THE RELEVANCE OF KOTTER’S EIGHT-STEP MODEL IN UNDERSTANDING ORGANISATIONAL CHANGE AT NOKIA SIEMENS NETWORKS (KENYA)

By

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DECLARATION

This Research Project is my original work and has not been submitted for award of a degree at the University of Nairobi or any other University.

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

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Last but not least to the Almighty God for his Love, Abundant Grace and Provision that enabled me to study without any interruptions. I thank him for giving me the Grace, wisdom and Knowledge to successfully complete my studies.
DEDICATION

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<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
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<tr>
<td>CT</td>
<td>Customer Team</td>
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<td>EES</td>
<td>Employment Engagement Survey</td>
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<tr>
<td>F&amp;C</td>
<td>Finance &amp; Control</td>
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<td>GIC</td>
<td>Global Invoicing Code</td>
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<td>I-HSPA</td>
<td>Internet High Speed Packed Access</td>
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<td>LTE</td>
<td>Long Term Evolution</td>
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<td>MEA</td>
<td>Middle East &amp; Africa</td>
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<td>NSN</td>
<td>Nokia Siemens Networks</td>
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<tr>
<td>RA</td>
<td>Radio Access</td>
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<td>THM</td>
<td>Town Hall Meeting</td>
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<td>TI</td>
<td>Telecom Implementation</td>
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<td>WBS</td>
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ABSTRACT
The global business environment is increasingly getting more competitive and challenging for business firms and the response to these challenges cannot be uniform due to different political, economic, social, technological, environmental and legal factors faced in different countries where they operate. Kotter (1996) argued that for a change to be successfully implemented it must follow a particular order although several steps can be executed at the same time. If this order is not followed, the desired change may not be visible in the expected duration, manner, or may fail altogether. This study sought to determine the relevance of Kotter’s Eight-Step model in understanding organizational change at NSN (Kenya). The choice of this study was brought about by the need to understand how global firms like NSN with branches across the world, would manage organizational change at the branch level. This research was a case study of NSN (Kenya). Primary data was collected using an interview guide, which was administered by the researcher. The findings of this study established that the Kotter’s Eight-Step model is relevant in understanding organizational change at NSN (Kenya). From the research findings, the first three steps namely Establishing a Sense of Urgency, Creating the guiding coalition and Developing a vision and Strategy based on Kotter’s model had been successfully completed. The next four steps namely Communicating the change vision, Empowering Employees for Broad-based action, Generating Short-term Wins and Consolidating Gains and Producing more Wins were in different levels or stages of completion. The eighth and last step, which entails Anchoring new approaches in the culture, had not yet been started.

Key words: Kotter, Eight-Step, Model, Relevance, Organizational Change, Nokia Siemens Networks.
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CHAPTER ONE: INTRODUCTION

1.1 Background of the Study

Organizations exist as open systems and hence they are in continuous interaction with the environment in which they operate (Kiini, 2007. The environments in which organizations, whether private or public operate in, are dynamic and highly unpredictable. Due to constant changes taking place, organizations have to continually survey the environment and enhance their survival and success chances by adapting themselves to strategically meet the new challenges and exploit the opportunities brought about by these changes (Gathungu, 2008).

Global firms face a complex external environment due to multiple political, economic, legal, social and cultural environments as well as various rates of changes within each of them. A global firm when responding to the changes in the external environment will face a myriad of challenges while implementing its strategy due to differences in culture, geographical locations, local regulatory frameworks, business practices and taxation between its different branches in different countries (Pearce & Robinson, 1997).

There are several tools such as the Kotter’s model that may be used to lead and manage change. According to Kotter (1996), successful change of any magnitude goes through all the eight steps. Although one normally operates in multiple phases at once, skipping even a single step or getting too far without a solid base almost creates a problem. The most general lesson learnt from the more successful cases is that the change process goes
through a series of phases that, in total, usually require a considerable length of time. Skipping steps creates only the illusion of speed and never produces satisfactory results and making critical mistakes in any of the phases can have a devastating impact, slowing momentum and negating hard-won gains. This study aimed to investigate the use of the Kotter’s model of managing change at Nokia Siemens Networks.

1.1.1 Strategic Organizational Change

Kotter (1996) argued that for a change to be successfully implemented it must follow a particular order. If this order is not followed, the desired change may not be visible in the expected duration, manner, or may fail altogether. He came up with an Eight-Stage model of leading change. The first step involves establishing a sense of urgency by examining the market and competitive realities, identifying and discussing crises, potential crises likely to be faced or major opportunities available to the organization. The second step entails forming a powerful guiding coalition that will spearhead the change process. This includes assembling a group with enough power to lead the change effort and encourage the group to work together as a team.

The third step involves creating a guiding vision that will help guide the change effort. It also involves developing the strategies to actualize the vision. The fourth step that is quite important is communicating the vision to all the stakeholders using every means possible to ensure that the vision and the strategy are well communicated and understood. This would also enhance training of new behaviors by the guiding coalition.
The fifth step entails empowering others to act on the vision, which involves getting rid of obstacles of change, changing systems or structures that seriously undermine the vision and encouraging risk taking and non-traditional ideas, activities, and actions. The sixth step involves planning for and creating short-term wins. This includes planning for visible performance improvements, creating those improvements and recognizing and rewarding employees involved in the improvements.

