STRATEGIC CHANGE MANAGEMENT PRACTICES IN THE KENYA POWER AND LIGHTING COMPANY LIMITED (KPLC)

By

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DECLARATION

I declare that this Management Research Project is my original work that has not been submitted for a degree in any other university.

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This Management Research Project has been submitted for examination with my approval as the University supervisor.

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DEDICATION

To my dear Mum who loved me and inspired me to aim higher.

And

To my dear wife Phoebe and our children Nathaniel and Faith for all the love and encouragement.

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LIST OF ABBREVIATIONS

CEO	Chief Executive Officer
GOK	Government of Kenya
IBM	International Business Machines
IT	Information Technology
ISP	Institutional Strengthening Project
KCB	Kenya Commercial Bank
KenGen	Kenya Electricity Generating Company
KPLC	Kenya Power and Lighting Company
NGO	Non Governmental Organisations
NSE	Nairobi Stock Exchange

ABSTRACT

Both public and private organisations operate in a turbulent business environment in which nothing is constant or predictable. It is imperative therefore that organisations develop strategies that will position them to succeed regardless of the environmental changes. A critical success factor is how well a company manages its strategic change programmes to achieve its goals. Strategic change management needs to take account of both internal and external factors that affect the implementation of the change programme. It should also make use of appropriate change management models. In addition, it is important that resistance to change be anticipated and suitable methods be designed to control the resistance.

Kenya Power and Lighting Company (KPLC) is the only licensed company for electricity transmission, distribution and supply in Kenya. In the past ten years, the company has undergone major strategic changes in its business processes and portfolio as well as in its organisation structure. This case study sought to examine the strategic change management practices in KPLC from 1995 to 2004 when some of the major changes took place. The objectives of the study were to identify the change management models used by KPLC, factors that influenced the change management practices and methods used to control resistance to change.

The case study relied on qualitative data gathered through interviews with KPLC senior managers who gave insights into the study subject. Analysis of the data was through content analysis. The study established that KPLC had three strategic change programmes in the period studied. It used both planned and emergent change management models in managing its strategic change. Both internal and external factors played major roles in determining how the change was managed. Resistance to change was encountered and diverse methods were used to control the resistance to change.

The study identified that some of the change programmes were successful while one of the programmes was still ongoing in 2004 and was being carried out in a very turbulent environment. The study recommends that KPLC develops capacity to be a learning organisation, being able to manage change as the environment changes.

CHAPTER 1
INTRODUCTION

1.1 Background

Organisations today operate in a dynamic and constantly changing and increasingly competitive environment. Globally, organisations and society at large are in a period of rapid and unprecedented change where traditional certainties no longer hold true, and new ones are yet to emerge. The changes are a result of environmental factors that include economic fluctuations, development of new product and technology, social change or war, globalisation as well as new customer demands. Consequently, organisations need to be flexible and innovative in the way they deal with unfamiliar business situations they often encounter to enable them meet the challenge of competitors and the changing and sophisticated needs of customers.

To cope with these changes, strategic management has taken centre stage in organisations that intend to succeed in the turbulent business environment. Furthermore, the unstable markets and products, and consequent frequent changes in organisations make strategic change management critical to their survival and prosperity (Burnes, 2000; Ansoff and McDowell, 1990).

Kenyan firms have not been spared from the changes that have occurred in the recent past as a consequence of globalisation of markets. Indeed, the power sector changes that started in 1995 have continued to the present day. For example, Kenya Power and Lighting Company (KPLC) is currently experiencing pressure from multilateral financing institutions and the government to implement further changes that would result in the government selling off some of its shares in KPLC. Plans are under way to put KPLC under management by an external contractor and to eventually privatize the company. In addition, KPLC is threatened with the loss of its electricity distribution monopoly and further divestiture from electricity transmission business.

KPLC has in the last ten years experienced major changes including:- (i) staff reduction in 1995-1996; (ii) business process re-engineering between 1995-1999 known as the

Institutional Strengthening Project; (iii) transfer of its electricity generating assets to KenGen and taking over KenGen's transmission assets in 1997; (iv) company reorganization and restructuring with reduction of divisions from fourteen to seven and from six operational areas to four business units called regions in 2001; and (v) staff reduction in 2001-2002. Thus study of strategic change management practices in KPLC would focus on the period 1996 to 2004 when these major changes took place in this firm.

Performance contracting for managers is becoming a norm in organisations and 13 public corporations signed performance contracts with the Government of Kenya on 1st October, 2004 (Daily Nation, 2nd October, 2004). Where performance standards used to be national if not non-existent, the benchmark for performance is now against world leaders. These changes herald the need for organisations to be continually ready to manage change effectively .

1.2 Concept of Change and Strategic Change Management

Change is a process of analyzing the past to elicit the present actions required for the future and involves moving from present state through a transitional state to a future desired state (Hill and Jones, 2001). Change is an ever present feature of organisational life, and the pace and magnitude of change appear to have increased significantly in the recent years. This was particularly evident in Kenya starting from the early 1990s when corporate restructuring became prevalent for companies that desired to succeed and to continue growing.

Strategic change implies existence of a strategy that an organization has developed. The organisation's vision and strategy shape and direct change since the two elements indicate what needs to change and where. Strategic change focuses on what is needed in the future to achieve the organisation's desired aims and establish an approach to change, considering the key players and barriers (Johnson and Scholes, 2003). Essentially, strategic change aims at achieving effectiveness of the entire organization. Firms that expect to be successful in the current environment have to embrace strategic change in order to get to the desired future state. How strategic change is carried out is the subject of strategic change management.

Strategic change management is the process of managing changes that an organization requires to adapt to changed strategy and it aims at coping with both environment in which the organisation operates and constraints, challenges and threats it faces, thus ensuring that the organization and its environment remain in harmony, creating conditions for growth and prosperity (Burnes, 2000). Strategic change management directs or facilitates change and often both, depending on the circumstances and it requires identification of available option and choices, and that the choice made take account of both short and long term interests of all their stakeholders (Johnson and Scholes, 2003). Undoubtedly, whereas developing a strategy for an organization is important, the success of the implementation of such strategy is dependent on effective strategic change management which is needed to empower organizations and individuals to implement the strategy.

Change management has attracted interest from many organizations in these times of rapid changes in the business environment. This is attributable to the realisation that organizations do not have the luxury of not undertaking strategic change management since failure to do so will certainly lead to extinction.

Successful change management process depends largely on the context in which change is taking place. The time within which change is needed; the scope or degree of change; organisational resources and characteristics needed to be maintained; diversity of staff groups and divisions in organization; managerial and personal capabilities to implement change; degree of change resource available (capacity); readiness of workforce to change; and power that change leaders have to inspire change all play crucial roles in change management process (Johnson and Scholes, 2003). Evaluation of a strategic change management process therefore focuses on all these aspects.

There are two main approaches to change management which have been developed. The planned approach to change management is based on pioneering work of Kurt Lewin and has been the dominant theory and practice for over fifty years (Burnes, 2000). It views change as a process of moving from one fixed state to another through a series of predictable and pre-planned steps. This approach is suitable when organizations operate in a stable and predictable environment as in the 1950s and 1960s (Ansoff and McDowell, 1990; Burnes, 2000). The second is the emergent approach to change management developed in the 1980s (Burnes, 2000), which is based on the premise that change is continuous, open-ended and unpredictable process aligning and realigning a firm to its changing environment. An organisation undergoing a change process requires to understand the change context in order to adopt the approach best suited to its specific circumstances and what would enable success.

Based on the planned and emergent approaches to change management, various models for managing strategic change process have developed. Under the planned change management approach, the main models are the Action Research, Three Step and Kotter's model (Johnson and Scholes, 2003; Burnes, 2000; Kotter, 1996). Common to these models are three distinct phases of change management namely:- Exploration and planning phase (Unfreezing) where awareness of need to change is created, understanding the problem, collecting information, searching for solutions, setting change goals and designing action plans; Action phase which involves arrangement for managing change and feedback process; and Integration phase (Refreezing) which involves consolidation and stabilizing change as well as reinforcing new behaviour.

Dawson's Processual Model and Quinn's Logical Incremental Model (Burnes, 2000) are the two main models of change management arising from the emergent approach to change. These models' key considerations are conception for need for change, organisational transition process that accommodates various interests, and new network practices and procedures. These steps are similar to the planned change models, but take account of environmental changes that need to be considered during the change management process.

Regardless of the strategic change management approach adopted in an organisation, the four issues that need to be identified and addressed in a change process are:- the need for or drivers of change; type of change to be implemented; obstacles or resistance to change which must be overcome in order for the desired change to be achieved; and measurement and evaluation of objectives and goals of the change process.

It has been argued that managing change successfully, even on a small scale, can be complex and difficult and many organizations experience difficulties in managing change effectively (Howarth, 1998). There are examples of change projects that have gone wrong, some disastrously, resulting in anxiety about organizational change. Hence, the need for understanding the management of change in order to increase the probability of success of the change process. Restructuring of Unga Limited in the 1990s is a Kenyan example of the challenge of implementing change and the likely failure that could result.

1.3 Management of Strategic Change in Public Corporations

Kenya Power and Lighting Company is a state corporation. A state or public corporation is a body corporate established under other statutes, but is wholly owned or controlled by the Government or by a state corporation, unless declared by the President by notice in the Gazette not to be a state corporation (State Corporation Act, 1987). The control may be due to majority shareholding ownership or by virtue of the government being the single largest shareholder. Generally, a public corporation is used by government to provide services and as a means of creating employment as well as maintaining economic and social stability. However, a common problem is how to reconcile the need for close political control with the need for sufficient management autonomy in public corporations. For example, when KPLC requires a tariff increase to meet its financial objectives, the government may not approve such a move if it is perceived as being likely to create economic and social instability.

