THE CHALLENGES FACED BY KENYA POWER AND LIGHTING COMPANY IN THE IMPLEMENTATION OF THE CHANGE PROGRAM OF THE ENERGY SECTOR RECOVERY PROJECT

By

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DECLARATION

I hereby declare that the work contained herein is my original work and to my knowledge, has not been presented for a degree in any other university.

Signed .... Date 7/11/2011

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

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DEDICATION

I dedicate this accomplishment to my father Francis Ongegu. Many years ago, he planted the seed in me that I should consider pursuing an MBA degree, long before I knew what an MBA degree was all about. Indeed it has been a wonderful and informative journey. My life has changed.

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I thank and owe it all to God for this accomplishment. He provided all that I needed, when I needed it.

I thank my wife Nina and children Kerubo, Ongegu and Kiriama for their patience with a daddy that goes to school at night!

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ABSTRACT

The objective of this study was to determine the challenges faced by Kenya Power in the implementation of the change program of the Energy Sector Recovery Project. This research was a case study and data was collected by use of an interview guide. The respondents were senior management staff within the Energy Sector Recovery Project office.

The study determined the challenges that Kenya Power has had in the implementation of the Energy Sector Recovery Project change program. These challenges were broadly categorized into two groups. The first category had the challenges that were related the Kenya Power's organizational characteristics including the organizational culture, the organizational structure and communication in the organization. The study found that culture change took long to percolate to all levels due to the large number of employees at Kenya Power. The organizational structure was also tall with many levels of reporting, communication channels were inefficient and the members of staff were not adequately prepared on change management as well as project management. The second category had challenges relating to the project components including feasibility study challenges due to lack of historical data, delays in project completion, and activities by the Government of Kenya for example road expansions among others.

Some of the challenges mentioned are historical because some of the components have been completed, while other challenges are current. The historical challenges have helped to shape the decisions affecting other change programs in the organization.

LIST OF ABBREVIATIONS

CCK	Communication Commission of Kenya
EAPL	East African Power & Lighting Company
EMS	Energy Management Systems
ERC	Energy Regulatory Commission
ESI	Electricity Supply Industry
ESRP	Energy Sector Recovery Project
GDC	Geothermal Development Company
GoK	Government of Kenya
IPP	Independent Power Producers
KEEP	Kenya Electricity Expansion Project
KenGen	Kenya Electricity Generating Company
KETRACO	Kenya Electricity Transmission Company
KP	Kenya Power
KPLC	Kenya Power & Lighting Company
MSC	Management Service Contractors
MTP	Mid Term Plan
NEMA	National Environment Management Agency
PCK	Postal Corporation of Kenya
PPA	Power Purchase Agreements
REA	Rural Electrification Authority
SCADA	System Control and Data Acquisition
VMV	Vision, Mission & Values

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CHAPTER ONE

INTRODUCTION

1.1 Background

Today, there is more change to contend with than ever before. Fundamental notions about business that have remained relatively stable for decades are increasingly being challenged, and they no longer guarantee the results that they once did, and some could even be detrimental to organizations. Conner (1998) says that, "frameworks that have held firm for generations, providing the basic structure for the world as we know it, have started to falter" (p. 33). Conner (1998) goes on to add that, "our lives are most effective and efficient when we are moving at a speed that allows us to appropriately assimilate the changes we face. This is not just the velocity at which things around us are changing, but the pace at which we can recover from disrupted expectations" (p. 12). Senior and Fleming (2006) describe the forces that trigger change in organizations as winds which are many and varied. Organizational life is more uncertain because the speed of change has increased.

How companies should respond to the many types of change with which they are confronted has come to dominate agendas. It has resulted in reappraisals of the nature of competition, innovation, the pressure on companies to think globally and yet act locally, through to partnerships and alliances, and the value of knowledge as tomorrow's source of competitive advantage. However, nowhere has this pressure been more visible than in the flood of performance improvement initiatives starting with Total Quality Management, lean manufacturing, continuous improvement, downsizing, and outsourcing. All impact individuals directly as a result of the restructuring, changes in work practices or job losses they entail (Kennedy and Harvey, 1997). Responding to change is therefore not an option and the sooner an organization considers its options, the better.

According to the Kenya Vision 2030 First Mid Term Plan (2008), hereinafter referred to as MTP, Kenya's development blueprint, Kenya Vision 2030 is coming in at a time when oil prices are rising at the international markets. As a consequence of the rise in oil prices, the cost of production has gone up, and food prices have also gone up. MTP (2008) further argues that the past decade was characterized by rapid economic growth of countries such as China and India among others. These countries therefore represent new markets for Kenyan products outside our traditional trading partners. Competition is also increasing due to increased demand for raw materials and the growth of outsourcing. Therefore for Kenya to take full advantage of the opportunities being presented amidst the global challenges, structures need to be put in place to increase quality and productivity our goods and services. And as new opportunities are presented, so are new threats. For this reason, Kenya as a country has to adapt to changes in its environment so as to not only remain competitive, but also to prosper from these changes. The energy sector has indeed improved, but the supply of electrical power remains unreliable owing to shortfalls and supply interruptions. These power cuts and shortfalls, as well as the relatively high cost of electrical energy have limited the competitiveness of Kenyan businesses in the global arena (World Bank, 2009).

1.1.1 The Concept of Change Management

Organizations are dependent on their environment. Most people agree that organizational life is more uncertain than it has ever been, and this can be attributed to the quickening pace of change. Senior and Fleming (2006, p. 13) say that, "since the industrialization of production, the more recent rise of ever more service industries and the information technology explosion, the pace of change in the environment in which organizations operate has quickened". Senior and Fleming (2006) go on to say that the direction of change may be difficult to predict. For this reason, managers need to be conscious of these changes that affect the organization whether they are external to the organization, or internal to the organization. Clark (1994, p. 1) also agrees with Senior and Fleming (2006) by arguing that, "the last decade has brought with it a time of totally unprecedented change. In every direction businesses are in turmoil, from computing to financial services, from telecommunications to health care. Change is an accelerating constant". Kotter (1996, p. 3) concurs by saying that, "by any objective measure, the amount of significant, often traumatic, change in organizations has grown tremendously over the past two decades". Kotter (1996) adds that there are powerful macroeconomic forces at work, and that these forces may grow even stronger in future. This therefore means that an increasing number of organizations will be pushed to cut costs, improve the quality of products and services, locate new opportunities for growth, and increase productivity.

