore it is very important that as the organization goes through the change process while it has in mind its employees. This study theoretically deviates from the mainstream research on change management by introducing a perception-based view of Telkoms' employees as an alternative approach to understand employees' reactions to change.

1.3 Objectives of the Study

The objectives of this study are:

    i)   To determine the employees' perception of the change processes in TKL

    ii)   To establish factors that influence their perception.

1.4 Importance of the study

The study aims at getting results that are beneficial to different stakeholders such as Telkom Kenya employees as they sort to understand the changing environment, other organizations that are embracing change or plan to change in the future, financiers, the customers, suppliers, government, students and educators who seek to understand the employee perception during a change process. The findings in this project will also be informative for consultants, as a way to improve the current change management practices in dealing with employees' perception to change.

CHAPTER TWO: LITERATURE REVIEW

2.1   Overview of Change and Change Management

The wide range of past research on organizational change has focused on four main categories. One category has to do with content issues, and it mainly focuses on factors related to successful or unsuccessful change attempts (Hofer 1980). Another category concerns process issues, mainly focusing on steps, phases, or actions undertaken during the implementation of an intended change (Kotter, 1995). An additional category deals with context issues, focusing on internal or environmental forces or conditions affecting a change in an organization (Robbins and Peace, 1992). The final category concerns reaction issues, and it focuses on employees' responses to organizational change (Patterson and Cary, 2002). The literature suggests several internal and external factors that lead a firm to commence a change. Examples of these factors include: increased competitive pressure (Meyer et al, 1990); new government regulation (Meyer et al., 1990); technological change (Haveman, 1992); and management team change (Castrogiovanni et al, 1992).

Firms that undertake change in their organization often aim to improve their performance in terms of, for example, higher profits, better responsiveness to the market, and long-term competitive advantage. The real value of organizational change rests on its ability to alter an organization's identity, strategy, structure, operation or human resources as a means to enhance firm performance (Vithessonthi, 2005).

Change is defined as a movement away from a current state toward a future state (George and Jones, 1995). In the organizational change literature, at the abstract level, there are two distinct modes of change: first- and second-order change. The phrase "first-order change" is used to describe organizational changes that occur within a relatively stable

system that remains mostly unchanged; and for a system to remain stable or unchanged, it requires frequent first-order changes (Weick and Quinn, 1999). On the contrary, second-order change or so-called episodic change modifies or transforms fundamental structures or properties of the system (Weick and Quinn, 1999). The concept of first- and second-order change is very popular and powerful, and its fruits have been many. To give but a brief sample of some of the works that have benefited from this concept, it has advanced several theoretical models such as Argyris and Schon's (1996) single- and double-loop learning by individuals, Miller and Friesen's (1984) adaptation vs. metamorphosis by organizations, and Tushman and Anderson's (1986) competence-enhancing vs. competence-destroying changes in technology. In summary, there are several patterns or types of change (Miller, 1980; Johnson-Cramer, Cross and Yan, 2003): small or large (Ledford et al., 1989), planned or emergent in nature (Johnson-Cramer et al., 2003), radical or incremental (Weick and Quinn, 1999).

Another aspect of change is that it can occur at differing organizational levels. First, change can occur within a population of organizations. For example, changes occurring at an industry level (e.g., changes in customers' demands and preferences) have implications for most, if not all, companies within the industry. Similarly, changes occurring at a country level have implications for most, if not all, organizations within the country. In addition, changes can occur in a single organization, having implications for the whole organization or for specific parts of the organization. Last but not least, changes can occur at the level of individuals within an organization—that is, at the level of employees or managers. The important point for us to observe is that changes at differing levels may share some common characteristics but may also possess certain unique characteristics (Vithessonthi, 2005).

One of the central issues of organizational change concerns the ability of the organization to enact change. The ability may be partly limited by organizational inertia; that is, the organization may not be inclined to search for new solutions (Meyer and Rowan, 1977; Zucker, 1987). This raises the question of whether organizations can change themselves. That is a difficult question, and no single answer will adequately answer it. The fact that from a legal perspective, an organization is a non-human entity; therefore, we can argue that it is not the organization that changes itself but rather the people in the organization that change themselves and thereby change the organization. But this leads to the question of whether an organization's capability to adapt is conditioned by its employees' capability to adapt, which may be determined by the levels of inertia at the individual level (Vithessonthi, 2005).

Research has been done on organizational inertia, which examines the role and impact of organizational inertia on organizational structure and design. In the organizational inertia literature, it is argued that various factors generate several forms of inertia in the organization (e.g., strategic, structural, or cultural inertia). Organizational change may be limited by internal factors such as an organization's investments in plant, equipment, and specialized personnel. It is also possible that top managers or decision makers may receive limited or insufficient information to the extent that they may fail to make a decision on organizational change or adaptation. If internal politics exist in an organization, they may also contribute to organizational inertia; that is, political disequilibrium in an organization may lead to resistance towards certain proposed changes. Indeed, most organizational changes are designed to benefit the organization as a whole; and these benefits are likely to take time to be realized; however, any political resistance within the organization generates short-run political costs that may either exceed the potential benefits or be high enough that top executives may decide against the

intended change. Likewise, external factors such as the dynamics of political coalitions, costly or limited information with regard to relevant environments, and legal and other barriers to entry or exit from the market may also restrict the nature and degree of organizational change or adaptation in organizations (Hannan and Freeman, 1989).