The changes that currently affect organisations globally have also impacted on the structure and operations of public corporations. The most significant changes have been the Structural Adjustment Programmes that the Bretton Woods (World Bank and IMF) institutions introduced in Kenya in the early1990s. These, coupled with globalisation have affected public corporations requiring them to adjust their way of doing business in order to fulfil the objectives for which they exist. Consequently, these institutions have to develop strategies for survival and growth. Implementation and effectiveness of these strategies must necessarily view strategic change management as a vehicle to attainment of goals and objectives. It is important therefore that change management principles and practices be understood and instituted in the public sector as survival and success of any institution will be determined by how well strategic change is managed.

1.4 Overview of The Kenya Power and Lighting Company Limited

KPLC was until 1983 known as East African Power and Lighting Company Limited (EAPL) which was incorporated on 22nd January 1922 under the Companies Act (Hayes, 1983). It was among the pioneer companies to be listed at the Nairobi Stock Exchange when it was inaugurated in 1954. The Government of Kenya (GOK) acquired a controlling shareholding in EAPL in 1970 (Hayes, 1983).

Before the energy sector reforms that took place in 1997, KPLC was responsible for all electricity distribution and supply in Kenya, and also owned most of the transmission system and some electricity generating facilities (GOK, 1995). Following the reforms, KPLC now owns all the electricity transmission and distribution systems and is the sole supplier of electricity to consumers in Kenya. It is not licensed to generate electricity, but purchases electricity in bulk from KenGen, a public corporation that owns over 80% of electricity generating facilities, three private operators in the country and also imports electricity from Uganda.

GOK has 40% equity in KPLC, the National Social Security Fund`s shareholding is 11%, while the remaining 49% shares belong to private institutions and individuals and are traded at the NSE (KPLC, 2004). KPLC is regulated by the Electricity Regulatory Board which approves electricity tariffs and all power purchase contracts. Being publicly quoted, KPLC needs to operate as a profitable business in order to create value for its shareholders and maintain high share value on the stock market.

KPLC's operations are divided into four business units called regions in addition to the transmission business unit. Nairobi region has 53% market share, Coast and West Kenya have 19% market share each, while Mount Kenya region has 9% of sales. KPLC has a workforce of 6,211, two thirds of whom are in the distribution and supply business (KPLC, 2004).

Customers served by KPLC as of June 2004 were 696,000. With only about 15% of the nation's population having access to electricity, and the government's stated vision of industrialization by 2020, KPLC has good prospects for growth, provided that right strategies are developed and implemented through well managed strategic change process.

1.5 Statement of the Problem

Public corporations in Kenya have traditionally been characterised by inefficient operations and have depended on the Exchequer to bail them out whenever they are in financial crisis, and at times they have ended in receivership. The most prominent of such cases in the 1990s are the National Bank of Kenya where KShs 2 billion of taxpayers money was injected to keep it afloat and Kenya Assurance Company which went under receivership. Other corporations such as Kenya Railways remain perpetual financial loss makers and have neither noticeable expansion nor improvement of service. There are however some public organizations that have been transformed and started operating in business-like manner to the benefit of both the organization and the society. Examples of such organizations are Kenya Revenue Authority and Kenya Airways.

Public corporations like private organizations exist to fulfill specific objectives. Efficient and effective public services are essential part of a healthy democratic society. The government and the society are stakeholders who should demand satisfactory services from these organisations. Consequently, public corporations need to adopt the modern trends in strategic management by developing and implementing appropriate strategies to enable them meet the objectives for which they were created. These organisations therefore require to embrace strategic change management approaches that will assist in the successful implementation of the formulated strategies. The need for strategic change management in both the government and its corporations cannot therefore be overemphasized since these organizations are impacted by the same dynamic and changing environment as are private firms.

It is essential to study the practice of change management in the public sector in order to learn how change is undertaken in various institutions and how successful it has been.

Successful cases could encourage this practice in other public sectors where change management has not been adopted. There is no doubt that if public organizations applied the principles of strategic change and its management, they would be able to better adapt to the environment which keeps changing over time. In this way, their services would be more effective and efficient with benefits creating a ripple effect over the entire national economy.

A number of studies have been conducted on strategic change management practices of Kenyan companies (Gekonge, 1999; Bwibo, 2000; Mbogo, 2003; Rukunga, 2003). These studies focused on key factors influencing change in Kenyan companies including non-governmental organizations (NGO). Furthermore, the studies covered various sectors including firms listed on the Nairobi Stock Exchange and specific firms such as Kenya Commercial Bank and Nairobi Bottlers.

Studies on KPLC strategic responses focused on business process re-engineering (Thiga, 1999), contribution of information technology in business process re-engineering (Ombui, 2003), and customer perception of quality of service (Njoroge, 2003; Nyaoga, 2003). Thiga concluded that at the end of the re-engineering, there was no staff reduction contrary to the expectation that re-engineering should improve work methods in the organisation.

Mbogo (2003) observed that a number of studies have been carried out on changes in various organizations in recent times, but scanty information exists to scholars on change management programmes carried out in Kenya despite significant organizational changes taking place on the local scene in recent past. This implies that a gap exists in this field of study in Kenyan firms. There is therefore justification to study strategic change management practices particularly in a public corporation like KPLC due to the important role played by such institutions in economic growth and welfare of the society in general.

The case study will address the following questions:

a) What strategic change management models are adopted by KPLC?
b) What factors influenced the change management process?
c) How was the resistance to the change process controlled?

1.6 Study Objectives

The major objectives of the study are:

a) To identify the strategic change management model used by KPLC;

b) To determine factors that influence the practices adopted in managing the change process; and

c) To identify the methods used in controlling resistance to change.

1.7 Importance of the Study

The findings of the study are expected to:

a) Help the management of KPLC in the formulation of future strategic change programmes;

b) Assist consultants working for organizations such as KPLC in areas related to strategic change in response to challenging business environment;

c) Scholars who need to understand the application of strategic change theories in public sector organizations such as KPLC; and

d) Researchers who could use this study as a basis for further research.

CHAPTER 2

LITERATURE REVIEW

The focus of this case study is strategic change management in public corporations. The literature review will cover the following areas that relate to strategic change management: (a) strategic change; (b) foundations of change management; (c) approaches to change management; (d) forces of change; (e) resistance to change; (f) organisational culture and change; (g) power and politics in change management; and (h) leadership roles in change management.

2.1 Strategic Change

The current business environment in which firms operate is characterized by rapid change in technology, competition, and customers' demands, all of which have created new challenges for organizations (Hill and Jones, 2001; Ansoff and McDowell, 1990). New situations which are unpredictable and difficult to understand are becoming daily occurrences leading to change being described as an adventure into the unknown where outcomes are probabilistic and cannot be predetermined. Experiences of the 1990s and early 2000s confirm Conner's (1998) observation that the changes are so rapid that confusion and dysfunction in organizations have become more the rule than the exception and many frames of reference that offered some degree of predictability and order are fast disappearing. Consequently, most traditional organizations have accepted that they must either change or die; even successful companies including the Internet firms such as eBay, Amazon.com, and America Online, recognize that continued survival requires them to effectively manage the changes associated with rapid entrepreneurial growth (Beer and Nohria, 2000).

It is imperative for companies to actively change strategy to address the speed of the changes in the environment due to the fact that competitive relationships can shift quickly when firms respond too slowly to increased competition in their industry group (Reynierse, 1994). Strategic change enables an organisation to move away from its present state toward a desired future state to increase its competitive advantage (Hills and Jones, 2001).

Depending on the nature and scope of change, four types of change may be encountered, namely:- adaptive, evolutionary, reconstruction, or revolutionary. While scope describes the extent to which change involves paradigm shift – transformational or realignment, nature of change depends on whether change can be achieved incrementally or requires urgent, immediate action - big bang - approach (Johnson and Scholes, 2002).

Strategic change is a consequence of strategy which establishes the context for all other steps in strategic change process and helps set the tone and direction for firms in the long term (Johnson and Scholes, 2002). Unfortunately, many organizations develop strategies, but fail to implement the change needed to facilitate the successful realization of the plans, perhaps because the managers do not appreciate that business strategies, plans and goals are only a starting point and not the end.

As companies seek success and efficiency, a number of them fall victims of the success. They fail to realise that a truly great company will not be satisfied with its current performance because if it does, it may be extending the very factors that contributed to success to the point where they cause decline (Handy,1994; Miller, 1990). Indeed, IBM's chief executive officer from 2002, Sam Palmisano, acknowledged how IBM almost collapsed in the 1990s because it had been so successful that it stopped listening to its markets, customers, and to each other as no point of view mattered except theirs (Hamp and Stewart, 2004). Palmisano explains that when the market shifted, IBM nearly went out of business leading to a 50% reduction of its more than 40,000 workforce. Hence, organizations need to continuously change in order to remain competitive in the dynamic environment in which they currently operate.

Research shows that about 70% of all change initiatives fail (Beer and Nohria, 2000). Despite some individual successes, change remains difficult to implement and few companies manage the process as well as they would like. Beer and Nohria (2000) argue that most of the initiatives such installing new technology, downsizing, restructuring, or trying to change corporate culture have had low success rates. But this observation should not discourage organizational change, but rather it should be a wake-up call to those involved in change management to prepare for change in order to increase the probability of success.

One of the hindrances to successful change process is the ignorance of many senior managers about how change happens in their organizations as observed in studies carried out in 1995 in major United Kingdom companies (Conner, 1998). The studies showed that the perception of how smoothly a significant change has occurred differs radically from layer to layer in the organization and often, there lacks a rigorous and realistic method of assessing amount of change they are exposed to in the next six months, let alone in two to three years time.