Organizations that are doing business in Kenya also continue to experience rapid changes, just like organizations all around the world are dependent on the changing business environment. Some of the changes have been deemed to be positive by some firms thereby creating new opportunities for market share growth or increased profits, while the same changes have been seen to be negative by other firms thereby creating new threats to the survival of the organizations. Kotter (1996) argues that major change efforts have helped organizations to adapt better to changes in the environment, and also improved their competitiveness thereby positioning them to a more prosperous future. Therefore embracing and managing change is a useful strategy, not only for survival, but also for prosperity of these organizations. But in many situations however, the change initiatives have fallen below expectations. Either way, change is inevitable, and therefore firms must manage change in order to stand a chance at being not only competitive, but prosperous.

1.1.2 Challenges in Implementing Change Programs

Senge et al. (1999) contend that "the challenges of initiating change develop as soon as any 'pilot group', which could be a local team or business unit, or a senior management team, begins to conduct its work in unfamiliar ways" (p. 26). Kotter (1996) also argues that change always has a downside to some degree and that this downside is inevitable because "whenever human communities are forced to adjust to shifting conditions, pain is ever present" (p. 4). Conner (1998) also adds to this argument by saying that resistance to major change is to be expected, regardless of whether the change is perceived to be positive or negative, or whether it is brought on by others or initiated by oneself. This is because whenever people perceive the challenges encountered are different from the capabilities they possess, they feel threatened.

Conner (1998) argues that change can only be supported by people that have the capacity to change. An organization may lack the capacity to effect this change, and this lack of capacity may be in terms of limited or inadequate financial resources or management time. (Kotter, 1996) contends that inexperience or lack of capability to manage change could also pose a challenge to the change program that an organization seeks to implement. In such a case, even with the willingness to change, the lack of experience in handling a change program may create a barrier to the change initiative. When it comes to change initiatives, there is always a tendency towards inertia and resistance to change. People find it easier to cling to the existing ways of doing things. Managing strategic change therefore must put into consideration the powerful influence of the paradigm and cultural web on the strategy being followed by the organization (Johnson & Scholes, 2003).

Resistance is therefore a natural reaction to anything that causes a loss of equilibrium. Senge et al. (1999) contend that the stronger a change initiative, the stronger the challenges seem to be, and this is because the challenges represent system reactions to maintaining the prevailing status and balance that is being threatened by the change initiative. But as leaders at different levels of an organization begin to confront these challenges, the challenges may gradually cease to be significant, and even become learning points for an organization's growth and success.

1.1.3 The Energy Sector in Kenya

The energy sector has been undergoing restructuring and reforms since the mid-1990s, which culminated in the enactment of the Energy Act, No 12 of 2006 hereinafter referred to as the Act. Under the Act, the Ministry of Energy is responsible for formulation and articulation of policies through which it provides an enabling environment to all operators and other stakeholders in the energy sector. The Energy Regulatory Commission was established in 2007 under the Act as an autonomous, independent energy sector regulator with powers to, inter alia, formulate licensing procedures, issue licenses and permits, make recommendations for the necessary regulations to be issued by the Minister, formulate, enforce and review environmental, health, safety and quality codes and standards, set, review and adjust electric power tariffs, approve power purchase and network service contracts, examine and approve meters, investigate complaints between parties, accredit energy auditors, ensure competition, collect and maintain energy data, protect stakeholders interests, and prepare an indicative national energy plan (ERC, 2010).

According to the Energy Regulatory Commission (2010), the principal operators in the Electricity Supply Industry (ESI) are the Kenya Electricity Generating Company

(KenGen) which accounts for close to 80% of generation, the balance being provided by five (5) Independent Power Producers (IPPs), namely Iberafrica Power (EA) Ltd, Tsavo Power Company Ltd, OrPower4 Inc and Mumias Sugar Company Ltd. A sixth IPP, Rabai Power Ltd commenced operations in October 2009. Kenya Power (KPLC) is responsible for transmission, distribution and retail supply of electrical energy to end users. KPLC purchases power in bulk from Kenya Electricity Generation Company (KenGen) and the IPPs through bilateral contracts or Power Purchase Agreements (PPAs) approved by ERC. Other operators in the ESI include James Finlay, Sotik Tea Company, Sotik Highlands Tea Estate, Oserian Development Company, Pan African Paper Mills, Unilever Tea Kenya Ltd and Tiomin, who are licensed to generate electrical energy for own use. The Rural Electrification Authority (REA) is mandated to develop and update the rural electrification master plan, implement the rural electrification programme and promote the use of renewable energy sources. The Geothermal Development Company (GDC) was formed in 2009 for the purpose of exploiting the hugely untapped geothermal energy potential. The Kenya Electricity Transmission Company (KETRACO) was also formed in 2009 to develop new transmission lines.

Since the 1990s, Kenya's energy sector has seen a marked improvement as a result of the Government's efforts in implementing change programs. These change programs in the energy sector have been aimed at improving the quality of electricity supply and increasing the access of electricity in the country. A major milestone was the unbundling of the sector in 1998, which eliminated the Government monopoly on all aspects of the power industry. The unbundling process created separate entities for power generation (KenGen) and transmission and distribution (Kenya Power), and thereby created a window for competition in the energy sector. Both KenGen and KPLC are listed on the Nairobi Stock Exchange. There are four Independent Power Producers (IPPs). The reforms were aimed at making the energy sector more competitive, as well as sector operations to exhibit greater fiduciary control, transparency and accountability (World Bank, 2009).

Kenya Power and Lighting Company embarked on an ambitious US$153 million change programme involving creation of additional sub-stations in different parts of the country under the Energy Sector Recovery Project (ESRP). The project's estimated cost was US$225.5 million at appraisal, for which the Bank provided a Development Credit of US$80 million. The GoK provided US$33.2 million and a combination of other donors funded the remaining US$112 million. The project received the board's approval on July 13, 2004. The Credit for the project became effective on November 4, 2004. The current Closing Date, after one extension, is September 30, 2013. There have been no changes to the original objectives or components (World Bank, 2004).

The World Bank (2004) further states that the increased sub-stations would reduce power interruptions and improve voltages by providing an alternative source of power. Also, projects under the ESRP once completed would lead to increased connections and reduce reported cases of power interruptions, surges, spikes. Part of component 4 below of the ESRP entails the installation of the System Control and Data Acquisition/Energy Management Systems (SCADA/EMS). It is a fully automated system which will greatly enhance control, dispatch and communication of information between the control centre and equipment in the field. It will allow Kenya Power to optimise utilization of the transmission network.

The Kenya government is taking measures to increase generating capacity, including those supported by the ESRP. In the short term, the Government of Kenya has contracted with additional Power Producers for supplementary power and has been using emergency generating capacity to reduce deficits in generation from the public electricity system.