Research on organizational change has led to various views and perspectives. However, there are at least three most prominent views on organizational change. The first view, based on population ecology theory, argues that most of the variations in organizational structures occur through the creation of new organizations and organizational forms, and the demise of old ones. This perspective, which may be called "selection theory," argues that existing organizations, particularly the largest and most powerful ones, seldom change their strategy and structure quickly enough to keep up with the demands of uncertain and changing environments (Hannan and Freeman, 1989). The second view, based on random transformation theory, proposes that endogenous processes induce structural changes in the organizations, but the changes are loosely associated with the goals of the organization and the demands of the uncertain and changing environments (March and Olsen, 1976; Weick, 1976). The third view, based on the rational adaptation theory developed by March and Simon (1958), argues that organizational variability generates changes in strategy and structure of organizations in response to threats, opportunities, and environmental changes.

An approach to change, based on process alignment, and starting with the mission statement, analyzing the critical success factors, and moving on to the key or critical processes, is the most effective way to engage the staff in an enduring change process. Many change programmes do not work because they begin trying to change the knowledge, attitudes and beliefs of individuals. The theory is that change in these areas

will lead to changes in behavior throughout the organization. It relies on a form of religion spreading through the people in the business (Oakland, 1998). The concepts involved in the process of managing change successfully in respect of the management of human resources are as complex as they are contentious, with arguments and counter-arguments espoused weekly in the seemingly ever-growing plethora of literature available (Timpson, 1996).

2.2   Change Management Process

The change management process comprises four major steps or phases: The preparation phase which helps develop a foundation upon which to build employee commitment to the change effort; The acceptance phase which guides in gaining support for a specific course of action; The implementation phase which deals with the actual changes to business processes and technology and the commitment phase which helps understand how to sustain support for the changes invested in (Kolodny, 2007).

An organization "unfreezes" in order to adapt to change, makes the change, and then 'refreezes' again to resume its business course in steady-state mode. In this model, change is treated as an aberration, a discrete event that temporarily disturbs an organization in a generally stable business environment. But it is evident in today's competitive and volatile economic context that change is the norm, while steady-state is fleeting and illusory (Dawson & Jones, 2005).

The ADKAR model developed by Jeff Hiatt for individual change management presents five building blocks that an individual must obtain to realize change successfully. These include awareness, desire, knowledge, ability and reinforcement. It is management's job to create an environment in which people can go through these stages as quickly as

possible, including: Building awareness of why the change is needed; Creating desire to support and participate in the change; Developing knowledge of how to change; Fostering ability to implement new skills and behaviors; Providing reinforcements to sustain the change (Hiatt, 2006).

Change management entails thoughtful planning and sensitive implementation; and above all, consultation with, and involvement of, the people affected by the changes. If you force change on people normally problems arise. Change must be realistic, achievable and measurable. These aspects are especially relevant to managing personal change (Chapman, 2006).

In summary, as the review of the literature has shown, organizational change, regardless of its form, will have implications for the organization as well as its employees. Simon (1991: 32) noted that "employees, especially but not exclusively at managerial and executive levels, are responsible not only for evaluating alternatives and choosing among them but also for recognizing the need for decisions." Accordingly, it is useful to understand how employees view and react to organizational change.

2.3 Human factor in Change Management

2.3.1 Awareness, training and communication

The objective of managing change is to help your people adapt effectively to the new automated workplace. Most important to note is that the actual implementation of new technology occurs well into the process and is not the starting point for a change management initiative. Successful implementation includes both physical and cultural changes and must be carefully planned from the initial conception of the project (Kolodny, 2007). Organizations don't adapt to change; their people do. Consider that

when a group undergoes a change, it is not the organization that changes, but rather the behaviors of individuals. This change in collective behavior is what produces different outcomes for the organization. For example, when a company reorganizes, it is not the restructuring that represents the change, but rather the shift in accountabilities and responsibilities for each person. New behavior results and different business outcomes are achieved (Hiatt, 2006).

Whether because of economic fluctuations, the development of new products and processes, social and political change or war, organizations and entire industries tend to face recurrent bouts of upheaval (Burnes, 2004). The knowledge and experience of people can be the key factors enabling the success of strategies (Johnson & Scholes, 2003).Likewise, behavioral change is important because once it is neglected strategic development and change will be hindered. Change can be viewed as a one-off event, an exception to the normal running of an organization and, therefore, sometimes to be dealt on an issue-by-issue basis as it arises. On the other hand, some organizations see change not as an exception but as a norm, a continuous process that forms part of the organization's day-to-day activities (Burnes, 2004).

The implication of the "change is the only constant" mantra is that the most successful organizations, in the long run, are those that learn to continuously adapt to change. Says Richard Foster, author of *Creative Destruction*: "We [found] that new companies coming into existing industries … could outperform their industries. But it never lasts. If you're trying to copy a company, don't. By the time you get there to copy it, you may be copying what accounts for its demise rather than its success" (Dawson & Jones, 2005).

The employee does not have a responsibility to manage change - the employee's responsibility is no other than to do their best, which is different for every person and

depends on a wide variety of factors (health, maturity, stability, experience, personality, motivation, etc). Responsibility for managing change is with management and executives of the organization - they must manage the change in a way that employees can cope with it. The manager has a responsibility to facilitate and enable change, and all that is implied within that statement, especially to understand the situation from an objective standpoint (to 'step back', and be non-judgmental), and then to help people understand reasons, aims, and ways of responding positively according to employees' own situations and capabilities. Increasingly the manager's role is to interpret, communicate and enable - not to instruct and impose, which nobody really responds to well (Chapman, 2006).

The problems with Enterprise Resource Planning (ERP) system implementations illustrate the consequences of underestimating the human element. Many companies implemented ERPs during the nineties, attracted by the promise of seamless integration of critical information flows. A successful ERP can be the backbone of business intelligence for an organization, giving management the unified view needed to develop the best strategies in a volatile business environment. But without proper training, incentives and leadership, a flexible, integrated system will not magically eradicate organizational silos to produce a flexible, integrated workforce. If employees don't understand how an ERP system affects workflow, they may unwittingly sabotage change efforts. Many ERP implementations are described as failures when the reality is that they are incomplete. Managers need to understand and address the behavioral changes needed to reap the benefits of new systems and business models (Dawson & Jones, 2005).