2.2 Theoretical Foundations of Change Management

Whatever form change takes and objectives it seeks to achieve, organizations cannot expect to achieve success unless those responsible for managing it understand the different approaches on offer and that can match their circumstances and preferences. Hence the managers' understanding of the theory and practice of change management is not an option, but an essential requisite for organizational survival. This would forestall what happens in many strategic change programmes in various organizations, particularly in Kenya, which fail to achieve their objectives as managers involved in the process often have hazy ideas of the theory and practice of the fundamental principles of change management.

Change management approaches have been influenced by three main theoretical foundations, namely:- the Individual Perspective, Group dynamics, and Open Systems schools (Burnes, 2000).

Within the Individual Perspective school, the Behaviourist view is that behaviour results from an individual's interaction with the environment, while the Gerstalt-Field view is that individual behaviour is a product of environment and reason (Skinner, 1974; Smith et al, 1982). The former view contends that behaviour that is rewarded tends to be repeated, while ignored behaviour will cease to be, implying that behaviour is changed through change of conditions which cause it. The latter view explains learning as a process of gaining or changing insights, outlooks, expectations or thought patterns (Smith et al, 1982). The implications of this later view in management of change is that one would seek to help individual members of an organization to change their understanding of themselves and the situation in question, which in turn would lead to changes in behaviour. Both views have been widely applied in management of change with use of both strong individual incentives (external stimuli) and discussion, involvement and debate (internal reflection) in order to bring about organizational change.

The Group Dynamics school emphasizes bringing about organizational change through teams or work groups, rather than individuals since people in organizations work in groups and individuals must be seen, modified or changed in the light of groups' prevailing practice and norms (Burnes, 1996). Accordingly, concentrating on changing individuals' behaviour is valueless, since the individual in isolation is constrained by group pressure to conform. This school has influenced change management through promoting groups and teams in which norms, roles and values are examined, challenged and, where necessary, changed (Cummins and Huse, 1989; Mullins, 1999). Group dynamics perspective is similar to the Action Research developed by Kurt Lewin who advocated that the change process must become a learning situation - one in which participants learn not only from the actual research, the use of theory to investigate a problem and identify a solution, but also from the process of collaborative action and problem solving (Bennett, 1983). Team building efforts, prevalent in many organizations as a way of cultivating success, derive from Group Dynamics school.

The Open Systems school, unlike the Individual Perspective and Group Dynamics schools, focuses on the entire organization which is viewed as comprising of four interconnected subsystems:- goals and values, technical, psychosocial, and managerial (Burnes, 2000). In a change process, these subsystems are to be evaluated to determine how they could be changed so as to improve the overall functioning of the organization. Furthermore, though isolated, the subsystems are open, interacting with the external environment and internally interacting with each other. The implications to change management of the open system is that the functions of a business need to be structured in such a manner that, through clearly defined lines of coordination and interdependence, the overall business objectives are collectively pursued in order to achieve synergy rather than on optimizing the performance of any one individual part (Mullins, 1999).

The three schools complement each other in their approach to change management, differing only in the circumstances in which each applies. The conclusion therefore is that organisations are social systems and to change anything requires cooperation and consent of groups and individuals who make up an organisation, for it is only through behaviour that structures, technologies, systems and procedures of an organisation move from being abstract concepts to concrete realities (Burnes, 2000).

2.3 Approaches to Change Management

Two main approaches to strategic change management have been developed and widely written about. These are the planned change approach which is based on pioneering work of Kurt Lewin and has been the dominant theory and practice for over fifty years, and the emergent approach to change management developed in the 1980s (Burnes, 2000).

2.3.1 Planned Change Approach Models

The planned change approach views change as a process of moving from one fixed state to another through a series of predictable and pre-planned steps. The earliest planned approach model is the Three Step Model developed by Kurt Lewin who postulated that a change toward a higher level of group performance tends to be short lived with group behaviour reverting soon to its previous pattern (Burnes, 1996). Consequently, to ensure sustainability, performance of the new level should also be included in the objective of change. Lewin's view was that a successful change process should involve three steps - unfreezing, change and refreezing.

Unfreezing the present level involves reducing the forces that maintain the organisation's behaviour at its present level with change triggered by creating urgency and readiness to acquire or learn new behaviour. Rubin (1967) argues that this step requires some form of confrontation meeting or re-education process in which problem to be solved is analysed to help those involved to see need for change. The second step is the actual change that leads to the new level and results from the analysis of the present situation, identification of alternatives and selection of the most appropriate action needed to move to more desirable future state. It may be gradual or drastic and requires developing new behaviours, values, and attitudes as well as changing the organisational structures and processes. Refreezing the new level is the final step which seeks to stabilise the organisation at a new state of equilibrium in order to ensure that new ways of working are relatively safe from regression. This is achieved through use of supporting mechanisms that positively reinforce new ways of working comprising of organisational culture, norms, policies and practices (Cummins and Huse, 1989).

Bullock and Battern (1985) building on Lewin's model identified four broad phases an organisation moves through in planned change based on synthesis of more than thirty models of planned change. Firstly, the exploration phase involves awareness of need for change and searching for solutions - usually achieved in brainstorming sessions. Secondly, in the planning phase, those involved in the change move on to understand the problem, collect information, set change goals, design action plans and get appropriate support. Thirdly, the action phase involves arranging for managing the change and feedback processes for evaluating the implementation activities. The final phase is integration - consolidation and stabilising the change as well as reinforcing new behaviour. Phases I and II are similar to unfreezing in the three step model.

However, critics of the planned approach models say that whereas they worked well in stable business environment of the fifties and sixties, they are outdated in today's dynamic, rapidly changing environment and emergent approaches of change should be adopted.

2.3.2 Emergent Change Approach Models

The emergent approach is a new approach to change that developed in the 1980s and is also referred to as continuous improvement or organizational learning. It views change as an open-ended and continuous adaptation to changing conditions and circumstances as well as a process of learning and not just a method of changing organisational structures and practice (Burnes, 1996). Hence the firm is able to align and realign itself to changing environment.

McCallman and Paton (1992) posit that in this approach to change, managers need an extensive and systematic understanding of their organisation's environment in order to identify the pressure of change and ensure that by mobilising the necessary internal and external resources, their organisation responds in a timely and appropriate manner leading to sustainable change.

Three often encountered change management models in this approach are processual model by Dawson, Quinn's Logical Incremental Model and the Adaptive Change Model. Dawson's model views temporal aspects of change as useful means of breaking down complex process of organisation change into manageable portions which are constantly refined and developed to maintain relevance (Burnes, 1996). In Quinn's model, managers consciously and proactively move the change process forward incrementally as the environmental changes occur (Mintzberg and Quinn, 1991). The Adaptive Change or Organic Adaptation model which Ansoff and McDowell (1990) refer to as "Rome was not built in a day" approach advocates a step by step incremental change which over time add up to transformation of culture, power structure and competence. In this model, change is unmanaged from the top and occurs in response to successive environmental stimuli, or to unsatisfactory performance of the firm resulting in strategic change occurring through series of incremental steps spread over time.

Abrahamson (2000) postulates the dynamic stability approach in which he advocates carefully paced periods of smaller, organic change using the "tinkering" and "kludging" approach. This implies continual change, through relatively small effort that involves reconfiguration of existing practices and business models rather than creating of new ones. It alternates radical change and more organic modifications as Jack Welch demonstrated at General Electric in the nineties which was full of acquisitions - big and small changes implemented at the right intervals (Abrahamson, 2000). The oscillations between big and small changes help ensure dynamic stability in organizations paving way for change to succeed. This is in contrast to highly destabilizing and disruptive effects resulting from rapid change often encountered in a number of organisations.

Proponents of the emergent change approach see it as more suited to a turbulent environment in which firms find themselves today since it recognizes the need for firms to align their internal practices and behaviour with the changing external conditions. But critics of the emergent approaches to change, on the other hand, argue that organisations face different kinds of environment; hence focus on creating a climate does not give specifics on what it entails, and that some organisations perceive need for change, but are unable to learn. Furthermore, a great deal of emphasis is given to creating appropriate organisational culture which is neither easy nor necessarily possible.

Since none of the two approaches to change is applicable to every organization in all circumstances, an approach that has lately developed is a synthesis of the planned and emergent approaches to change. It views the two approaches as applicable to different organisational circumstances, with the planned and emergent approaches being located at either end of a business environment continuum running from stability and predictable to turbulent and uncertainty (Burnes, 2000). The planned approach is on the former end of the continuum, while the emergent approach would be at the latter end. This leads to model of change incorporating a range of approaches each of which is related to a particular type of environment. Burnes (2000) explains that this concept of a multiplicity of approaches leads to a model of change that is essentially a "situational" or "contingency model" - one that indicates how to vary strategies to achieve optimum fit with the environment.

The success of managing change in an organization will depend on the context in which change is taking place; hence there is no standard formula applicable to management of change in every organisation. What managers involved in the change programme require is to understand the various change management approaches available to them and how to appropriately apply them for the success of the organizational change process.

2.4 Forces of Change and Force - Field Analysis

2.4.1 Forces of Change

The forces that operate to bring about organizational change are many and varied with some gentle whilst others are strong and can cause devastation to structures and operations in the organization. These forces of change include growth of capital intensive manufacturing, accelerated tempo of new technology, concentrated patterns of consumption globally, shifting needs of customers, shifting in government regulations, improving skills of competitors and neo-protectionism era (Johnson and Scholes, 2002; Conner, 1998; and Burnes, 2000). Technological obsolescence and improvements cause replacement of product models within very short time, while globalisation of markets and operations has led to similarity of consumer demand and lifestyle patterns. Many organisations have grown in size, complexity and specialisation leading to requirement of new structures and skills for cooperation and coordination. World trade has become fairly liberalised and competition is more global than localised resulting in erosion of abilities of corporations. These forces are pressing on organizations to track, revamp, adjust, transform and adapt if they are to survive and prosper.