Furthermore, efforts are underway to develop larger generating plants, for which ESRP is financing feasibility studies. Over the long term, Government of Kenya is planning to interconnect Kenya's power system with neighbouring power systems to benefit from regional energy trade (Government of Kenya, 2009).

The change program of the Energy Sector Recovery Project has four components. The first component is Institutional and Capacity building. This component comprises three parts namely: Implementation of a Comprehensive Recovery Program, Strengthening of the Energy Regulatory Commission, and the Upgrading of staff skills in other entities within the sector. The second component is Studies and Engineering services. This component involves the carrying out of environmental and social impact assessments for component 3 (Generation extension) and component 4 (Distribution Network Upgrade). The third component is the Generation extension. This component involves the extension and addition of a third unit at the Olkaria II power station with the objective of boosting the power generation capacity of the country. The fourth component is the Distribution Network Upgrade. This component involves the extension of the electricity distribution system, reinforcing of the existing network; the upgrade of existing substations and the creation of new substations as well as the upgrading of the System Control and Data Acquisition and Energy Management Systems (SCADA/EMS).

1.1.4 Kenya Power and Lighting Company

According to the Kenya Power and Lighting Company (also referred to as Kenya Power) website, the company as we know it began as the East African Power and Lighting Company Limited (EAPL) in 1922. In 1948, the Uganda Electricity Board was established by the Ugandan government so as to take over the distribution of electricity in Uganda. In 1964, EAPL sold its majority stock holding to the government of Tanzania. Subsequently, with its operations limited to Kenya, the change of name to Kenya Power and Lighting Company was therefore effected in 1983. In the early nineties, The Kenya government introduced the structural reforms which were aiming at enhancing the service delivery through improved efficiency and management (Government of Kenya, 1991). This therefore meant that the parastatals would have to change the way that they did business, both with the government, and the public at large. Kenya Power further started the Business Process Reengineering project in 1995 with the aim of changing its focus towards the customer.

Changes in Kenya Power's external environment continued to take place and in 1997, the function of generating electricity was hived off from the company. This led to the birth of the Kenya Electricity Generating Company (KENGEN) in 1998. Kenya Power was therefore left with the transmission and distribution functions only. In 2010, Kenya Power launched its new vision, mission and values (VMVs) thereby repositioning itself with the aim of achieving world-class status in service delivery. In one of the VMVs launches, the Permanent Secretary for energy told Kenya Power employees that change must be reflected through efficiency in all areas of operations. In the same venue, the Kenya Power Chairman of the Board of Directors challenged employees to realize that change is inevitable, and he committed to lead from the front at the board level in supporting initiatives that encourage positive change ("Launching the new Vision, Mission and Values", 2010).

The changes that are taking place in Kenya Power's environment have compelled the organization to engage in change management programs in order to remain as a competitive organization in service delivery to the public. On the 22nd of June, 2011, the company rebranded to Kenya Power. The change of brand identity came after a series of change management programs including staff trainings that were geared to help in changing the culture of Kenya Power employees, in readiness for the organizational change (Muthoni, 2011).

1.2 Research Problem

Kenya's development blue print, the Kenya Vision 2030 recognizes the energy sector as one of the infrastructure enablers of the economic, social and political pillars underlying the Vision. The Session Paper No. 4 of 2004 on Energy also recognizes that affordable, quality and cost effective energy services is an important prerequisite for attainment of accelerated social economic growth and development. In view of these considerations, the role of the energy sector planning process that is integrated, internally consistent and analytically sagacious to meet the energy needs of the country is a key policy concern of the energy sector (Government of Kenya, 2009). This has therefore necessitated change programs to be implemented at Kenya Power towards contributing to realizing the Kenya Vision 2030.

Various studies have been conducted in the area of change management. In Kenya Power, two studies have been done namely "Responses of the Kenya Power and Lighting Company Limited to changes in the environment (Maina, 2006)" and "Strategic Change Management Practices in the Kenya Power and Lighting Company Limited (Mugo, 2006)". Maina (2006) focused on how KPLC responds to the changes in the external environment in her study. The findings of her study showed that KPLC is dependent on the environment, and responded to changes for its own survival through expanding its customer base, renegotiating bulk pricing, organization restructuring and pursuing a market driven bulk and retail tariff. Her study did not look at how KPLC's strategies are helping it to cope with the changing environment, but rather how it is reacting to the environment.

Mugo (2006) focused on strategic change model used by KPLC. He also studied the factors that influence the practices adopted in managing the change process and the methods used in controlling resistance to change. In his findings, only three strategic change programs were conducted at KPLC between 2004 and 1995, and these were: The Institutional Strengthening Project, the Divestiture Change Project and the Business Reorganization. His recommendation for further research is to study the extent to which the Business Reorganization Change Program in KPLC has achieved its objectives and what strategic change objective is needed in order to achieve or revise the objectives if they have not been met. His study did not cover the challenges of implementing change programs.

This study therefore sought to determine the challenges faced by Kenya Power in implementing the change program of the Energy Sector Recovery project. It was guided by the following research question: What are the challenges faced by Kenya Power in the implementation of the change program of the Energy Sector Recovery Project?

1.3 Research Objective

The objective of this research was to determine the challenges faced by Kenya Power in the implementation of the change program of the Energy Sector Recovery Project.

1.4 Value Of The Study

The results of this study are expected to be useful to Kenya Power and other stakeholders in the Energy sector, including the international donors namely the World Bank and investment partners that have helped in partially financing the Energy Sector Recovery Project.

This study will also be useful to Change Management champions in organizations by providing them with a better understanding of the nature of change management as well as the challenges that are associated with implementing change programs in a public sector organization such as Kenya Power.

Scholars will also find this study of value as a source of reference in understanding the application of strategic change theories in a public sector organization such as Kenya Power, as well as identify issues for further research.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter discusses the definition of the concept of change, the types of strategic change, the triggers of change, the factors that cause change initiatives to fail as well as the competencies for successful change.

The word change comes from an old French word "changer". The original meaning of the word changer was "bend" or "turn" (Senge et al., 1999). Senge et al. (1999) further argue that change could mean different things. For example, change could be referring to external factors that are affecting an organization, for instance, competitors, the political situation, technology and customers. Change could also refer to factors that are internal to the organization that cause an organization to make adjustments to its way of doing business for example the initiative of the chief executive officer, revision of administrative structures, staff redundancies. Change goes beyond doing something new as the whole organization is expected to build capacity for doing things in the new way, and develop further capacity for future change.