Whenever an organization imposes new things on people there will be difficulties. Participation, involvement and open, early, full communication are the important factors. Workshops are very useful processes to develop collective understanding, approaches,

policies, methods, systems, ideas, etc. Staff surveys are a helpful way to repair damage and mistrust among staff - provided you allow people to complete them anonymously, and provided you publish and act on the findings. Management training, empathy and facilitative capability are priority areas - managers are crucial to the change process - they must enable and facilitate, not merely convey and implement policy from above, which does not work (Chapman, 2006).

Restructuring (under a variety of labels) is the most common form of major organizational change. It should not be a defensive cost-cutting process but rather a proactive attempt to achieve innovative products and services: 'focus without fat'. The goal should be synergy. Unfortunately, employees are a secondary consideration of change in free market organizations. Participative management tends to be squeezed out in favor of project management or corporate politics. Little account is taken of the people who will be disrupted by the process and those who have to maintain quality and value during a period of major upheaval. Often the principal role of people managers is to sort out the resulting mess and smooth ruffled feathers (Price, 2006).

Contrary to conventional wisdom, people resist change only when it makes them feel out of control–when change is foisted on them without their consent. The belief that it is human nature to resist change is the wrong starting point, because it creates an adversarial climate. People are willing to change if they understand and accept the reasons, and have a say in the way their jobs are restructured. Behavioral change is most likely to occur when organizations connect with human nature rather than oppose it. A growing body of evidence suggests that much of the mechanistic organizational model antagonizes human nature. At best, people comply reluctantly and, at worst, actively resist management initiatives, covertly and overtly. Either outcome amounts to wasted time and resources,

because a management that is misaligned with human nature requires expensive controls to police its employees' behavior (Dawson & Jones, 2005).

2.3.2 Perceptions

Perception can be defined as a complex process by which people select, organize, and interpret sensory stimulation into a meaningful and coherent picture of the world (Berelson and Steiner, 1964). In the same vein, perception is "about receiving, selecting, acquiring, transforming and organizing the information supplied by our senses" (Barber and Legge, 1976).

Anderson and Paine (1975) posited the influences of the perception of uncertainty in the environment on the perception of the need for change in a firm's strategies. If perceptions are derived from or based on incomplete information and limited observation, perceptual biases will occur, and thus affect a person's decisions and actions. Humans usually try to make sense of what has happened, what is happening, and what will happen. A number of researchers have noted a link between the perceptual process and the interpretation of information; they have argued that the interpretation of information is based on the perceptual process (e.g., Anderson and Pained, 1975). Further, during organizational change processes, employees create their own perspectives and interpretations of what is going to happen, what others are thinking, and how they themselves are perceived. Additionally, if there is a lack of information about the change, then evidence of employees' own perspectives and interpretation of the change is more likely to be observed (Coghlan, 1993).

The more a change challenges a person or group's existing norms of behavior, beliefs or assumptions, the more resistance it is likely to meet (Burnes, 2004).In much research

work carried out at the European Centre for TQM, at Bradford University Management Centre, it has been shown that there is almost an inverse relationship between successful change and having formal organizational-wide change. This is particularly true if one function group, such as personnel, 'own' the programme (Oakland, 1998).

Implementing the right technology infrastructure and streamlining the business processes that flow through it are essential ingredients for effective organizational change. These components are well studied, mechanized and reasonably standardized. Methodologies, measurements and best-practice guidelines are available to optimize their implementation (Dawson & Jones, 2005). But the human element that needs to make use of these systems in order to supply the leadership, judgment, flexibility and innovation needed to achieve business success is the most critical ingredient—and least understood. Although employees can and do identify with their organizations, they are also concerned with themselves. In return for doing a good job, they expect adequate pay, satisfactory working conditions, job security, and certain amounts of appreciation, power, and prestige. When change occurs, employees face a potentially uncomfortable period of adjustment as they settle into a new organizational structure or a redesigned job (Stoner, Freeman & Gilbert, 2002).

A person feels committed to an organization when he or she identifies with it and experiences some attachment to it. Strong cultures foster strong identification and feelings through multiple beliefs and values that the individual can share with others (Pearce & Robinson, 1991). You cannot impose change - people and teams need to be empowered to find their own solutions and responses, with facilitation and support from managers, and tolerance and compassion from the leaders and executives. Management and leadership style and behavior is more important than clever process and policy. Employees need to

be able to trust the organization. The leader must agree and work with these ideas, or change is likely to be very painful, and the best people will be lost in the process (Chapman, 2006).

Understanding behavioral risk is particularly important in the current economic context—the costs of ignoring it can be significant. Poorly managed change eats away productivity on many fronts. It increases costs: Job stress is estimated to cost U.S. industry more than $300 billion a year in absenteeism and medical costs. It increases potentially destructive office politics: In a survey by Roffey Park Management Institute, 49% of respondents reported an increase in political behavior in the past three years, attributed to the pace of change and competition for limited. Change creates feelings of resentment: In a survey by CareerBuilder, about half of layoff survivors say their responsibilities increased. If more pay or recognition doesn't accompany a new workload, employees may resort to absenteeism, negligence or even theft to "keep things fair." Recent shifts in corporate strategy have left many employees confused about the link between their jobs and company objectives, making recovery efforts more difficult for companies (Dawson & Jones, 2005).

Employees value growth and career opportunities in an organization. With such opportunities, productivity is often increased and expensive turnover decreased. Studies have shown that people are most productive when objectives are set at a motivating level-one high enough to challenge but not so high as to frustrate or so low as to be easily attained. The problem is that individuals and groups differ in their perception of high enough (Pearce & Robinson, 1991).