Internal forces of change also exist and range from changes in leadership, policy or ownership, organisation culture, workforce, performance, development of new products or technology due to own innovation. In addition, organizations have recently seen a greater strategic awareness and skills of managers and employees who call for changes in the scope of their jobs and require strategic development and growth of their firms. This is clearly visible in Kenya today where continuing education among the middle class has become more of a norm than an exception and universities can hardly cope with the number of working people who need to attend evening classes. Many companies in Kenya have initiated change programmes since the beginning of this decade due to pressure by stakeholders who demand better return on investment.

2.4.2 Force Field Analysis

The understanding of the dynamics of change have been enhanced by Kurt Lewin who postulated that changes result from the impact of a set of driving forces acting upon some restraining forces (Johnson and Scholes, 2002). Lewin argued that, in any situation, there are forces that push (driving) for change as well as forces that hinder (restraining) change. The force-field analysis is a powerful and essential tool as it provides an initial view of change problems that need to be tackled by identifying forces for and against change. The driving forces may be internal or external, while restraining forces could be existing strategies, policies, regulations, or culture. Weihrich and Koontz (1993) emphasise that organizations may be in a state of equilibrium, with forces pushing for change on the one hand and forces resisting change by attempting to maintain the status quo on the other. These writers argue that in initiating change, many organisations have the tendency to increase driving force, which tends to increase resistance by strengthening the restraining force. They propose a more effective approach as that which seeks to reduce or eliminate the restraining forces, thus allowing the driving forces to push the organization to a new level of equilibrium. This is based on the belief that change is less resisted when those affected by it participate in the change. Critics of the model argue that while the model assumes existence of a specific point of equilibrium where an organisation need not change, no such point exists since changes are continuous. However, the model has been applied widely in change management as it enables managers to get a specific picture of the current situation and provides a framework for looking at the total situation as well as bring understanding of factors that can be influenced and those that cannot (Johnson and Scholes, 2002).

2.5 Managing Resistance to Change

2.5.1 Resistance to Change

Some people view change as a threat, while others see change as an opportunity. The degree to which people resist change is influenced by which of these views they hold. Studies on behaviour show that people tend to hold on to existing ways of doing things and existing beliefs about what makes sense and will resist anything that causes disruption and loss of equilibrium to the familiar way of operation; hence, resistance to change is a natural, normal reaction, not a reaction reserved for troublemakers (Johnson and Scholes, 2003; Conner, 1998; Page, 1998; Ansoff and McDowell, 1990). Resistance to change manifests as opposition to any significant shift in the status quo and could be due to one of many reasons including: (a) fear of the unknown; (b) job threat; (c) fear that experience and expertise will lose value; (d) threat to power; (e) personal inconvenience in learning new ways; success paradox; and (f) threat to interpersonal relations (Rue and Byars, 1992; Conner, 1998; Hannan and Freeman, 1984).

Machiavelli observed that the introduction of a new order of things meets resistance as "the innovation has for enemies, all those who have done well under the old conditions and lukewarm defenders in those who may do well under the new" (Johnson and Scholes, 2002, p563). Strategic change as a new order of things takes considerable effort to embrace on the part of those involved especially if they are not the architects of the new strategies. Ansoff and McDowell (1990) contend that resistance to change is not an aberration, but a fundamental problem which deserves attention comparable to that given to the strategy formulation. They also argue that resistance to change is not confined to introduction of strategic planning, but occurs whenever organizational change introduces a discontinuous departure from the historical behaviour, culture, and power structure. Hence, resistance to change is a multifaceted phenomenon which introduces unanticipated delays, costs and instabilities into the process of strategic change and is therefore undesirable.

Organisations may face resistance to change that is overt and easy to address or covert - hidden behind the scenes and going unnoticed until it destroys a change project. Conner (1998) explains that covert type of resistance results from low trust and inadequate participation when employees are not allowed to openly discus their true feelings or if they are not involved in implementation decisions; hence they feel disenfranchised from the change effort. Covert resistance may be revealed through what McNulty (2002, p33) refers to as "giving the leader the nod on the surface, all the while building elaborate arguments for going more slowly than the leader knew they need to go".

Organisations encounter two types of resistance to change. Firstly systemic resistance which is passive incompetence of the organisation as a result of deficiencies in the system and is proportional to the difference between the capacity required for new strategic work and the capacity to handle it (Ansoff and McDowell, 1990). This results from capacity development lagging behind strategy development as occurred in the introduction of free primary school education in Kenya in early 2003 without taking into account the availability of enough teachers, classrooms and other facilities. Secondly, behavioural resistance manifests itself through individual employees and managers as well as in groups of people who share common tasks such as unionisable staff.

Ansoff and McDowell (1990) have expounded two views on resistance to change. On the one hand, the strategist views resistance as a manifestation of irrationality of the organization, a refusal to recognize new dimensions of reality, to reason logically, and to carry out the consequences of logical deductions. On the other hand, the behavioural political scientist views resistance as a natural manifestation of different rationalities, according to which groups and individuals interact with one another. Consequently, individuals and groups resist change in proportion to degree of threat and discomfort introduced by the current increment of change. The gap between perception and reality can substantially and unnecessarily increase the level of resistance. As Conner (1998) argues, human beings seek control and tend to fear and avoid the ambiguity of disruption whether it is positive or negative; hence, what people resist, in reality, is not the change, but the implications of the change. Unless managers involved in change management appreciate these views, they will be "stuck in the middle" in their efforts to implement organizational change.

2.5.2 Managing Resistance to Change

Strategic change processes often fail, not because the strategies were wrong or unattainable, but because change is introduced without regard for consequent resistance. Therefore managing resistance to change occupies a key role in the change management process because resistance to change creates major roadblocks to the strategic change process. Hence at the onset of the change process, it is imperative that the managers of change identify key stakeholders in the change programme in order to establish both the interest in and power to influence the process (Johnson and Scholes, 2002).

One of the common ways of managing resistance to change is what Ansoff and McDowell (1990) refer to as the "muddling through" approach in which orders are given to the reluctant groups and punishment netted to slipped schedules and cost overruns. But such an autocratic approach is bound to fail. A better approach would be that of anticipating, managing and controlling behavioural resistance which requires factors creating resistance to change be identified at an early stage in the change process in order to prepare appropriate remedies and to avoid being ambushed in the process.

Overcoming resistance to change requires firstly, change in behaviour by individuals in order to overcome the natural resistance to change that emerges and secondly, getting individuals to behave in ways consistent with both the short run goals of change and long run organizational strategy (Mabey and Mayon-White, 1993). Conner (1998) proposes some five principles in managing resistance to change as:- (a) understanding basic mechanisms of human resistance; (b) viewing resistance as a natural and inevitable reaction to disruptions of expectations; (c) interpreting resistance as a deficiency of either ability or willingness; (d) encouraging and participating in overt expression of resistance; and (e) understanding that resistance to positive change is just as common as resistance to negatively perceived change and that both follow their own respective sequence of events which can be anticipated and managed. In this regard, open communication on the change process is therefore paramount as in absence of information, people invent far more scenarios for themselves and resist change (Clarke, 1994).

A critical aspect of overcoming resistance to change is addressing the way employees experience the change process, then helping them cope with change through managing awareness of need for change, desire to participate, knowledge of how to change, ability to adopt change on ongoing basis, and reinforcement to keep change in place. Building organizational capability for change helps overcome original resistance through making people more receptive and less cynical to innovation and change (Clarke, 1994).

2.6 Organisational Culture and Change

Organisational culture establishes a unique set of formal and informal rules on how people within an organization think, behave and what they assume to be true; culture is acquired over time and tends to be self preserving (Johnson and Scholes, 2003; Conner, 1998; Burnes, 2000). The established value system is conveyed through rites, rituals, myths, legends and actions prevalent within the organisation.

It has been argued that strategic management of change is "essentially a cultural and cognitive phenomenon" rather than an analytical, rational exercise and that sustainable change requires understanding the culture of organisation that needs change (Johnson and Scholes, 2002). From their study of the best performing American companies, Peters and Waterman (1982) concluded that culture plays a pivotal role in the performance of an organization. As Conner (1998) contends, successful change management requires an intentional creation of a culture that best serves the organizational needs – alignment of culture and change goals. It is therefore incumbent upon change managers to identify the aspects of culture that are incompatible with the required change in order that a culture change can be introduced to make culture consistent with the change.

However, Wilson (1992) takes a different view that

> ...to effect change in an organisation simply by attempting to change its culture assumes an unwarranted linear connection between something called organisational culture and performance. Not only is this concept of organisational culture multifaceted, it is also not always clear precisely how culture and change are related, if at all, and, if so, to which direction. (Burnes, 1996, p191).

Wilson (1992) and others who support his view contend that restructuring of existing organizational hierarchies places people in new roles, relationships and responsibilities, thus forcing new attitudes and behaviours upon people (Burnes, 1996). But this argument appears to downplay the fact that culture develops over time in response to unique challenges faced by different groups within the organization and is inherently multifaceted and complex. Therefore this approach is likely to encounter more resistance than one where organizational culture change is deliberately addressed as part of change.

Corporate culture should be viewed as an asset that needs to keep improving or renewed. An organization cannot depend on its past culture of success since what was historically relevant may have no relevance in today's business environment. To emphasize this point, Hamp and Stewart (2004) cite how the new IBM's chief executive officer, Palmisano, appointed in 2002 has redefined the basic beliefs and values articulated by IBM's founder Tom Walton Sr and that had guided the firm for nearly a century.