The seventh step is consolidating the improvements so far achieved and producing still more change. This is attained by using increased credibility to change systems, structures, and policies that do not fit the vision, hiring, promoting, and developing employees who can implement the vision, reinvigorating the process with new projects, themes and change agents. The eighth and final step involves institutionalizing the new approaches by articulating the connections between the new behaviors and corporate success and developing the means to ensure leadership development and succession.

1.1.2 Kotter’s Eight-Step Model

Change is an inevitable aspect of life. As change manifests itself in a variety of ways, it does not hold the same connotations across people, situations, and context (Gathungu, 2008). If change is to be successful, it also has to link the strategic, operational and everyday aspects of the organization. This emphasizes the importance of not only translating strategic change into detailed resource plans, key tasks and the way the organization is managed but also how change is communicated through everyday aspects of the organization.
The approach taken to managing strategic change will also need to be context dependent. Managers need to consider how to balance the different approaches to managing strategic change according to the circumstances they face as well as trying to create the sort of organizational context that will facilitate change (Johnson & Scholes, 2005).

Kurt Lewin came up with a three-step model of implementing change. The first step involves unfreezing of the organization, the second step involves moving or making the desired changes while the third and last step involves affirming the new behavior or way of working by freezing it (Burnes, 2004). Although this model is good, it may not provide specific areas of concerns that should be focused during the change process. It may therefore not provide a clear guidance for managing organizational change.

To better lead change, Kotter came up with an eight-step process in which organizational change can best be managed. Accordingly, the reason that many of the change efforts fail is because either some of the steps are skipped or not given the necessary attention which leads to complacency, and the slowdown of the change momentum. If some of the steps are hurried, the changes implemented in the latter stages, cannot be sustained and collapse or stalls due to poor foundation in the first stages (Kotter, 1996). To manage change effectively involves the ability to create a new synthesis of people, resources, ideas, opportunities and demands (Carnall, 2007). The greatest challenge for an organization undergoing a change process is to have a leader who will inspire the entire organization towards achieving the desired change on a platform of a widely shared vision and direction.
1.1.3 Telecommunication Industry in Kenya

The telecommunication industry in Kenya has experienced significant changes in the last decade. During this period of growth, the mobile operators were expanding and modernizing their networks to handle increasing subscribers and their corresponding needs. According to CCK communications statistics report of Second Quarter 2008/09 two operators namely Telkom Orange and Econet Wiress (later changed to Essar Telecom) made entry into the market in September and November 2008 respectively, CCK (2010).

With the entry of these two new operators, competition with the existing two mobile operators namely Safaricom and Zain intensified with each seeking to grow or maintain its market share. This increased competition led to price wars, which meant that the mobile operators demanded higher discounts in equipment prices from the telecommunication vendors in order to manage their expansion or modernization of their networks in a cost effective manner. The telecommunication vendors had to realign their strategies with these changes in the environment that dictated that mobile operators reduce their capital and operating expenditure because of declining revenues. The Telecommunication Vendors mainly from China responded positively with this new realignment by pricing their equipments at much lower prices compared to European based vendors that were hitherto the preferred suppliers. Because of these changes in the environment, firms such as NSN (Kenya) had change their strategies in order to compete effectively in the new environment, where the mobile operators were making less and less revenue due to increased competition with price being the main driver.
1.1.4 Nokia Siemens Networks (Kenya)

Nokia Siemens Networks (NSN) is one of the largest telecommunications hardware, software and services companies in the world with more than 60,000 people in over 150 countries (NSN Website, 2010). NSN began its operation on 1st April 2007 after the merger of the Telecommunication arms of Siemens AG and Nokia Corp. The merger was expected to bring synergies from both Nokia Corp and Siemens AG, into the new resulting company. However, the new company continued to operate as two companies in one. There were processes for ex-Siemens (formerly Siemens) employees and different processes for ex-Nokia (formerly Nokia) employees. This kind of setup slowed down processes, increased approval levels and caused strained relationship between the two groups of employees. The expected synergy of the merger failed to materialize and the performance of the company declined.

In the first quarter of 2010, NSN globally initiated a turn-around strategy (NSN Plan 2010) to change the profitability of the organization. This was centered on three key focus areas namely; Drive for Growth, Cost Leadership and Re-invigorating the organization. These change efforts were cascaded to the regions, sub-regions and country levels to ensure that the whole organization is aligned to the new way of working. NSN (Kenya) belong to the Middle East Africa (MEA) Region and the MEA-South Sub-region. In this sub-region, the key offices are in Nairobi, Kenya and Johannesburg, South Africa. Hence, this makes Kenya a strategic location for NSN within the Sub-Region and the Region at large.
The change involved more focus on creating customer value through efficiency and experience in both the network and service layers, with the overriding vision being to help communication service providers (CSP) build more valuable customer relationships. It then based this vision on five core values; focus on the customer, inspire, win together, communicate openly and innovate.