In order to create a willingness for change, a sense of urgency, a feeling of dissatisfaction with the present, there are four steps an organization needs to take: Make people aware of

the pressures of change; Give regular feedback on the performance of individual processes and areas of activity within the organization; Understand people's fears and concerns; Publicize successful change (Burnes, 2004).

2.3.3 Individual Decision-Making

A review of past research on strategic decision-making has shown that there are several models of the strategic decision-making process. One example is Hofer and Schendel's (1976) model that outlines seven steps of the strategic decision-making process: strategy identification; environmental analysis; resource analysis; gap analysis; strategic alternatives; strategy evaluation; and strategic choice. Another is the model of Mintzberg et al. (1976), which suggests three phases and seven steps of the strategic decision-making process: identification phase consisting of decision recognition and diagnosis steps; development phase consisting of search and design steps; and selection phase consisting of screening, evaluation, and authorization steps. Likewise, Fredrickson (1984) suggested that from the perspective of a managerial decision maker, the rational decision-making process involves five interrelated cognitive stages: pay attention to a problem or opportunity; gather information; develop a series of options; value the options using expected costs and benefits; and select the option with the greatest utility.

Another key aspect in decision-making is learning, which involves developing new understandings. The learning process involves the acquisition and interpretation of knowledge (Linsay and Norman, 1977). Learning is the process of modifying one's cognitive map or understandings (Friedlander, 1983: 194), thereby altering the range of one's potential behaviors (Huber, 1991). So we may speculate that since learning

capability refers to individuals' ability to develop a new understanding of the world around them, it may promote or limit their understanding of a proposed change.

Past research has led to several concepts and theories to explain certain aspects of decision-making with the goal of explaining decision-outcome deviations from normative expectations of the rational decision-making approach. One such theory is Beach's (1990) image theory that incorporates Einhorn and Hogarth's (1981) idea that humans make use of mental simulation to evaluate options by applying strategies from known situations to new situations. Another example is the model called framing effects that has suggested how apparently irrelevant variables can influence decision-making. According to Kahneman and Tversky (1979), framing or editing phases occurring during a process of choice concerns with the preliminary analysis of alternatives, their outcomes and contingencies.

Most strategic decision-making models that have been influenced by economic theories assert implicitly or explicitly that a manager as well as an employee, as an agent of a firm, should arrive at a decision that will achieve the firm's goals, one of which is the maximization of the firm's value. This observation suggests a key difference between strategic decision-making models for firms and decision-making models for employees. That is, decisions (e.g. reactions to change) of employees may be oriented towards the individual-level maximization of certain objectives such as career advancement or social status rather than towards the firm's goals such as maximizing the value of the firm. However, we may argue here that the ways in which different individuals arrive at decisions (e.g., as a manager making a choice that achieves the firm's goals or as an employee making a choice that achieves his or her personal goals) may not be

fundamentally different. That is, as employees react to change, they are likely to carry out: objective identification; decision/outcome alternatives; and evaluation and selection. In this sense, employees are assumed to be rational; however, their form of rationality does not necessarily correspond to the form of rationality in economics or the form of rationality that the firm may wish its employees to hold (Vithessonthi, 2005).

Isabella (1990) empirical work, executives from a medium-sized, urban, financial services institution were asked to describe and discuss five events that had occurred in the organization over the previous five years. The results showed that members of the organization construe key events linked to the process of change and that there are four stages that individuals go through as changes unfold. The four stages are anticipation, confirmation, culmination, and aftermath. In the anticipation stage, people gather rumors, scattered pieces of concrete data, to construct a construed reality. In the confirmation stage, following the standardization of events into a conventional frame of reference, people reflect or refer their frames of reference which have worked in the past. In the culmination stage, people compare the conditions before and after an event, at which time they amend their frame of reference to either include new information or omit invalid information. In the aftermath stage, people review and evaluate the consequences of a change. Thus a better understanding of the process which individuals undergo when they are confronted with a change in their organization.

Past empirical research on emotions such as positive or negative moods has suggested that emotions may affect people's attitudes, values, and behaviors toward other objects and their world. This observation suggests that the effects of emotion on judgments,

thought processes, decision-making, and behaviors should not be neglected when one wishes to study people's decisions and behaviors (Vithessonthi, 2005).

2.3.4   Reactions to Change

To search for conditions that promote successful change in organizations, it is crucial to know the implications or organizational change for employees, and more importantly, the reactions employees will have. Much of the past research on employees' reactions to change seems to have been implicitly based on a rational choice theory about employees' behaviors, thereby giving little attention to the potential effects of perceptions, attitudes, or social influence on decisions and behaviors. Indeed, rational choice theories have long dominated the research in organization theory, which encompasses research on organizational change and development in their roughest form, rational choice theories would assert that when organizational change efforts are understood to be beneficial to a firm, employees in this firm should support such changes. To search for conditions that promote successful change in organizations, it is crucial to know the implications or organizational change for employees, and more importantly, the reactions employees will have. This raises the question of whether all employees do in fact share the same view on this change (Vithessonthi, 2005).

Employees who are confronted with changes in their organization face an inevitable choice: whether they should support or resist such changes in order to still (or best) achieve their personal goals and objectives. Despite a large body of normative literature on techniques for managing change, for example, models of implementing change by Judson (1991), Kotter (1995), Galpin (1996), and Kotter and Cohen (2002), empirical studies of their application seem to be too sparse to indicate convincingly and conclusively whether the techniques presented in those models have had significant

influences on employees' reactions to change. Resistance to change has been identified as a negative and undesired response for organizations because it can lead to failures of change efforts. Indeed, studies of organizational change often attribute outcomes of change efforts to behaviors of employees, especially acceptance of change and resistance to change (Kotter, 1995). Given the frequent occurrence and persistence of resistance to change in most change initiatives, it is not surprising that much research has been devoted to examining the problems of resistance to change, especially the ways in which resistance to change can be minimized. It is understandable that research on organizational change management has a pessimistic view on resistance to change. After all, resistance to change may disrupt or suppress efforts to change. However, little work has directly addressed the possibility of gaining a positive effect from resistance to change. Resistance to change can become strategically valuable.