Conner (1998) recommends an architectural cultural development approach that requires that:- (a) senior managers define specific characteristics of desired culture; (b) management conducts a "culture audit" to determine the gaps between existing culture and the desired one; (c) management identifies detailed action plans to close the gap; and (d) management engages in structured implementation of the plan. However, effective change management should address organisational culture in a way that changes affecting the culture are gradual.

2.7 **Power and Politics in Change Management**

Organisations are political systems, and people's degree of cooperation and commitment will vary with the degree to which they perceive the goals they are pursuing are broadly consistent with their own interests (Mullins, 1999). Politics affect organizations since individuals and groups often pursue courses of action which promote their interests, regardless of the organisation's formal goals and objectives, which sometimes results in battles with each other to shape decisions in their favour (Mintzberg, 1983; Morgan, 1986; Handy, 1986). Similarly, people tend to seek power as it provides the ability to exert influence over decisions made and actions taken.

Power is the ability of individuals or groups to persuade, induce or coerce others into following certain courses of action and may be coercive, normative, or remunerative, any of which could be as a result of one's position in the organizational structure (Johnson and Scholes, 2002). Murray (1989) correctly argues that, given the insecurity of many managers' positions, particularly during periods of major upheaval and change, it is not surprising that managers and other groups attempt to influence decisions in order to protect, enhance or shore up their position in the organization. Consequently, many managers may not be rational in their decision, either in support of or in opposition to strategic change. In managing change, efforts must be made to develop power and political centres that support change rather than block it.

The change manager needs to be sensitive to power struggles within the organization and to ensure that the power he possesses encourages support or overcomes resistance, and achieves commitment to a course of action (Johnson and Scholes, 2002). Involvement of managers in the development of the change programme, creating awareness as well as clarity of roles would reduce the friction from power struggles. Power bases must be well managed in order that the individual's goals are aligned to organizational goals, thus increasing the probability of success of the change programme.

2.8 Leadership Roles in Strategic Change Process

Effective change management calls for clear definition of roles to clarify what the various parties involved will contribute to the change process. Working relationships are complex with people often playing more than one role and frequently shifting roles during the process. Conner (1998) identifies the four distinct roles critical to a change process as sponsors, agents, targets and advocates.

Sponsors of change have the power to sanction or legitimize change after deciding on desired change in the organization followed by communicating the new priorities. Change agents assume the responsibility of making the change happen. Their success depends on their ability to diagnose potential problems, develop a plan to deal with the issues, and execute the change effectively. They must possess the right skills for success. Targets of change are those who are the focus of the change effort and they play a critical role in the short and long term success of the change project. The target must be educated in order to understand the changes they expect to accommodate; hence they need to be involved at appropriate stages in the implementation process. Advocates are those who want to achieve change, but lack the power to sanction it even though their ideas may be good. A change manager may play any of the four roles at different times in the change process (Conner, 1998).

A change agent may be from within the organization or from outside, usually consultants, and need not be the developer of the strategy (Johnson and Scholes, 2002; Beer and Nohria, 2000). Furthermore, change agency may be an individual's responsibility or a group working together to implement the change. The agent provides leadership in the change process, thus the success of the process depends largely on the leadership ability.

Leadership unites people towards a common goal and is a natural part of change. An effective change leader is one capable of reframing the thinking of those whom they guide, enabling them to see that significant changes are not only imperative, but achievable (Conner, 1998). Strategic change leaders must influence the organization in its efforts towards achieving the change goals - adapting the organization to change. However, leaders must be careful not to overstep the mark as this could create resistance and impede rather than assist change. The leader must be open minded, removing threats and insecurity in order to bring people into the change (Page, 1998). The leader must face the truth, identify people's real interest and make promises that can be kept, creating both passion and commitment in people to pursue a goal and remain focused – aspects that are glaringly lacking in most organizations in Kenya. Page (1998) contends that an effective leader is one who senses and transforms the need of his followers by mobilizing new "higher" needs in his followers arousing in them hopes and aspirations. In addition, he must shun the oppressive threats and elaborate manipulations at the heart of many corporate change programmes.

The leader may be the charismatic who builds a vision for the organization and energizes people to achieve it, or instrumental/transactional type focusing on designing systems and controlling the organisation's activities. A leader should be capable of dealing with ambiguity, and demonstrate flexibility, insight and sensitivity to the context of change (Johnson and Scholes, 2002). Successful change management requires very visible leadership from the top, demonstrating the direction of change and commitment of the top group.

Schaeffer (2002) identifies three leadership styles often encountered in change management. The most common change management style is the top-down (autocratic) approach that establishes senior management agreement as a first, but does not always work as compliance at the top does not guarantee cooperation at other levels in the organisation. However, this approach's major weakness is the resistance it elicits as the top is viewed as the privileged few defining the truth in a narrow sense and thrusting the narrow sanitized, corporate version of truth at people in a dictatorial manner (Page, 1998). It causes pain and arouses antagonism leaving the leader exposed to resentment and blame from the followers. The second style is the participative leadership in which the leader receives sufficient information from his followers to make strategic decisions, but leaves the implementation of strategy to the line managers. It requires letting go and communicating that the leader trusts all those participating in the change process to make wise decisions. This is supported by Peters and Waterman (1982) who found this style as a key success factor in the America's best run companies in which employees are trusted, valued and treated as responsible. The third style is the reformer style of leadership in which the leader defiles the convention and stubbornly tries to make the world a better place. This style involves high risks and is more demanding as one leads others to what is not supported by experience. As Schaeffer (2002) observes, most people when under pressure fall back on the style or approach that worked in previous crises, only to discover that old approaches rarely work in new and demanding situations. Therefore an effective leader must be the master of two ends of a spectrum: ideas at the highest level of abstraction and actions at the next mundane level of detail (Peters and Waterman, 1990). Such a leader then is able to be the successful captain of the ship carrying the change process which may often sail through stormy seas. A true change leader must enable the change vision to be owned by all through clear communication, getting people excited about the destination which the organization is aiming for in the change process (Clarke, 1994).

The appropriateness of the style and the extent of its application to manage change is dependent on the organizational context and on the individual managers of change as well as on the readiness of the company to embrace change.

2.9 Related Studies in Kenya

Studies have been carried out on strategic change management practices of Kenyan companies (Gekonge, 1999; Bwibo, 2000; Mbogo, 2003; Rukunga, 2003). The studies focused on key factors influencing change in Kenyan companies including non-governmental organizations (NGO). Gekonge (1999), in looking at strategic changes in companies quoted on the Nairobi Stock Exchange concluded that culture greatly affected management of strategic change process and that few Kenyan firms think strategically and have little orientation. He observed that change management practices are common and standard practices meant to achieve long term objectives in a stable business environment. Bwibo

(2000) concluded that, in NGOs, changes took the top-bottom approach and were influenced by the donors and initiated by the board, CEOs and senior managers and that effective and successful strategic change management depended on how change initiators and agents managed variables such as strategy, communication, employee empowerment and involvement, resistance to change, and other challenges. Mbogo (2003) from a study on strategic change process in a hybrid public private organization, Kenya Commercial Bank (KCB), concluded that strategic change in KCB has borrowed and applied heavily the managing by project concept to turn strategy into reality. He however observed that among the key factors adversely impacting on the reform effort were resistance to change and culture and that political and GOK interference was the least of the factors affecting success of the change effort. Rukunga (2003) observed that the Nairobi Bottlers used one of the models, but empowerment was ignored. He concluded that company performance improved quantitatively, though none qualitatively.

CHAPTER 3
RESEARCH METHODOLOGY

3.1 Research Design

This research is a case study aimed at analyzing how KPLC has managed its strategic change process in the implementation of its strategies developed to respond to rapid changes in its business environment. Particular focus was on the models adopted in the change process, factors that influenced the change process, and how resistance to change was dealt with.

The case study method was chosen as it was best suited to help gain insight into the strategic change management practices that have occurred in KPLC in between 1995 to 2004.

3.2 Data Collection Method

This study made use of both primary and secondary data. Secondary data was collected from KPLC's records including the company annual reports and management reports on business reorganisation process. Primary data was qualitative information gathered using an interview guide (Appendix 1) which was sent to seven chief managers and three other senior managers ahead of the interview. This is the team responsible for developing company policy, provision of the strategic direction for the company and controlling the company resources. This team also oversees the implementation of strategic change programme in KPLC. Interviewing the entire management team was to assist to eliminate bias that could be encountered if only one or two senior managers provided the information on change management practices in KPLC. The broad areas of focus covered during the interviews included strategic planning issues, change management models adopted, factors influencing change practices, signs of resistance to change and how resistance to change was controlled.

3.3 Data Analysis

This case study relied solely on qualitative data. Therefore, research findings were analysed through content analysis.

CHAPTER 4
RESEARCH RESULTS

4.1 Introduction

This chapter contains findings of the study. It was intended to interview ten managers, but only six, representing sixty percent of the target, were interviewed. These managers have been involved in two or more of the change management programmes. Interviewees have been in senior positions within the company for between 8 to 15 years were involved in either development or implementation of the change programmes and they gave detailed insights into strategic change practices within KPLC. The findings are presented in three sections.

The first section presents strategic change management models used in KPLC between 1996 and 2004. Section two indicates the factors influencing the change management practices and the last section details how resistance to change was controlled during the change management process.

During the interviews, three strategic change programmes were identified as having taken place in the period under study. The first was the Institutional Strengthening Project (ISP) which was a business process reengineering programme that took place between 1995 and 1998. The second was a divestiture programme that took place from 1997 to 1999 and involved KPLC abandoning its electricity generation business to concentrate on electricity transmission, distribution and supply. The third was a business reorganisation programme that was implemented from 2000 to 2003 and entailed organisation structure change and staff retrenchment.

4.2 Strategic Change Management Models

This section explains findings on the models applied in each of the three change management programmes.