The Greek Philosopher Heraclitus was two and a half millennia ahead of the game when he stated this truth in 501 BC, "There is nothing permanent except change." Heraclitus, whose work was based on the theory that all life is flux, also coined the aphorism about never being able to step into the same river twice (Kennedy and Harvey, 1997, p. 2). Pearce and Robinson (2003) agree with Ansoff and McDonnell by saying that it is imperative for organizations to adjust to their environment so as to achieve their goals. The globalized economy is creating both more hazards and opportunities for everyone, forcing firms to make dramatic improvements not only to compete and prosper, but also to survive.

Balogun and Hailey (1999) argue that there are four types of strategic change. The first type of change is Adaptation. This is the type of change that is incremental and can therefore be easily accommodated by the organization that is undergoing the change process. It is therefore the most common type of change adapted by organizations seeking to change. The second type of change is Reconstruction. While the rate of change may be rapid, the paradigm in which an organization works in may not be changed much for example, an organization may embark on a cost-cutting measure during a financial crunch. The third type of change is Evolution. This is the type of change where the there is a shift in paradigm in an organization. This paradigm shift occurs over a period of time. The Evolution type of change is typical of learning organizations which adjust their strategies over time in accordance with the changing environment. The fourth type of change is referred to as Revolution. This is change which is rapid and involves a shift in paradigm. This is the most extreme of the four types of change and occurs for example in a case where the company is threatened with extinction.

2.2 Triggers Of Corporate Change

Kennedy and Harvey (1997) argue that there are many triggers of corporate change and the reasons why a company undertakes a programme of change will vary from case to case. Those that are having difficulty in coping with the change are having an even tougher time coping with the effects of not having adapted to change. Change is everywhere, from the personal lives of human beings to their social lives, to the business lives and even to the spiritual lives. The reality of yesterday is different from that of today and possibly that of tomorrow. The experience of corporate change is similar everywhere and part of this universality relates to the acceleration of change.

Broadly speaking, the triggers of corporate change can be divided into microeconomic factors and macroeconomic factors. Microeconomic factors refer to the changes that take place within an organization and whose impact causes the organization to make strategic changes for the sake of survival. These changes are not expected to affect other organizations as their impact is largely limited to the organization. Microeconomic factors vary from organization to organization, and the degree of their impact also varies from organization to organization.

Foremost, there is financial loss, which occurs when a firm does not manage its bottom line well. This could be due to weak returns or very high cost of running its business. In any case, the bottom line is affected and the firm becomes inefficient in its running. Kimani (2010) reported that at least 500 Postal Corporation of Kenya (PCK) employees will lose their jobs in the next 10 months as part of a restructuring plan aimed at pushing the firm back to profitability and cut wastage. PCK is also looking into voluntary retirements, whereby at least 2000 employees will be shed off in the next five years as it implements its Strategic Plan for 2008-2012.

Secondly, an organization can be compelled to change due to loss of market share. A loss of market share implies that there is a reduction in the number of customers, or that the number of customers is not growing proportionately to an organization's competitors. The organization thus loses its foothold in the market. Wachira (2010) reported that the decision by the Communications Commission of Kenya (CCK) to lower the rate at which mobile operators can charge each other for inter-connection calls across the networks was meant to spark a price war in the Kenyan mobile phone market. And therefore, with the recent shakeup in the pricing structure of the mobile telephony sector here in Kenya, many people are expecting Safaricom, the largest mobile telephone operator to cede some market share. Subsequently, it is expected that this loss of market share will trigger change a process at Safaricom.

Change can also be as a result of a foreseen need, and not always from a reactive perspective. An organization can choose to trigger change from within, without the prompting or compulsion of an adverse environmental factor. Ansoff and McDonnell (1990) argue that because the environment is dynamic, organizations have to constantly redesign their strategies in order to remain competitive. If organizations do not redesign their strategies, then they will be faced with a strategic problem whereby there will be a mismatch between what the organization is offering and what the market demands. When Kenya Power decided to computerize most of its processes during the Institutional Strengthening Project between 1995 and 1999, there was need to change was not informed by the immediate environmental triggers of change, but rather it was inform by the then Managing Director's foreseen need, that for the organization to improve its service delivery, it needed to go a notch higher in its use of technology.

The political landscape of any country has a significant influence on the organizations that operate within that country and even beyond. The political instability that Kenya experience during the post-election violence had an adverse effect on our neighbouring countries like Uganda and Rwanda. Indeed, international investors would critically analyse the political situation of the country in which they would like to invest. The 27th of August 2010 marked a new beginning for Kenya following the promulgation of the new constitution. Significant changes are expected to take place once the new constitution is fully implemented. The new constitution (2010) states that, "For every financial year, the equitable share of the revenue raised nationally that is allocated to county governments shall be not less than fifteen per cent of all revenue collected by the national government." This has a significant impact on the cash flows that are expected in the respective counties and therefore the businesses in the counties are expected to reap the benefits of the devolved funds.

2.3 Factors That Cause Change Initiatives To Fail

Because the change process is as individual as is the firm that is implementing it, the factors that cause the change initiatives to fail are also many and their impact varies, depending on the individual organization that is undergoing the change process. Kennedy and Harvey (1997) propose the following as some of the more common failure factors.

Firstly, inadequate planning and implementation may either result in a failed change initiative, or may result in an initiative that is well above budge. Lack of proper planning and or effective implementation contributes to the failure of the change project. They continue by adding that many organizations start with a soft facilitative approach, designed to enable a maximum buy-in and only later address the rigorous planning and changed working practices needed to implement the program. Ideally, the two should go done hand in hand.

Secondly, underestimating the impact of the change process on the individual will cause the change initiative to fail. Any change process in an organization involves people. It is the employees that bring the change process to life. Kennedy and Harvey (1997) argue that when top management fails to recognize sufficiently the people dimension of their change, they risk resistance from the very people that are expected to be implementing the change at the lower levels in the organization. So long as personal anxieties get in the way, the individual cannot facilitate the change.

Thirdly, lack of communication can frustrate a change process to the point of failure. Quirke (1996) argued that that communication cannot create change, but lack of communication can destroy it. Without communication, an adequately planned change process cannot move forward as the intended plans will not trickle to the lower levels of the work force. This will greatly contribute to rising levels of anxiety as has been mentioned above and subsequent resistance. In extreme cases sabotaging the change process will not be far-fetched.

Failure to understand the culture of an organization will also cause a change initiative to fail. Every organization has its hidden culture and assumptions that the employees hold. Top managers often fail to understand how an organization's hidden culture works and rely on a top-down approach, without taking into account how employees interpret their words and their actions (Kennedy and Harvey, 1997).