Many studies have posited that resistance to change is negative and should be removed or minimized. For example, Coch and French's (1948: 521) view on resistance to change is that it is a combination of an individual reaction to frustration with strong group-induced forces. Similarly, Zander has defined resistance to change as "a behavior which is intended to protect an individual from the effects of real or imaged change" (Zander, 1950: 9). In the same view, Agocs (1997) has defined resistance as a process of refusal by decision-makers to be influenced or affected by the views, concerns or evidence presented to them by those who propose change. In summary, resistance to change generally refers to the behaviors of individuals or groups of individuals who are opposed to or unsupportive of changes that top executives want or decide to implement in the organizations.

Ford, Ford, and McNamara (2002) noted that, from a constructivist perspective, resistance to change is a function of the socially constructed reality in which a person lives, and that depending on the nature of that constructed reality, the form of that resistance will vary. On the contrary, from a modernist perspective, with the assumption that the same objective and homogeneous reality is shared by everyone, all people involved in a change are believed to confront the same change within the same context. An important conclusion to be drawn from these extremely different perspectives is that we need to develop a better understanding of how individuals really construct reality or see the world.

According to Agocs (1997), a typology of forms of resistance consists of: denial of the legitimacy of the case for change; refusal to recognize the responsibility to address the change issue; refusal to implement a change initiative that has been adopted by the organization; and the reversal or dismantling of a change initiative once implementation has begun. Recently, some researchers (e.g., Dent and Goldberg, 1999) have argued that people do not resist change, but rather losses of status, pay or comfort, and that this is not the same as resisting change.

In the literature on organizational change, several factors are thought to be determinants of resistance to change; they include fear of real or imagined consequences (Morris and Raben, 1995), fear of unknown consequences (Mabin, Forgeson, and Green, 2001), a threat to the ways in which people make sense of the world (Ledford et al., 1989), a threat to the status quo (Beer, 1980; Hannan and Freeman, 1988; Spector, 1989), a threat to social relations (O'Toole, 1995), distrust toward those leading change (Bridges, 1980; O'Toole, 1995), and different understandings or assessments of the situation (Morris and Raben, 1995). Thus, it can be reasoned that a person does not resist organizational change

but rather the consequences of organizational change. However, it can also be reasoned that the consequences of organizational change are part of change efforts and thus cannot be clearly separated.

As discussed above, a central issue raised by previous research in change management is the role and implications of resistance to change, that is, how resistance to change evolves. At least one issue emerges from previous studies. Despite the seemingly extensive research on resistance to change, with the exceptions of the aforementioned definitions, seldom has previous research provided a definition of resistance to change. It seems that the term 'resistance to change' is used as a given. Thus, it is useful, if not critical, to examine the dimensions of "reaction to change" to better understand and conceptualize the term and the concept of "resistance to change" as well as "support for change."

2.4 Summary and Gaps to be filled by the Study.

Studies have been carried out in the organization on strategic responses of the organization in a competitive environment, similarly on strategy implementation and its challenges in the organization but an issue relating to involvement of the employees in these changes has not been researched. Telkom Kenya is a public corporation with previously 17,000 employees at the beginning of 2006 and expected to operate with only 3,200 of these employees. The change processes therefore has a direct impact on the employees mainly through retrenchment, changing of roles and the changing operations. There is therefore a need to research on perception of the employees concerning the change process. Kiptarus, 2003 noted that the company needed to ensure that the staff especially those at the implementation levels discuss the strategies already formulated for them to own the process.

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Research Design

The research design appropriate for this study was a survey of employee perception of the change process in Telkom Kenya. The principal advantage of a survey is that it can collect a great deal of data about an individual respondent at one time. The second advantage of this method is versatility; surveys can be employed in virtually any setting – whether among teenagers, old-age pensioners, or sailboat owners – and are adaptable to research objectives that necessitate either a descriptive or causal design. Attitudes are often the subjects of surveys (Aaker et al, 2005).

3.2 Population

The population consists of Telkom employees at Headquarters. The sampling frame was employees both in management and support. The management staff is responsible for strategy formulation and smooth implementation while the support staff who form the unionizable group are involved in the new strategies implementation. According to the Human Resource department the current employee population in Telkom is 7,521 as at 30th June 2007 with 889 in management while the remaining 6,632 form the unionizable staff.

3.3 Sampling

The sampling element was unionizable and management staff. They were all from the headquarters; this is where change strategies originate and thus forms an accurate source on the change process, additionally all departments are represented at the headquarters. Moreover due to its massive coverage of the country it was very expensive and time consuming to have the survey conducted in the whole country. To represent a true sample

of the target population staff from each department were randomly picked to fill out a questionnaire.

3.4 Data Collection

Primary data was collected through structured questionnaires. Questionnaires were distributed to members of staff in the organization. The questionnaires established the employee's knowledge of why the change is needed, investigated if employees have been adequately equipped to support and participate in the change, collected information on the available knowledge of how to change, established how well employees can implement new skills and behaviors, and collected information on how well the change has been managed. This was covered in four categories that cover the four principles of change management of urgency, vision, empowerment and execution.

3.5 Data Analysis

The questionnaires were checked for completeness and consistency before they were analyzed. The data collected was quantitative and the study made use of descriptive statistics to analyze the data. The data was presented through tables. Percentages and frequencies show the proportion of employees who disagree or agree on aspects of the change process.