4.2.1 Institutional Strengthening Project (ISP) from 1995 to1998

In 1995, KPLC's business was suffering from lack of efficient customer billing system. A new billing system procured a year earlier was not performing to expectations and customers were not billed on time and often bills were inaccurate, resulting in loss of revenue and time to resolve customers' complaints. Other processes that affected the business included quoting customers for new jobs, reporting supply failure, and all support services including finance, logistics and human resources which were manually carried out and therefore unsuitable for modern business practices. ISP was therefore initiated with the primary objective of improving operational efficiency through implementation of new and flexible business processes. The main focus was introduction of new processes facilitated by new information technology (IT) systems.

Managers interviewed viewed ISP as a planned change process that was developed by consultants working very closely with KPLC staff. The programme was expected to take five years, but was completed in four years. The stages of change identified are shown in Table below.

Table: Steps in the ISP Change Management Process

Step	Actions
Step 1	(i) Creating urgency through awareness within KPLC management on shortcoming of KPLC's existing business processes and financial loss implications. (ii) Exposing staff and management to successful systems in similar companies in order to see a different way of doing things. Some of the staff were said to have remarked "how have we been existing without such modern systems?"
Step 2	(i) Identification of various processes within KPLC (ii) Formation of teams for various tasks and process development through consultations with user departments (iii) Development of new systems with deep involvement of KPLC staff.
Step 3	(i) Training of staff involved in developing the new processes (ii) Regular updates for those not directly involved in the development of processes (iii) Training of all staff on use of new processes (iv) Providing computers to staff as the new processes were IT based.

Source: Research Data

4.2.2 Divestiture Change Programme from 1997 to 1999

Prior to 1997, the electricity sector in Kenya was vertically integrated with KPLC being a key player as owner as well as the sole manager of electricity generation, transmission, distribution and supply assets. KPLC owned some electricity generating plant and most of transmission and distribution system, while some government parastatals including Kenya Power Company (currently known as KenGen) owned most of the generating plant and some transmission assets. But KPLC managed the entire electricity system on behalf of all the other players. However, due to a Government policy to create competition in electricity generation in order to attract private developers, the government decided that all publicly owned electricity generation assets be transferred to one public company while all transmission and distribution assets would transfer to KPLC. In order to have a fair and transparent asset transfer process, a consultant was retained to value the assets that were transferring.

The divestiture process was a planned process that involved the transfer of KPLC's generating assets to KenGen and acquisition of transmission of KenGen's transmission assets by KPLC. Furthermore, since KPLC, at the time, managed the entire electricity system assets, KPLC staff who were involved in the electricity generation had to be transferred to KenGen. The entire change programme was expected to take two years, but it took three years. The process commenced in 1997 when staff transferring to KenGen were identified. However, at the headquarters in Nairobi, offices and other facilities were shared for about six months until KenGen moved to its own premises. The next step involved transferring the assets between the two companies, a process that was completed in 1999. This change programme took place as the ISP programme was in progress, which created challenges of identifying how to split certain processes which were already under implementation.

This change programme was planned. Urgency for change was created through GOK and KPLC understanding that external soft funding from international development partners for identified energy sector projects would not be released if the divestiture programme was not carried out. The actual change was carried out gradually as staff transferred and those left behind adjusted to the smaller company with less staff and fewer functions since generation was a major function was no longer the mandate of KPLC. New legislation did not allow licensing KPLC to generate electricity, thus it cannot carry out this business in future unless there is change of law.

4.2.3 Business Re-Organisation from 2000 to 2003

After the implementation of the divestiture programme in 1999, KPLC encountered adverse business environmental factors including lack of adequate electricity to sell due to a severe drought in 1999 to 2000 and economic downturn. The company recorded high financial losses in the fiscal year 1999/2000. In order to address the problem, the company commenced on a business reorganisation programme in 2000 aimed at realigning the business to the changes after divestiture. This was to be achieved through creation of a new organisation structure described as leaner and flatter, creation of business units, and retrenchment of staff. The change programme was expected to result in more efficient and effective customer service through creation of smaller units (zones) within the business units where staff were more empowered and could easily access the customers.

The change was planned and expected to be implemented within one year. However, the managers interviewed did not perceive the change management process as distinctly planned. The implementation of the change programme commenced in mid 2001 with change of the organisation structure followed by recruitment of staff to take up top and middle level positions within the structure. For the top management, the jobs were advertised and were open to outsiders as well as the existing employees. Recruitment was carried out with the assistance of a consultant and representatives from the government. For the middle level management, interviews were conducted among existing employees to fill up new positions. Those who could not find jobs within the new structure were retrenched by mid 2002. However, the company was still making financial losses and did not have sufficient resources to complete the retrenchment process. The organisation structure was revised in 2003 and staff redeployed to newly created positions.

This change appeared to follow an emergent change management model in which though the change was planned to take a certain direction, environmental changes such as lack of funding for retrenchment and failure to achieve desired outcomes with the organisation structure brought about the need for change of the structure within two years.

4.3 Factors Influencing Change Management Practices in KPLC

This section details both internal and external factors that were found to have influenced each of the three change management programmes in KPLC.

4.3.1 Factors Influencing ISP Change Management

Different internal factors affecting this change programme were identified. The first was technology because reengineering the business processes required that the change be managed through acquisition of modern computers and software to enable the achievement of the objectives. Secondly, a matrix organisation structure was adopted for managing the project whereby staff from different departments formed teams that were implementing the project. This enabled the effective permeation of the project across all departments. Thirdly, frequent meetings of the steering committee comprising most of the top management created ownership of the process and teamwork. The fourth factor was management commitment achieved by keeping all managers informed of the progress, participating in decision making and as they saw the achievements and resulting benefits of the project to the company. Fifthly, adequate resources were allocated to the programme through internal funding and staff seconded to the teams were also among the best staff as the company wanted the project to move ahead unhindered. Sixthly, the company culture facilitated the change process as staff were eager to embrace new technology and to change the methods of work. The seventh factor was that a few of the managers opposed the project due to their perceived lack of influence to determine the direction the change took. But the effect of internal politics on the entire process was insignificant. Finally, leadership was provided by the CEO who guided and supported the project to ensure success. Other managers followed the CEO's example.

There were also external factors that influenced the process. Firstly, the ISP was about improving business processes in order to improve efficiency and delivery of service. Customer demand for better service influenced how the change was carried out by ensuring design of new processes that best met the customer needs. Secondly, the project was implemented by help of consultants whose knowledge and experience helped the process to succeed.

4.3.2 Factors Influencing Divestiture Change Management

Four internal factors were identified as affecting this process. The first was that management support was not very strong since this change was viewed as being imposed on the company by outsiders and not really needed by the company. This caused a delay by nearly one year in completing the implementation of the process. Some of the managers interviewed indicated that they were not convinced that this change was necessary. Secondly, the programme was allocated adequate resources to make it succeed. Thirdly, because managers were not for the divestiture, there were power struggles in deciding which employees would be left in KPLC and those to join KenGen. Finally, the CEO supported the project and gave guidance to ensure success because he understood the repercussions of not carrying the process through.

There were also four external factors that were found to have influenced this change process. Firstly, the divestiture was seen as the first step towards creating competition in electricity generation. It was also part of a long term plan to privatise electricity distribution. This created uncertainties of the future electricity sector structure. Secondly, electricity customers in Kenya had often felt that a monopolist electricity supplier did not offer the best service and there was optimism on their part that the divestiture was a good move towards creating competition. The company had to take into account this customer expectation of better service during the change process. Thirdly, consultants were involved in the initial stages in asset valuation and as the process continued, their advise was required to enable managers understand some of the issues which were not very clear. Finally, the Electricity Regulatory Board (ERB) was created in 1998 just as the divestiture process was going on. ERB had henceforth to approve any power purchase agreement that KPLC had with both public and private electricity suppliers. Besides, before retail electricity tariffs for KPLC could be approved by ERB, a public hearing was required and the first one took place in 1999. Furthermore, KPLC being listed company in the Nairobi Stock Exchange had to obtain the Capital Markets Authority's (CMA) approval for the entire divestiture process.

4.3.2 Factors Influencing Business Reorganisation Change Management

A number of internal factors were found to have impacted on this change process. The primary one was that the company made financial losses in 1999/2000 and 2000/2001 and this loss making trend appeared that it would continue. The business reorganisation process aimed at both efficient customer service and reduction of operating costs. The organisation structure adopted and the staff retrenchment was expected to bring down costs and also increase sales by expanding customer base. KPLC renegotiated its electricity purchase prices with its major suppliers, which enabled it to return to profitability in 2003/04 financial year after four consecutive years of loss making. Secondly, the organisation structure was changed by reducing the number of divisions within the company from fourteen to seven and from six operational areas to four business units (Regions). Zones were also created to ensure that KPLC staff were well positioned to interact effectively with customers and to offer them better service. After two years, the new organisation structure was revised because some of the top managers felt that it was not delivering the expected results. A new structure which abolished the zones was introduced and it made the corporate centre more involved in the running of the Regions. Most managers interviewed were of the opinion that the structure adopted in 2001 should not have been abruptly changed in 2003 as failure to achieve the expected results was not because of the structure.