2.4 Competencies For Successful Change

Each organization has its own 'winning formula' for success and this consists of its culture, structure, technology and other factors (Kennedy and Harvey, 1997). An organization's success will depend on its ability to recognize when there is a significant shift in the microeconomic or macroeconomic factors, and how these factors will impact on any of the organization's key success factors. Adjusting the affected key success factors is important so that these factors remain critical to the organization's success. Some of the competencies for successful change are discussed below.

Firstly, leadership is an important competency for successful change. Johnson, Scholes and Whittington (2005) argue that successful change agents have visionary capacity, are good at team building and team playing, are self-analytical and good at self-learning. They are also argued to be self-directed and self-controlled. Secondly, an organization with a clear vision of what it wants to achieve is able to marshal its staff to all pull in one direction. Pulling in one direction is a critical ingredient to success in any venture that involves a group of people, and this also comes about when an organization has a good leader.

Secondly, the vision of a company also plays an important part in the change process. Indeed it can be seen as one of the pillars of success for a change program. Kotter (1996) argues that vision helps to direct, inspire and focus actions of the employees. It helps to bring clarity in an organization as to where the organization is headed. It brings unity of purpose to the different departments within an organization, so that all employees know that they are working towards a common goal.

An organization whose strategy is accurately addressing the needs of the environment is sure of succeeding. Grant (2000) argues that survival and success can occur when an organization creates and maintains a match between its strategy and environment. Kennedy and Harvey (1997) agree with Grant and state that consistency between the intended strategy, the stated objectives and the behaviour of the executives to reinforce the strategy are essential ingredients for successful change. They further add that feasibility of the strategy in terms of the resources required, structuring of the organization and the changes that need to occur should be carefully considered and monitored as the change process is undertaken.

Communication is very important to a successful change process. While it is important to have a clear vision and sound strategy, these two will not avail much if they are not adequately communicated to the entire organization. The top management of an organization also need feedback from the rest of the working staff. This is also done through communication. Kotter (1996, p. 85) put it well by saying that, "the real power of a vision is unleashed only when most of those involved in an enterprise or activity have a common understanding of its goals and direction."

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter describes the methodology that was employed for the purpose of carrying out the research. The research methodology includes the research design, data collection method and data analysis.

3.2 Research Design

This research was a case study aimed at analysing how Kenya Power has managed its strategic change process in the implementation of the ESRP. The case study design allows an individual factor, be it be an institution, to be analysed achieving an in-depth understanding of the organization studied in context to the study. A case study is a powerful tool for qualitative analysis and involves a careful and complete observation of a social unit, be that of a unit person, family, institution, cultural group or even an entire community. It enables an in-depth understanding of behaviour patterns thereby facilitating intensive study of the concerned unit which is not possible with different methods (Kothari, 2004). The case study method therefore was chosen as it was best suited to help to gain a deeper understanding of the company is managing the change program.

3.3 Data Collection

Primary data was collected by use of an interview guide with senior management staff within the Energy Sector Recovery Project office. The target respondents included the two Chief Engineers in charge of specific project units, the chief procurement officer and the chief accountant.

The interview guide that was used to collect data was constructed using secondary data from relevant material, as well as informal discussions with members of the ESRP office. These discussions helped to give the researcher a general feel of the change program and the issues that would require in-depth discussion through the formal interview.

The questions included open-ended questions, and closed-ended questions as recommended by Mugenda and Mugenda (1999). Open-ended questions were used to provide room for an in depth discovery of the issues studied while closed-ended questions were used to elicit specific responses. Secondary data was collected from relevant material, in the form of internal newsletters.

The interview guide was divided into three main parts. The first part addressed general questions relating to the interviewee. The second part of the interview constituted a profile of Kenya Power's organisational characteristics. The third part of the interview guide had questions addressing the project components so as to determine the challenges relating to these project components.

3.4 Data Analysis

The data collected from the research was analysed qualitatively using content analysis technique. The data was evaluated and analysed to determine adequacy, usefulness and consistency. Content analysis is a technique for making inferences by systematically and objectively identifying specific messages and then relating the trends. This type of analysis has been used in the past by other researchers including Kandie (2001), Kathuku (2005) and Maina (2006). Quality assessment was done through conducting pilot interviews before the main interviews were done. These pilot interviews helped to refine the interview guide.

CHAPTER FOUR

DATA ANALYSIS, RESULTS AND DISCUSSION

4.1 Introduction

This chapter contains the results of the study, analysis and discussion of the research data. The researcher targeted to interview four respondents, but only three were interviewed, representing seventy five per cent of the targeted respondents. The interviewees comprised senior management staff within the Energy Sector Recovery Project office. These staff comprised the two Chief Engineers in charge of specific project units and the chief accountant.

The findings are presented in three sections. The first section will comprise responses to the general questions relating to the respondents, as well as the responses to questions relating to organisational characteristics of the Kenya Power and Lighting Company. The second section contains responses to questions relating to the Energy Sector Recovery Project components. The third section will briefly highlight the responses that Kenya Power has adapted to the challenges that it has faced during the implementation of the program.

4.2 Challenges of implementing the ESRP change program

The sections details the findings of the research process in relation to the objective that was set out in chapter one, namely to determine the challenges faced by Kenya Power in the implementation of the Energy Sector Recovery Project change program. As mentioned above, it will contain two sub-sections.

4.2.1 Organizational Characteristics

The ESRP change program at Kenya Power began on a backdrop of a series of losses for the organization. The organization had undergone its worst performance in all its history, and consequently the share price had dipped to trade at only at six shillings at the Nairobi Stock Exchange in December 2002. As such the staff morale was low, and rumours of a possible downsizing program in the near future were rife. The level of commitment to the organization was therefore very low, and productivity of staff was at a bare minimum.

The researcher observed that all the respondents were highly qualified staff with many years' experience. The respondent with the least number of years in Kenya Power had eight years' experience while the one with the most had twenty four years' experience. This therefore implied that all the respondents had a thorough understanding of the organization, and were well versed with their work. Each of the respondents had attained at least an undergraduate degree, with one respondent having attained a post graduate degree. Therefore, the level of competency of the respondents was high and no challenge was observed as far as the academic ability of the staff was concerned.

The organizational culture was mentioned by the respondents as a challenge especially in the initial phase of the project. At the start of the project, Kenya Power had a workforce of approximately four thousand six hundred staff. These employees had been used to doing things in a certain way, and therefore when the Management Services Contractors from Manitoba Hydro in Canada came to the organization, it took time before a new working culture could be established. The large number of employees also made resistance to change a much bigger problem to tackle than would be in an organization with fewer employees.