CHAPTER FOUR:DATA ANALYSIS, FINDINGS AND DISCUSSIONS

4.1 Introduction

This chapter presents results and findings obtained from the questionnaire. The chapter is organized on the basis of the research objectives and presents data in the form of tables. A total of 48 questionnaires were distributed, that is 2 questionnaires for the Managing Directors office, 2 questionnaires for the Chief Operating Officers office, 5 questionnaires for Chief Strategic and Regulatory office, 3 questionnaires for Corporate Communication office, 7 questionnaires for Commercial officers, 4 questionnaires for Marketing officers, 2 questionnaires for Network Management officers, 4 questionnaires for IT officers, 3 questionnaires Human Resource officer, 2 questionnaires for Legal officers, 4 questionnaires for Logistics officers, 6 questionnaires for Finance officer and 4 for Compliance Officers.

4.2 Profile of Respondents

Out of the 48 questionnaires distributed, 47 Officers completed and returned the questionnaire. This translates to 97.92% response among the respondents. The questionnaires were close-ended questions structured into five areas which covered the four principles of change management of urgency, vision, empowerment and execution and the officers' personal details. The respondents' personal data included level of education, age, gender and length of service. In order to get a true representative sample of the respondents', the questionnaires were randomly distributed among employees.

4.2.1 Level of education

The respondents' levels of education are shown in table 1 below:

Table 1: Level of education

Level of Education	Frequency	Percent
O'Levels	1	2.1
A' Levels	1	2.1
College certificate	2	4.3
Professional course	9	19.1
Graduate	21	44.7
Postgraduate	13	27.7
Total	47	100.0

Source: Research Data

The respondents who filled and returned the questionnaires were mostly graduates who consisted of 22 out of the 47 respondents, while those with O' level and A' level qualification formed 4.2% of the respondents only.

4.2.2 Age

Respondents of different ages are likely to see change from different angles, the respondents age distribution is as shown in table 2 below.

Table 2: Age

Age	Frequency	Percent
25-35 years	17	36.2
36-45 years	24	51.1
46-55 years	6	12.8
Total	47	100.0

Source: Research Data

As shown in the table above, the respondents that formed the highest percentage, 51.1%, were those in the bracket of 36 – 45 years while those of 46 – 55 years formed only six out of the 47 respondents, this is could be attributed to the phase one retrenchment that targeted employees who were above 50 years.

4.2.3 Gender

Respondents from different gender perception to change may differ; the table 3 below gives the distribution of the respondents according to their gender.

Table 3: Gender

Gender	Frequency	Percent
Female	16	34.0
Male	30	63.8
Not answered	1	2.1
Total	47	100.0

Source: Research Data

The male respondents formed the highest percentage, 63.8%, while only 16 out of the 47 respondents were female. One respondent did not indicate their gender.

4.2.4 Length of service

Employees may perceive change differently with respect to the length of time worked in an organization. The table 4 shows the age distribution of the respondents.

Table 4: Length of service

Length of service	Frequency	Percent
Less than five years	12	25.5
Ten to twenty	20	42.6
Five to ten years	5	10.6
Over twenty years	10	21.3
Total	47	100.0

Source: Research Data

4.3 Respondents' perception of the change processes in TKL

Area sought to determine the respondents' perception of the change processes in TKL. This covers the employees' attitude to change, timing of the change process and importance of the change. Humans usually try to make sense of what has happened, what

is happening, and what will happen. A number of researchers have noted a link between the perceptual process and the interpretation of information; they have argued that the interpretation of information is based on the perceptual process (Anderson and Pained, 1975).

4.3.1 Employees attitude to change

Area sought to determine if the respondents' agree with the change process in TKL. The findings are represented in the table 5 below:

Table 5: Employees attitude to change

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	strongly disagree	3	6.4	6.4	6.4
	moderately disagree	1	2.1	2.1	8.5
	neither agree nor disagree	6	12.8	12.8	21.3
	moderately agree	13	27.7	27.7	48.9
	strongly agree	24	51.1	51.1	100.0
	Total	47	100.0	100.0	

Source: Research Data

Table 5 shows that 51.1% of the respondents strongly agree with the organizations' decision to make this change, 27.7% moderately agree, while only 6.4% strongly disagree and an additional 2.1% moderately disagree. Thus this shows that the respondents agree that the organization needs to change.

4.3.2 Timing of the Change

Area sought to determine the employees' perception on the timing of the change process. The findings are represented in the tables 6 below:

Table 6: Employee perception on the timing of the change

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	strongly disagree	7	14.9	14.9	14.9
	moderately disagree	3	6.4	6.4	21.3
	neither agree nor disagree	2	4.3	4.3	25.5
	moderately agree	20	42.6	42.6	68.1
	strongly agree	15	31.9	31.9	100.0
	Total	47	100.0	100.0	

Source: Research Data

Table 6 shows that 20 out of 47 (42.6%) respondents moderately agree that the change was conducted at the right time, while 15 out of 47 (31.9%) strongly. This shows that a total of 74.5% of the respondents agree with the timing of the change. The respondents thus suggest that the urgency factor of the change process has been addressed.

4.3.3 Importance of Change

Area sought to determine the employees' perception on the importance of the change; the findings are in table 7 below:

Table 7: Importance of change

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	strongly disagree	3	6.4	6.4	6.4
	neither agree nor disagree	3	6.4	6.4	12.8
	moderately agree	9	19.1	19.1	31.9
	strongly agree	32	68.1	68.1	100.0
	Total	47	100.0	100.0	

Source: Research Data

Table 7 shows that 68.1% of the respondents strongly agree that it is important to make some change within any organization from time to time, while 19.1% moderately agree.