The third internal factor identified was that due to disagreements within the top management over which structure was best suited to meet the objectives of the reorganisation, teamwork was weak and the process lacked ownership among top managers. This also resulted lukewarm support to the reorganisation process from top management. To most of the managers interviewed, the process has not been successful. Fourthly, it was found that the human resources allocated to the zones were not adequate to meet the customer expectations and to facilitate generation of sufficient business for the company. This negatively impacted on the process. The fifth factor identified was that organisation culture did not change in tandem with the envisaged reorganisation process. For example, it was observed that even though the Regions were business units and role of the head office was to provide policy and consultancy services, operational issues continued being handled from the head office, thus creating confusion. Consequently, without a supporting culture change, it was difficult to succeed in the change programme. The sixth internal factor was that abolition of some of the top positions during the reorganisation led to demotion of some of the managers, and this created discontent among some ranks. Furthermore, staff retrenchment started, but was not completed due to lack of funds. This created uncertainties among employees as they waited the conclusion of the exercise. Without knowing which employees were targeted for retrenchment, internal politics were evident, albeit not prominently, as people hoped to retain their jobs should retrenchment be reinstituted. The final internal factor was that one and half years after the reorganisation, the CEO was changed. The new CEO initiated the revision of the organisation structure which was revised in the last quarter of 2003. Debate continued among the managers whether even this latest structure was suited to meet the company objectives. The leadership style in this process since 2001 was the top to bottom approach with the top coming up with the ideas and passing them on for implementation by the lower ranks.

Four external factors were identified as having major effects on the change programme. Firstly, the creation of business units was aimed at preparing the company for privatisation. These units were to be profitable enough to attract private investors. Secondly, the main focus of the reorganisation was to improve efficiency and delivery of service to customers who are increasingly demanding better service. This had to be factored into design and implementation of the process. Thirdly, since KPLC was regulated by ERB and also controlled by the government, investment decisions and hiring of top leadership was influenced by outsiders. Procurement of materials for running the business was governed by the public procurement regulations which often created bottlenecks in operations and adversely affected the change process as staff found it hard to perform their duties due to shortage of materials. Fourthly, financing of staff retrenchment packages was expected from external soft funding. The non-availability of the finances led to non implementation of some part of the reorganisation change programme. There was therefore anxiety and uncertainty as staff were not sure of the future in the company. The plan in 2004 to hire a management services contractor to run KPLC only increased the anxiety particularly among the top managers.

4.4 Controlling Resistance to Change

This section details what the managers interviewed identified as the ways in which resistance to change was controlled in each of the three change management programmes.

4.4.1 Methods Used to Control Resistance to Change in ISP

Several ways of controlling resistance to change were identified from the interviews. Initially, staff from all departments were involved in the change process as a means of creating acceptance so that staff would not see the change as being directed at them from top. This was followed by training staff at all levels particularly in the use of computers which were being introduced companywide since the new business processes were computer based. In addition, information on the expected outcomes was conveyed through company newsletters issued periodically and in annual reports. The consultants involved in the process had one to one relationships with team leaders in the various business processes to coach and help staff to develop confidence and to train other staff not directly involved with the consultants. Introduction of new technology and training staff to be computer literate at a time when many organisations in Kenya did not have computers played a major role in controlling resistance to change. Culture change involved exchange programmes in which company staff visited overseas companies involved in similar business to help KPLC employees to challenge existing assumptions, beliefs and practices. There was a change of symbols with a new company logo and colours being introduced. Office arrangement and furniture were changed to help staff adjust to the new processes. The banking halls were redesigned to reflect the new focus on customer service and were renamed commercial offices. The term customer was introduced to replace the traditional reference to KPLC's customers as "consumers".

4.4.2 Methods Used to Control Resistance to Change in Divestiture Programme

A corporate vision, mission and core values were developed to reflect the new focus of business that the company was involved in. Involvement as a way of controlling resistance was restricted to senior managers who took part in the process while other employees were given information on the process through newsletters and statements in annual reports. Employees had no choice but to accept the change.

4.4.3 Methods Used to Control Resistance to Change in Business Reorganisation Programme

This change followed a top to bottom approach. Staff did what the management directed. Initially, a team was selected to look at various processes in order to consolidate them for the purpose of combining divisions from fourteen to seven and creation of business units. Information on the change process was communicated to staff through team talk prepared by management and also through newsletters. Seminars were conducted for senior managers to explain focus of the reorganisation process and need for culture change. In the zones which were the smallest sections within in the business units, the heads were given company loans to buy cars in order to boast their morale and public image. In general, employees had no choice but to accept the change as it was communicated that they were free to leave the company if they felt they could not cope with the change.

CHAPTER 5

SUMMARY, DISCUSSIONS AND CONCLUSIONS

This chapter summarises the results, discusses them and draws conclusions. The chapter also highlights limitations of the study, areas of further research and recommendations for policy and practice.

5.1 Summary, Discussions and Conclusions

The results indicate that there were three strategic change programmes that took place in KPLC between 1995 to 2004. These were the Institutional Strengthening Project (ISP) in 1995 to 1998, the Divestiture change project in 1997 to 1999 and the Business Reorganisation in 2000 to 2004. The results are presented here in order of the objectives.

5.1.1 Strategic Change Management Models

The first objective sought to identify the change management models used in KPLC. The results show that planned change management model was used during the ISP programme in 1995 to 1998 and in the Divestiture change project in 1997 to 1999. However, the Business Reorganisation in 2000 to 2004 was an emergent change management programme.

The ISP was managed in a style that depicts what is documented in literature on planned change management and reflects the Three Step Model of Kurt Lewin (Burnes, 2000). The success of the change management programme could be attributed to the relatively stable environment in which the change took place. This conforms to Burnes (2000) argument about the business environment continuum for change management, whereby planned change approach is seen as suitable in a stable environment.

The Divestiture programme in 1997 to 1999 was planned, but only the first two steps of the Three Step Model are clearly identifiable. The change was not solidified to ensure that there was no regression to old ways, hence a few of the managers felt that the company may in future integrate backward to include electricity generation in its portfolio. Their view was that the electricity market was not ripe for the type of market segmentation created during the divestiture. This change was brought about by pressure from outside KPLC, and more preparation would have established the timing and the appropriate change management model to be used.

The Business Reorganisation programme did not depict a distinct change management model. However, the process would fit on the emergent side of change management continuum, as an evolutionary change model. The initial stage of the change was planned and urgency for change was created through demonstrating the poor financial performance the company recorded for two consecutive years and the possibility of the same trend continuing. But, it was not very clear to majority of employees how the proposed change programme would bring about the desired results. The actual implementation did not follow the plan as changes in the environment presented major challenges to those managing the change. The change managers tried to modify the programme as time went on, but the focus of the change appears to have been become blurred along the way. Eventually, aspects of the organisation structure that were being addressed at the beginning were reversed two years into the change. There was no consensus within the top management as to whether the structure adopted in 2001 should have been changed in 2003.

In conclusion, the results show that planned change management model were used and worked well in a stable environment particularly when there was less external interference. However, emergent approach to change management were also applied during the latter changes when the environment was more volatile and the push for change was both from within as well as external.

5.1.2 Factors Influencing Change Management Practices

The second objective sought to determine factors that influence the practices adopted in managing the change process. The results of the study show that both external and internal factors played major roles in how the change was managed. The internal factors that played a key role included technology in use, organisational structure, management commitment, teamwork, financial performance, availability of resources, organisational culture, internal politics, and leadership. In addition, the change management was affected by external factors that included customer demand, availability of external resources, deregulation, and regulatory requirements.

Both internal and external factors influenced the change either positively or negatively. The positive effects are seen where the factors were anticipated and the change managers were prepared to use the factors to steer the process towards the goal. The ISP programme was influenced largely by internal factors that were embraced by those managing the change as well as those affected by the change. The external factors including availability of experienced consultants to assist in managing change helped ensure that momentum was maintained until the goals for the change were achieved. In regard to the Divestiture programme, external factors were more prevalent and influenced the direction of the change. But internally, allocation of adequate resources enabled the process to move ahead to a logical conclusion.

The Business Reorganisation change programme was rather complex in that, KPLC understood the necessity to reverse the financial loss making trend that the company was experiencing. However, there was a lot of pressure for faster change from outsiders including the government and its international financing partners as well as from customers who were demanding better service. These external factors did not allow for development of a proper framework to create understanding of the major factors that would influence the change and hence address them adequately. The uncertainty created by staff retrenchment which was not successfully concluded in addition to the new organisation structure that some of the staff thought was inappropriate created major challenges to the change process. The CEO was changed slightly over a year into the change process and soon after the organisation structure was revised. The change programme is still ongoing. A force-field analysis could have helped to establish the forces at play and how they could be managed to move the change forward to achieve the goal.

It can be concluded from the study that understanding and anticipating of both internal and external factors that influence the change process impacts on the success of the change management. When the factors were understood, the change was well managed and the change objectives were met.

5.1.3 Methods of Controlling Resistance to Change

The third objective was to identify methods used in controlling resistance to change. The results show that for the ISP, these included involvement of majority of staff in the change process, training, sharing information, coaching, introducing new technology, culture change, and changing symbols among which were new colours and logo. In the Divestiture programme, methods used to control resistance to change included involvement of senior managers, information sharing, and changing of the company vision, mission and core to reflect new business focus. For the Business Reorganisation programme, methods used to control resistance to change included top to bottom approach of staff involvement, information sharing through team talks, culture change among senior management, changing symbols and to some extent threats/exclusion.

As Ansoff and McDowell (1990) argue, resistance to change is a natural, normal reaction not reserved for troublemakers. It is important therefore that for change managers appreciate this as it helps to anticipate resistance and prepare ways of controlling it so the change is not hindered. In the ISP project, methods applied to control change were considered at an early stage. For example, it took time to change the traditional reference of KPLC's customers as "consumers", but the change managers kept emphasising that though the customers consumed electricity, which was KPLC's product, they were not KPLC's consumers. The change managers were convinced that the change of terminology would positively impact on the staff perception of customers. The Divestiture and Business Reorganisation change programmes relied more on the top to bottom approach to change management where staff had to do what they were told. As observed by Johnson and Scholes (2002, p1046) in the Marks and Spencer case study, the top to bottom approach adopted may appear to create little disagreement with policy sent down from top so decisions are unchallenged even when staff are concerned about negative effects of policies and decisions. Such approach slows down the change process as management drives unwilling staff to achieve the change goals.