Currently, Kenya Power has a workforce of eight thousand six hundred and because of this large number of staff, initiatives of culture change take time to percolate to all the levels of staff. For example, the MSC team came and found a culture where the senior management staff had a dedicated elevator referred to as the executive lift. At the time, the rest of the employees were strictly not allowed to use the executive lift. Even after the MSC team declared the executive lift open for all to use, it took some time before the average staff would feel comfortable in the executive lift. Also, the form of addressing other staff, particularly the bosses was using the surname. When the MSC team came, they encourage members of staff to call them by their first names, a culture change that took time to take root.

Another aspect of culture that was mentioned was that some of the staff members were not happy that they were not seconded to be part of the ESRP implementation team. The reason behind this discontent was that the ESRP was perceived as a separate World Bank program, and that those that were seconded would be accorded privileges. This resulted therefore resulted reluctance to supporting the ESRP implementation team. For instance, commissioning of sub-stations needs support from the Kenya Power teams in the regional offices but in some instances the staff located in the regions would not show enthusiasm towards the project.

All respondents mentioned that they were handling more than one project. In addition to the Energy Sector Recovery Project, the respondents were also working on Kenya Electricity Expansion Project. The number of projects that they were handling was seen as one of the challenges that had an impact in the implementation of the ESRP change program because they could not allocate as much time and attention on any given project as they would have ideally preferred, but there was also a challenge of integration with other on-going projects.

The organizational structure was also mentioned by the respondents as one of the challenges faced by Kenya Power during the implementation of the ESRP change program. When the Management Services Contractors from Manitoba Hydro took office, they found a very tall structure, with many levels of approval. The contractors therefore opted for a different organizational structure. This new organizational structure changed some reporting relationships with the aim of making the reporting lines more efficient. As a result, some of the senior staff felt that their jobs were threatened. For example, the Managing Director had to cede his substantive role as an executive director and was only retained in the new organizational structure in his capacity as an advisor to the General Manager and Chief Executive Officer, who was a Management Services Contractor from Manitoba Hydro. Consequently, there was a general feeling of anxiety and insecurity among senior management staff about the future prospects of their positions.

Whereas the ESRP implementation team is dealing with projects that affect the entire organization across all divisions, it is currently under the Distribution division. The members of the implementation have only been seconded to ESRP from their respective divisions. All the respondents agreed that that the ideal situation would have been for the implementation team to have a division of its own, but this has been resisted by the organization. This has resulted in tugging and pulling of resources, both human and financial between the respective parent divisions and the project implementation team demands.

Communication was mentioned as a challenge that was experienced particularly during the initial phase of the program. Many employees complained that they were learning important information about the organization's plans on the ESRP program through the press just like the rest of the public. The lack of communication caused frustration and fuelled anxiety among the employees about the impending changes that would be brought about by the project.

4.2.2 Project Components

The Management Services Contract component was marked with a few challenges. This component began on July 1, 2006 and was completed on June 30, 2008. The prevailing organizational policy at the time was one of strict adherence to protocol. One could not consult his immediate supervisor's supervisor without first clearing with his immediate boss. But as the Management Services Contractors from Manitoba Hydro took office, this culture was replaced with an open-door policy, where employees were encouraged to freely interact with senior-most staff in the organization. This also meant that junior members of staff could occasionally receive instructions from very senior members of staff. In addition to this, many senior managers that had been used to having the final word on policy issues found it challenging to adjust to the new reporting lines whereby they now had to run their decisions through someone else. This was a big challenge particularly for senior management in terms of adjusting to this new policy on reporting lines and the level of commitment had room for improvement.

The ESRP change program started out with an initial implementation team of four members. The respondents noted that this was a great challenge considering the work that this team was expected to do. Another challenge related to staffing issues during the MSC component phase was the intellectual capacity of the team. Initially, the implementation team members did not have adequate skills capacity to undertake the tasks that were expected of them such as developing tender documents, tender evaluations and contract clarifications. The team has since been expanded to twenty four members and many training programs have been organized so as to build the team's capacity. Political interference was also mentioned by the respondents as a persistent challenge that ran through from the beginning of the project, and is still being felt up to now albeit in varying degrees. This interference is brought about by the political class's need to influence the tendering process so as to have organizations associated with them be participate in the ESRP program as contractors.

Challenges relating to the Studies and Engineering Services component were also mentioned by the respondents. The respondents noted that there was lack of information, and even where there was some information, it was inadequate. Historical data was missing because there was no documentation of data collected over time. The success of a feasibility study is based on availability of collect information about existing systems and clear master plans. In addition to inadequate documentation and historical data, the respondents mentioned that the members of the public had unfounded fears with respect to substations being located in their neighbourhoods. For example, residents of Kiambu and Lavington area had misplaced safety and health-related fears of a substation being in their area. The respondents further added that another challenge on the Studies and Engineering component is that there are few local experts in the Environmental and Social Impact field, and this is because it is a new requirement in implementations of projects.

The Distribution Network Upgrade component of the project was also report to have some challenges. Design inadequacies and insufficient logistics efforts by contractors or Kenya Power staff were mentioned as challenges that led to delays in achievement of project milestones. All the respondents acknowledged that the ESRP change program is well funded and therefore financing is not a challenge. However lengthy procurement procedures leading occasionally led to shortage of materials was mentioned as a critical challenge, Materials for the project are sourced from Asia, Europe and South America. Disbursement procedures were also noted to be lengthy and tedious and thereby causing a challenge to the program. The government's involvement in duty exemptions and the procurement process were also reported as a cause of delays. Also mentioned by respondents was the challenge of contractors' capacity to have competent installation teams. For example, safety engineers were not employed by the contractors and this serious omission led to fatalities at some sites at the coast and western Kenya.

Another challenge reported was on the replacement of obsolete equipment in the company's main substations, and this was as a result of power outages which were seen as a two-way challenge. For this work to be done, the contractors needed the power to be switched off for them to work safely. Extended periods of electricity down-time were negatively received by the general public. Conversely, not having enough electricity down-time would mean that the contractors would not be able to finish their work. Therefore the challenge of down-time was either negatively impacting the contractor while positively impacting the consumer, or on the other hand positively impacting the contractor while negatively impacting the consumer. One respondent also added that proper audit of the obsolete equipment has not been done and therefore the replacement is not based on known criteria but is based on the perception of the supervisors.