4.4 Factors that influence employee perception

Area sought to establish the factors that influence employee perception. The findings are represented in the tables 8 to 12 below.

4.4.1 Awareness and communication

During organizational change processes, employees create their own perspectives and interpretations of what is going to happen, what others are thinking, and how they themselves are perceived. Additionally, if there is a lack of information about the change, then evidence of employees' own perspectives and interpretation of the change is more likely to be observed (Coghlan, 1993).Table 8 below shows whether the respondents understand the need for undertaking change while table 9 gives the respondents perception on whether the reasons provided by management for making the change are convincing.

Table 8: Need for undertaking change

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	strongly disagree	4	8.5	8.5	8.5
	moderately disagree	1	2.1	2.1	10.6
	neither agree nor disagree	2	4.3	4.3	14.9
	moderately agree	13	27.7	27.7	42.6
	strongly agree	27	57.4	57.4	100.0
	Total	47	100.0	100.0	

Source: Research Data

Table 8 indicates that 57.4% of the respondents strongly agree that they understand the need for undertaking this change. A further 27.7% moderately agree, this bring to a total 85.1% those who understand the need for undertaking this change.

Table 9: Reasons for change

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	strongly disagree	3	6.4	6.4	6.4
	moderately disagree	5	10.6	10.6	17.0
	neither agree nor disagree	8	17.0	17.0	34.0
	moderately agree	8	17.0	17.0	51.1
	strongly agree	23	48.9	48.9	100.0
	Total	47	100.0	100.0	

Source: Research Data

Table 9 indicates that 48.9% of the respondents strongly agree that the reasons given by top management for making change are convincing and a further 17.0% moderately agree.

4.4.2   Training

The table 10 below has findings on wheteher the respodents have been trained on new systems and products.

Table 10: Training on new systems and products

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	strongly disagree	14	29.8	29.8	29.8
	moderately disagree	8	17.0	17.0	46.8
	neither agree nor disagree	13	27.7	27.7	74.5
	moderately agree	10	21.3	21.3	95.7
	strongly agree	2	4.3	4.3	100.0
	Total	47	100.0	100.0	

Source: Research Data

Table 10 shows that respondents are dissatisfied with the training on new systems and products with, 29.8% strongly disagreeing that they have been trained on new systems and products while on 4.3% strongly agreeing on the same issue.

4.4.3 Employees growth and career opportunities

Employees value growth and career opportunities in an organization. With such opportunities, productivity is often increased and expensive turnover decreased (Pearce & Robinson, 1991). The table 11 below gives findings on whether the respodents are certain about their future career picture in the company.

Table 11: Future career in the company

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	strongly disagree	17	36.2	36.2	36.2
	moderately disagree	11	23.4	23.4	59.6
	neither agree nor disagree	15	31.9	31.9	91.5
	moderately agree	1	2.1	2.1	93.6
	strongly agree	3	6.4	6.4	100.0
	Total	47	100.0	100.0	

Source: Research Data

Table 11 shows that 36.2% of the respondents are not certain about the future career picture in the company.

4.4.4 Involvement

Change management entails thoughtful planning and sensitive implementation; and above all, consultation with, and involvement of, the people affected by the changes. If you force change on people normally problems arise (Chapman, 2006).The table 12 below shows the respodents involvement in the execution of change.

Table 12: Involvement in the execution of change				
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	strongly disagree	20	42.6	42.6	42.6
	moderately disagree	5	10.6	10.6	53.2
	neither agree nor disagree	11	23.4	23.4	76.6
	moderately agree	8	17.0	17.0	93.6
	strongly agree	3	6.4	6.4	100.0
	Total	47	100.0	100.0	

Source: Research Data

Table 12 shows that 42.6% of the respondents said that they have not been involved with execution of the change while only 6.4% strongly agreeing they have been involved in the execution of change.

4.5 Summary of Data Analysis

In this chapter, data analysis of the results from the questionnaires was performed. The research questions and objectives were explained and the data results were then presented in form of graphs and tables. Interpretation of the results was done in the form of frequencies and percentages for clarity purposes.

CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATION

5.1   Summary

The objective of this research was to determine the employees' perception of the change process in TKL and to establish factors that influence their perception.

In chapter one, the research problem was identified and discussed, the objectives were developed, the justification for this study established, the research design proposed and the framework of the project outlined and developed.

The literature pertaining to the research problem was reviewed in chapter two. The literature review covered the theories of change, change management process, employees' factor in change management, perception, individual decision-making, reaction to change, summary and gaps to be filled by the study.

In chapter three, various research methodologies were reviewed and an appropriate research method pertaining to the research problem was selected. The preferred method in this case was a survey of employee perception of the change process in Telkom Kenya and a survey questionnaire was designed as the principal research instrument. The structured questionnaire contained closed-ended questions that were developed from the objectives.

In chapter four, the data obtained from the respondents was edited, its results presented and analyzed. The data analysis was quantitative and results were presented in the form of tables. Statistical Package for Social Sciences (SPSS) was utilized as a tool to assist the analysis process for quantifying the results obtained from the survey.

5.2 Conclusion

5.2.1. Employees' perception of the change processes in TKL

The findings revealed that 78.8% of the respondents agree with the organizations decision to make this change with a further 74.5% in agreement that the change has been conducted at the right time. The findings of the research concur with Dawson & Jones (2005) who recognizes that people are willing to change if they understand and accept the reasons for change; in the study 85.1% of the respondents understand the need to undertake this changes thus the high percentage of respondents in agreement with the change.

The findings also revealed that the respondents were not satisfied with the pay and amount of work; with 83% disagreeing they were satisfied with pay and amount of work. They however strongly agreed that they feel a sense of personal satisfaction when they do their job well.