The conclusion from the study is that resistance to change was anticipated and controlled successfully in the first change programme and to some extent in the second programme. However, the final change programme did not adequately address crucial aspects of resistance to change particularly in respect to culture, coaching and training which are key success factors in a business change reorganisation programme. Resistance to change needs to be anticipated as a normal aspect of change so that ways of controlling resistance are devised.

5.2 Limitations of the Study

The study was limited by the fact that due to unavailability of time, it was not possible to interview other levels of staff, besides the managers. This could have helped get a better perspective of how the entire cross-section of employees view the strategic change management practices within KPLC. The study also only identified the methods used to control resistance to change, but did not assess the effectiveness of these methods.

5.3 Recommendation for Further Research

Considering the complexity and challenges of the Business Reorganisation Change Programme in KPLC, it would be beneficial to study the extent to which it has achieved its objectives and what strategic change is needed in order to achieve or revise the objectives if they have not been met.

5.4 Recommendation for Policy and Practice

In view of the turbulent environment in which KPLC is operating, it is necessary for the company to develop capacity to become a learning organisation, being able to manage change as the environment changes. Furthermore, there is an increasing awareness among customers of their rights and their expectations are higher than ever before. Customers are demanding better service both in quality of the product supplied and in how the company responds to customer complaints. This important group of stakeholders need to be at the heart of future change programmes.

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APPENDIX I: LETTER SEEKING APPROVAL TO CARRY OUT STUDY WITHIN KPLC

From: ALBERT MUGO NJAGI S/NO 4620

To: CHIEF MANAGER HUMAN RESOURCES AND ADMIN. *Our Ref*: PSM/000/am

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2nd June, 2005

APPROVAL FOR MBA PROJECT

I am planning to carry out a project towards completion of my MBA studies. My proposal is on "Strategic Change Management Practices in KPLC". This case study will be for academic purposes only and will be conducted through interviews with the Management Team on KPLC's strategic change programmes in the last 10 years.

Your approval for this study would be appreciated.

ALBERT MUGO
POWER SYSTEM DEVELOPMENT MANAGER

APPENDIX II: LETTER SEEKING INTERVIEW APPOINTMENT

1st August, 2005

Dear

INTERVIEW ON CHANGE MANAGEMENT PRACTICES IN KPLC

I am carrying out my MBA Project on **Strategic Change Management Practices in KPLC** covering the period 1995-2004 and I have prepared the attached Interview Guide. I need to interview a number of senior managers (around 10) intimately involved in the Change Management process and I believe you are one such person. The purpose of this letter is to introduce you to what I am looking for, but I need to have a personal interview with you as some of the issues need clarification. I intend to focus on the major change programmes that have taken place namely:- the ISP Project, the Transfer of Assists and the Business Re-organisation instituted in 2000-2004.

I will be seeking an appointment with you for an interview in the course of the week and I would appreciate if you could, in the meantime, look at the questionnaire as this will facilitate quality of information obtained and reduce time of the interview.

Regards,

Albert Mugo

APPENDIX III: INTERVIEW GUIDE

PART A

1. Name of Interviewee ……………………………………………………………
2. Position ……………………………………………………………
3. Division/Department ……………………………………………………………
4. Period worked in KPLC ……………………………………………………………

PART B – Strategic Planning Issues

5. State the Organisational Objectives:

a) ……………………………………………………………………………

b) ……………………………………………………………………………

c) ……………………………………………………………………………

6. How would you describe KPLC's operating environment?

Very stable ☐

Very turbulent ☐

Discontinuous (irregular) ☐

Others……………………………………………………………………………

……………………………………………………………………………………

7. How does KPLC react to business environment?

Proactively ☐

Reactively ☐

In-between ☐

Other……………………………………………………………………………..

……………………………………………………………………………………

8. How do you view strategic planning to the success of KPLC?

Very important ☐

Important ☐

Limited importance ☐

Not important ☐

9. *How often is a strategic plan prepared in KPLC?*

Every 2-3 years ☐

Every 3-5 years ☐

As requested by government ☐

Never prepared ☐

Others ....

....

10. What is the main reason for preparation of a strategic plan in KPLC?

Required by funding agencies ☐

Necessary for KPLC's success ☐

Both funding agencies and KPLC's success requirement ☐

Others ....

PART C – Management of Change Process and Model

11. What was the vision for change?

....

Describe how it was developed, stating those involved..................................

....

12. How was the vision communicated to the following categories of staff in order to create commitment for change throughout the organisation?

a) Management Team ....

....

b) Middle Management ....

....

c) Lower Management ....

....

d) Union Staff ....

13. How was urgency for change communicated to stakeholders?..

14. Was the change planned?

Yes ☐ No ☐

a) If yes, over what period was is it to be implemented?

Less than one year ☐

1 to 2 years ☐

2 to 3 years ☐

Others……………………………………………………………………………………

15. Was the duration adequate?

Yes ☐ No ☐

If no, what duration would you consider adequate?………………………………………

…………………………………………………………………………………………

16. What were the strategic objectives of the change programme?

…………………………………………………………………………………………

…………………………………………………………………………………………

17. What was the theme of the change programme?

Restructuring ☐

Reengineering ☐

Reorganisation ☐

Transformation ☐

Restructuring ☐

Others (Specify) ………………………………………………………………

…………………………………………………………………………………………

18. Please describe the preparation made in the following areas before implementing the change?

Assessment of environment ………………………………………………………………

Defining the change goals…………………………………………………………………

Assessment of capabilities to manage change……………………………………………..

Forming change committee…………………………………………………………

Communicating to all stakeholders………………………………………………………...

Others …...…………………………………………………………………………………

19. Describe the distinct steps envisaged in the change management process?

a)..

b)..

c)..

c)..

d)..

e)..

20. How were these steps identified?

....

....

21. How was the change carried out?

a) Rapidly ☐

b) Gradually ☐

c) Continuously ☐

d) Intermittently ☐

e) Combination of ....

22. How were various change management issues clarified as the change process progressed?

....

....

23. To what extent were the following targeted for renewal in the change management process?

a) Behaviour...

b) Values...

c) Attitudes..

d) Culture..

e) Other ....

....

PART D – Factors Influencing Change Practices in KPLC

24. Describe how the following contributed, if at all, in triggering the change.

Financial loss ....

Loss of market share ....

Proactive need ....

New CEO ....

Technology ....

Recession ....

Privatisation/deregulation ....

Mergers and acquisitions ....

Customer demand ....

Others ....

....

25. Describe how the following factors have influenced the change process

Internal Factors

Organisational Structure ....

Declining profitability ....

Availability or Scarcity of resources ....

Culture ....

Leadership ....

Teamwork ....

Management commitment ....

Technology used ....

Politics ....

External Factors

Donor requirement..

Funding ....

Regulatory requirements..

Government involvement ....

Competition ....

Others (specify)..

26. Who initiated the change process?

Board of Directors ☐

Government ☐

CEO ☐

Senior Management ☐

Consultant ☐

Donors ☐

Others..

27. Who was responsible for implementing the change process?

CEO ☐

Managers ☐

Consultants ☐

Others..

28. What were the roles of the following in the change process?

Board of Directors ....

Government ....

CEO ....

Senior Management ....

Consultants ....

Employees...

Others ....

29. Were specific teams mandated to implement the change? Yes ☐ No ☐

a) If Yes, how were the team members identified or selected?

....

b) What were the roles and powers of the teams?

....

c) How were team members familiarised with the basic concepts of change (minor/major or speed of change)?

....

30. How did the change managers ensure availability of resources (Financial, Technical and Human) to ensure success of the change process?

....

31. What systems were developed for the following?

Documentation..

Periodic reporting...

Feedback ....

Information dissemination...

32. Describe the role of experimentation, if at allowed, during the change process

....

33. How was success celebrated at various stages?

....

34. What role did the following participation tools play in the change process?

Task forces ....

Brainstorming

....

Opinion polls ....

Suggestion boxes ....

Newsletters ....

Questions & Answers ....

Changing symbols ....

Others ....

PART E – Controlling Resistance to Change

35. What were the specific signs among employees of resistance to change?

....

36. Describe the signs of employees inability to cope with change

....

37. How were the following used in overcoming resistance to change amongst the employees?

Involvement ....

Information sharing ....

Listening ....

Threats ....

Ordering ....

Coaching/Education ....

Role Modelling ....

Counselling ....

Others ....

38. What were the signs of increased support for support of the change process for various categories of staff?

Senior Management ....

Middle Management ....

Lower Management ....

Union staff...

39. Did change necessitate the training of employees? Yes ☐ No ☐

If Yes

a) What was the frequency of training?

Continuous ☐ Once ☐ Intermittent ☐ Others ....

b) How was training conducted?

Externally ☐ Internally ☐ Combined ☐

c) How were the training needs identified?

....

d) What cadre of staff were trained?

....

e) What aspects of change management were covered in the training?

....

f) How effective was training in overcoming resistance to change and helping employees acquire new behaviour?

....

40. Comment on use of the following in overcoming resistance to change amongst employees?

Information sharing

....

Empathising

....

Support ....

Fear to be sacked ....

Leadership ....

Culture ....

Others ....

41. Which of the following was changed and how did employee behaviour change as a result of the change in each?

Symbols ....

Technology ....

Recognition and reward systems ....

42. What evidence exists that KPLC has developed capacity and capability to handle continuous change in the following areas?

Strategy ....

Structure ....

Culture ....

Skills ....

Leadership ....

Systems ....

43. How would you assess behaviour change resulting from the change process as managers and employees learn to challenge their assumptions?

....

....

44. How ready, after the change, are employees prepared to accept new change?

....

....