Delays in project completion were also mentioned by the respondents as a big challenge in the implementation of the ESRP change program. Various factors were mentioned as causes for delays. For instance, the post-election violence in 2008 caused a three month delay in project completion. Also, the project covers all major substations in the country and involves various sub-components. For example, the SCADA/EMS upgrading involves running fibre optic cables on power lines, construction of towers for radios, terminal equipment for fibre optic cables, power line carriers and radios. This work involves shutdowns, interface works which involve connecting to existing protection systems and civil works. These interrelationships of different aspects of the project involve many players and many variables to the whole picture. The global economic recession also adversely affected one of the contractors engaged in the ESRP change program, and this had a negative impact on the ESRP change program's completion schedule. Litigations during contract evaluations were another cause of delays, and because of our lengthy judicial process, some of the litigation processes lasted for a year. Institutions such as NEMA, local government authorities, ministry of roads, civil societies, ERC, airport authorities, Kenya Wildlife Services were mentioned by the respondents as having a high influence on the progress or success of the ESRP change program. This is because projects require various approvals from these institutions. For example, one respondent noted that the NEMA costs were too high.

Activities by the Government of Kenya have also been a cause of ESRP completion delays. For example, the road expansions on Thika road Lang'ata road among others have compelled Kenya Power to go back to the drawing board to redesign the electricity distribution network, submit plans to the relevant City Councils and follow the whole channel. Kenya Power has also found it challenging to get wayleaves in some instances. For example, getting wayleaves for the Muthurwa sub-station has been difficult and has caused delay in the project commencement and in effect, the project completion. This is because of the Landhies Rd expansion, whereby the Chinese road contractors are redesigning the road, and this therefore necessitated the redesigning of the sub-station, which meant that the whole process of getting approvals would have to be started afresh. The Karen substation also had to be redesigned also due to the expansion of the Lang'ata road, and just like in the Muthurwa substation case, the whole process of approvals had to be started. The respondents also mentioned that contractors had a tendency to under-quote during tendering just to be able to win the tender and would therefore try to minimize costs and maximize profits.

The respondents also mentioned the acquisition of land for the purpose of installing electricity substations as a challenge. This is because Kenya Power is still using government rates when it comes to land valuation. These rates are significantly lower than the market rates and therefore getting a good plot for the purpose of putting up a substation is difficult. The parcels of land that eventually get short listed in the tendering process have on some occasions been described as not useful for the purpose of substation installation for various technical reasons.

4.3 Responses to the challenges

The respondents also talked about the measures that have been put in place in order to mitigate the challenges in the implementation of the ESRP change program. The respondents noted that the flow of information has since improved and that information on what is going on is communicated in good time internally. The organization is doing this through team talks, where team leaders brief their team members on current affairs and future plans in the organization. The organization prints out a magazine periodically to keep the members of staff informed. Emails are also used to bring the employees up to speed with new developments within the organization. Kenya Power also embarked on a massive campaign to train staff on culture change. This exercise was done through seminars and workshops.

The challenge of staff capacity was addressed through a recruitment process, whereby the organization hired members of staff that are dedicated to the ESRP implementation. A Safety, Health and Environment department was also formed at Kenya Power in response to the gap that was identified as the project was going on. In addition to the SHE department and in order to address the fatalities during construction work, Kenya Power currently demands that the contractors employ a safety engineer before going on site.

In order to address the challenge of late completion of projects, contractors are now charged liquidated charges for each week of delay. Meetings with the local communities, also referred to as *barazas* are organized in order to listen to the listen concerns of the people, as well as to engage in civic education. Project activities are also better streamlined.

These measures to address implementation challenges have resulted in a significant shift in employees' paradigms and thereby resulting in the desired culture change of the organization at large. Communication channels have also improved and information is now readily available on what the organization is doing, as well as what the organization plans to do. There has also been a drastic reduction of incidences of delayed projects, increased acceptance of Kenya Power initiatives among the local communities, and an improved completion report on project milestones.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter contains the summary and conclusions based on the findings of the study as set out in the objective in the first chapter. The chapter also mentions the limitations of the study, areas of further study as well as recommendations for further research, policy and practice.

5.2 Summary of the findings

The objective of this research was to determine the challenges faced by Kenya Power in the implementation of the change program of the Energy Sector Recovery Project. The study determined these challenges, and broadly grouped them into two categories namely organizational characteristic challenges and project component challenges.

Organizational characteristic challenges included the organizational culture, the organizational structure and communication in the organization. The study found that culture change took long to percolate to all levels due to the large number of employees at Kenya Power. The organizational structure was also tall with many reporting levels. On communication, the study found that the channels of communication were inefficient and therefore on many occasions, there was a communication breakdown between the senior management and the lower cadre levels. The lack of preparedness on change management of the employees was on many levels, including the skills required for the project, the paradigm shift required for the new culture, and the number of staff required in the implementation team. The staff morale was also low at the onset of the project and this was attributed to the organization's loss making streak in the years prior to the project. There was also an element of anxiety, with some members of staff wondering whether their jobs would be secure with all the new developments that were taking place in the organization. The respondents also mentioned that there was lack of support from many employees, mostly due to envy. The envy was as a result of employees that were not in the implementation team feeling that those that were in the implementation team were the privileged few. On some occasions, this negative working relationship led to reluctance to support the implementation team members and cause setbacks project milestones.

Project component challenges included Management Services Contract challenges, feasibility study challenges and the Distribution Network Upgrade challenges. The Management Services Contract phase challenges included culture shock that was a result of the new work ethic and culture that was introduced by the new management team from Manitoba Hydro. These management contractors also experience the challenge of political interference from individuals that wanted to influence the tendering process from time to time. The feasibility studies phase experienced challenges due to lack of historical data and even where there was data, it was not exhaustive. In addition, there are few local experts on the environmental and social impact field. The respondents mentioned that in some cases, the members of the public had unfounded fears about substations being located in their localities. The Distribution Network Upgrade phase had challenges on delays in project completion occasioned by various factors including the post-election violence of 2008 as well as, and activities by the Government of Kenya for example road expansions that resulted in redesigning of plans from scratch due to changes in the infrastructure. The respondents noted that in some cases contractors had a challenge of lack of capacity to have competent installation teams on the ground.

5.3 Conclusion

The results of this study show that indeed the implementation of the Energy Sector Recovery Change program has had many challenges and continues during the different phases of the project.

There have been challenges relating to the organizational characteristics of Kenya Power, whereby adoption of new ways of working took a long time due to the large number of employees expected to buy in to the new culture. Communication within the organization was not good at the start of the project and senior management could not get a feel of what was on the ground. Similarly, the lower cadre staff did not get a clear understanding of the expectations of senior management in good time, and sometimes only got information from the media. The respondents also descried the organizational structure as being too tall with many reporting and approval levels. This therefore meant that documents took a longer time from requisition to final approval.