It was however clear that most respondents were not certain about the future career in the company with 46.8% also strongly disagreeing they were certain about what their responsibilities will be in six months.

On training, 46.8% disagreed that they have been trained on new systems and products while 78.8% agreed that they need further training to enable them perform their duties better.

5.2.2. Factors that influence employee perception

The study revealed that different factors influence different perception to change by the respondents. From the study the respondents did not feel well trained on new systems and products and thus the high percentage of respondents in need for further training to enable them perform their duties better.

The respondents' strong agreements on change issues like: it was conducted at the right time, its important to make changes within an organization from time to time, they understand the need for undertaking the change, reasons provided by management for making the change are convincing explains the high percentage of respondents who agree with the organizations decision to make change. Similarly the findings reveal that 65.9% of the respondents agree that the change has been sufficiently communicated.

Burnes (2004) recognizes that change involves empowering employees to act; creating openness in communication; facilitating ownership of the change process and its outcomes; the promotion of a culture of collaboration; and the promotion of continuous learning. The findings reveal that 40.4% of the respondents are afraid of some aspects of this change with a further 51.1% not satisfied with the opportunity for advancement in the company.

The findings indicate that 63.8% of the respondents are not satisfied with current working condition with a great percentage of them citing lack of training on new systems and products, lack of two-way communication in decision making, uncertainty about future career in the company, lack of a sense of ownership for the company, not being involved in the execution of change, dissatisfactory pay and amount of work.

5.3 Recommendations for Theory Development and Future Research

The research design adopted by this study was based on a survey. This approach has shortcomings as it captures a situation or an event at a point in time especially in a perception based survey. Perception is very dynamic and changing every other day. Future research could employ a more qualitative approach such as a case study.

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QUESTIONNAIRE

Please indicate the degree of your agreement or disagreement with each statement by marking on the box on the right hand side that best represents your point of view about the organization change process and a situation with which it is related. Please choose from the following answers:

1	*2*	*3*	*4*	*5*
Strongly Disagree	*Moderately Disagree*	*Neither Agree nor Disagree*	*Moderately Agree*	*Strongly Agree*

A. Urgency

                                                                    1 2 3 4 5

The change has been conducted at the right time.   ☐ ☐ ☐ ☐ ☐

It is important to make some change within any organization from time to time.   ☐ ☐ ☐ ☐ ☐

B. Vision

I fully cooperate with the organization on this change.   ☐ ☐ ☐ ☐ ☐

I agree with the organization's decision to make this change.   ☐ ☐ ☐ ☐ ☐

I really understand the need for undertaking this change.   ☐ ☐ ☐ ☐ ☐

Reasons provided by top management for making this change are convincing.   ☐ ☐ ☐ ☐ ☐

I feel very favorable toward top management.   ☐ ☐ ☐ ☐ ☐

I am afraid of some aspects of this change.   ☐ ☐ ☐ ☐ ☐

The organization really cares about my well-being.   ☐ ☐ ☐ ☐ ☐

I am not afraid of the known consequences of this change.   ☐ ☐ ☐ ☐ ☐

C. Empowerment

The change has been sufficiently communicated.   ☐ ☐ ☐ ☐ ☐

I am satisfied with ways in which I can express my views on this change.   ☐ ☐ ☐ ☐ ☐

The systems in place support implementation of new skills and behaviors.   ☐ ☐ ☐ ☐ ☐

The change process has improved my duties in the organization.   ☐ ☐ ☐ ☐ ☐

I am satisfied with the opportunities for advancement in this company.

I am allowed to participate in decisions regarding this change.

The change process has assisted in decision making process.

There has been two-way communication in decision-making process.

I am satisfied with current working conditions.

I have been trained on new systems and products.

I need further training to enable me perform my duties better.

I can develop my career-relevant skills.

I am very confident at learning and developing new skills relevant for my job.

D. Execution

I have been involved in the execution of change.

The organization values my contribution to its well-being.

I am satisfied with pay and amount of work.

I feel this change improves my rank.

I am certain about what my responsibilities will be six months from now.

I try to think of ways of doing my job effectively.

I take pride in doing my job as well as I can.

I am certain about my job security in this company.

I feel a sense of personal satisfaction when I do my job well.

I am certain about what my future career picture looks like in this company.

I feel this change gives me a greater sense of control in doing my job.

I feel a sense of ownership for this organization.

I would recommend others to work for this company.

In general, I believe my employer's motives and intentions are good.

Please be so kind to provide general information about yourself.

Personal Details

What's your Department? _____

Highest level of education achieved?

Primary School □

O' levels □

A' Levels □

College certificate □

Professional Course □

Undergraduate degree □

Postgraduate degree □

Gender

Female □

Male □

Please indicate your length of service with Telkom Kenya

Less than five year □		Ten to twenty □	
Five to ten years □		Over twenty years □	

Thank you very much for participating in this survey!!!!!!!

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P.O. Box 30197
Nairobi, Kenya

DATE... 27 - 08 - 2007

TO WHOM IT MAY CONCERN

The bearer of this letter ... KINANU ANNE LINDA

Registration No: ... D61/P/8472/04

is a Master of Business Administration (MBA) student of the University of Nairobi.

He/she is required to submit as part of his/her coursework assessment a research project report on a management problem. We would like the students to do their projects on real problems affecting firms in Kenya. We would, therefore, appreciate if you assist him/her by allowing him/her to collect data in your organization for the research.

The project is entitled ... SURVEY OF EMPLOYEE PERCEPTION OF THE CHANGE PROCESSES IN TELKOM KENYA HEADQUARTERS

The results of the report will be used solely for academic purposes and a copy of the same will be availed to the interviewed organizations on request.

Thank you.

J.T. KARIUKI
CO-ORDINATOR, MBA PROGRAM

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