There have also been challenges relating to the project components of the ESRP change program. Lack of historical data during feasibility studies led to frustrations in the process of data acquisition. Political interference was described as a persistent challenge due to the large contracts that the project attracts. Lengthy procurement procedures in some cases result in a shortage of materials, and subsequently delay in meeting project milestones. Contractor's staffing capacity is another challenge that was mentioned, whereby some of the critical skills required within the contractors' teams would be missing, for example safety engineers. This unfortunately led to some fatalities at the sites. Government initiatives such as the construction of superhighways, and general road expansion adversely affect the project because power lines have to be moved. This process is complicated because it has to start from the design stage. Other environmental factors mentioned by the respondents that led to delays in the project were the post-election violence in 2008 as well as the global economic crisis during the same period that affected some of the contractors, and by extension the project.

As a result of organizational learning, many successes have been realized within the organization. This has come through analysis of the challenges and learning from past mistakes. These lessons have resulted in better implementation of the remaining phases of the project. For example, communication lines within the organization have been greatly improved with members of staff being kept abreast with current affairs within the organization, and a feedback mechanism in place to get comments and opinions of all staff.

5.4 Recommendations

From a policy perspective, the study determined that historical data had not been kept well. The study therefore recommends that record keeping be improved so as to assist future feasibility studies.

From a practice perspective, the study recommends leaders of change initiatives at Kenya Power and other public institutions to consider changing the organizational structures with a view to reducing the reporting lines.

From a theory perspective, the study noted that the Energy Sector Recovery Project comprised implementation teams across the energy sector, namely the ministry of Energy, Kenya Power and KenGen. The study therefore recommends that future researchers can study the challenges that the ministry of Energy and KenGen are having during the implementation of their respective components. Further to this, researchers on Change Management may look into aspects of Change Management, while researchers on Project Management can investigate issues on Project Management.

5.5 Limitations of the study

Owing to the busy nature of the project implementation team, some of the respondents were very difficult to reach, and even when they were available, there were numerous interruptions of during the interviews. The researcher therefore took a longer time than expected to have the data collected, and this adversely affected the time allocated for in-depth analysis of the data.

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APPENDIX: INTERVIEW GUIDE

I am a post graduate student in the School of Business, University of Nairobi pursuing a degree in Master of Business Administration. I am currently undertaking a case study on the challenges faced by the Kenya Power and Lighting Company Limited in the implementation of the Energy Sector Recovery Project. This study is in partial fulfilment of the requirement for the degree. I therefore request your time in responding to a set of questions towards this objective. The information gathered is for academic purposes and will be treated in utmost confidentiality.

PART ONE: GENERAL QUESTIONS

1. How many years have you worked at Kenya Power? ……………………………….
2. What is the highest level of education that you have attained? …………………..
3. How long have you worked as a supervisor in the project development section?
   Answer: …………………………….. Years

PART TWO: KENYA POWER'S ORGANIZATIONAL CHARACTERISTICS

4. How many employees are at Kenya Power? Answer: ……………………………..
5. Which year did the change process of the ESRP begin? ……………………………
6. a) Is the prevailing culture at Kenya Power supportive of this change process? (Yes/No)

   b) [If answer is No] How has the culture been a challenge to the implementation of the change program?

   …………………………………………………………………………………………
   …………………………………………………………………………………………
   …………………………………………………………………………………………

7. a) Has communication to all staff about the change program been adequate? …. (Yes/No)

   b) [If answer is No] How has the communication been a challenge to the implementation of the change program?

   …………………………………………………………………………………………
   …………………………………………………………………………………………
   …………………………………………………………………………………………

8. Is the organization aligned to its vision, mission and values? .... (Yes/No)
   Please elaborate on your answer.

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   ....
   ....

9. Does the current organizational structure of Kenya Power support or impede the change process?
   Please elaborate on your answer.

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

10. a) Is the process of implementing of the change program flexible and reactive? (Yes/No)
    b) [If answer is No] How has this been a challenge to the whole change process?
    ....
    ....
    ....

PART THREE: PROJECT COMPONENT CHALLENGES

SECTION A) **Institutional and capacity building**

11. What were the challenges faced during the two years of implementing of the two-year Management Services Contract?

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

SECTION B) **Studies and Engineering services**

12. What were the challenges faced during the feasibility and design studies?

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    ....

13. What were the challenges faced during the environmental and social impact assessments?

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SECTION C) **Distribution Network Upgrade**

14. How many projects are you currently handling? ....

[IF answer is more than 1, ask the next question]

15. Do you feel that the number of projects that you are handling allow you enough time to supervise each one well?

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....

16. What are the challenges that relate to the financing of the expansion of power distribution systems?

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17. a) Is the funding adequate? .... (Yes/No)
b) [If answer is No] How critical is the shortage of funding in the completion of the projects?

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18. What are the challenges relating to the replacement of obsolete equipment in the company's main substations?

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19. What are the challenges relating to the upgrading of the SCADA/EMS system?

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20. What are the challenges relating to the procurement of electricity meters to connect new customers?

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21. a) Are the programs handled by KPLC staff usually started on schedule? .... (Yes/No)

b) [If answer is No] What could be the causes of delays in commencements of projects?

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....
....

22. a) Are the change programs handled by KPLC staff usually completed on schedule? ... (Yes/No)

b) [If answer is No] What could be the causes of delay in completion of projects

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....

23. Are there are projects being handled by contractors? .... (Yes/No)
[If answer is Yes, ask the next two questions]

24. a) Are the change programs handled by contractors started on schedule? (Yes/No)

b) [If answer is No] What could be the causes of delay in commencement of projects?
....
....
....
....
....

25. a) Are the projects handled by contractors usually completed on schedule? .. (Yes/No)

b) [If answer is No] What could be the causes of delays in completion of projects
....
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....
....
....

26. a) Are there institutions that affect the implementation of the change programs in the ESRP? ... (Yes/No)

b) [If answer is Yes] What is the level of influence that the institutions specified above have on the implementation of the projects?
....
....
....
....
....

27. a) Are the materials required for the projects readily available? .... (Yes/No)

b) [If answer is No], How critical is the shortage of materials in the completion of the projects?
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....

28. a) Are the projects adequately staffed in terms of skills and personnel? .... (Yes/No)

b) [If answer is No], How critical is the shortage of staff or skills in the completion of the projects?
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29. What measures have been put in place to address the challenges encountered in implementation of the change programs in the ESRP project?

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30. How have the measures that you have mentioned above affected the outcomes of the change programs?

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Thank you very much for your time.