Figure 1: Structure of NSN in the MEA (Middle East and Africa) Region
1.2 Statement of the Research Problem

Various models exist for describing and managing change. Some of these models include the Lewin’s Change Model, Action Research Model, 7-S McKinsey and Kotter’s Eight-Stage model. These frameworks have received widespread attention in organizational development and serve as the primary basis for general model of planned change (Cummings et al, 2009). Among these models, the Kotter’s model offers a better view of the different stages that an organization undergoes during implementation of a change program and hence it is the preferred model in understanding implementation of change in an organization.

According to Kotter (1996), when an organization is undergoing change, many times the change momentum dwindles, complacency crops in, the urgency seems to be no longer present and the people entrusted to lead the change get back to the comfort zones and retain the status quo. In some cases, the people assigned to lead the change, are not powerful enough to influence the direction of the organization, sometimes the managers selected to be part of the change team turn out to be in it for their own self-preservation and that of the team that they lead, hence inhibiting change. Kotter (1996) asserts that successful change goes beyond conventional management and involves leadership that seeks to establish direction, align people’s aspirations as well as motivate and inspire people.
A number of studies have been done on organizational change management in various organizations in the country including; Kiambuthi (2008) established that change at Kenya Association of Manufacturers (KAM) was both planned and incremental; Gathungu (2008) established that employees perceived that the culture of the organization played central role in the implementation of change at the (Kenya National Audit Office); Khamis (2008) established that the Kenya Department of Immigration had both aspects of emergent and planned change; Muraguri (2007) established that the changes at National Water Conservation and Pipeline Corporation (NWCPC) were forced on it as a result of the Water Act (2002). A study by Kerama (2006) focused on the use of Kotter’s model in a survey of the insurance industry in Kenya and concluded that model was used in the leadership of change programs on firms in the insurance industry in Kenya.

Although some studies have been done on the application of Kotter's model in organizational change, the focus was on its relation to leadership during change and not as a model of managing change. A knowledge gap therefore exists in establishing the relevance of Kotter’s Model as a tool of understanding change in organizations, specifically in global firms such as NSN where the unit of study is one branch of an organization and not the entire organization. This study sought to address the question; is Kotter’s Eight-Step model relevant in understanding change at NSN (Kenya)?
1.3 **Objective of the Study**

The objective of this study was to review the relevance of Kotter’s Eight-Step Model in understanding change at Nokia Siemens Networks (Kenya).

1.4 **Value of the Study**

The findings of this study will be used by the management of NSN (Kenya) to review the change program currently under implementation. The management will also understand the achievement of certain milestones or stages using the Kotter’s Eight-Step model as a reference and may be able to take further actions where necessary. Other firms in the telecommunication industry may also use the findings of this study, to review the relevance of models and specifically Kotter’s Eight-Step model as a tool of understanding and managing organizational change.

The findings of this study will also add to the existing knowledge on the use of models as tools of understanding and managing organizational change and specifically it will seek to review the importance of the eight steps of organizational change as proposed by Kotter, thereby justifying the need for sequence in the implementation of strategic change in organizations. The government will also find the results from this study quite useful in understanding the way firms manage their change programs, and can either review certain policies that maybe a hindrance to the successful implementation of change on such firms in addition to applying similar models in managing change in government owned organizations.
CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

This chapter will review the concept of organizational change in general and a mention of a few other models of organizational change. A brief introduction of the Kotter’s model of managing change will be done. A more detailed review of each of the eight steps of managing change as proposed in the Kotter’s model will follow later on.

2.2 Theoretical Basis of Understanding Organizational Change

Balogun et al (2008) suggests that there are two schools of thought about how change occurs in organizations. The first sees change as continuous, with organizations transforming an on-going basis to keep pace with their changing environment. The second sees change as a process of punctuated equilibrium. From the latter perspective, periods of adaptive and convergent change are interspersed by shorter periods of revolutionary change. Convergent change is continuity of the past whereas revolutionary change is simultaneous change in different aspects of the organization spread over a period of time.

The forces that operate to bring about change in organizations can be thought of as winds which are many and varied – from small summer breezes that merely disturb a few papers to mighty howling gales which cause devastation to structures and operations leading to consequent reorientation of purpose and rebuilding (Senior and Fleming, 2006). Conceptions of planned change have tended to focus on how change can be implemented in organizations.
Called “theories of changing”, these frameworks describe the activities that must take place to initiate and carry out successful organizational change. Some of these theorems include; Lewin’s 3-Step Change Model, Action Research Model, 7-S McKinsey and Kotter’s Eight-Step model. These frameworks have received widespread attention in organizational development and serve as the primary basis for general model of planned change (Cummings et al, 2009).

2.3 The Kotter’s Eight –Step Model

Kotter’s eight-step model of transforming organizations was developed after a study of over 100 organizations varying in size and industry. After learning that the majority of major change efforts failed, Kotter developed this model as a way of avoiding major errors in the change process. Two key lessons learnt from the model are that change process goes through a series of phases, each lasting a considerable amount of time, and that critical mistakes in any of the phases can have a devastating impact on the momentum of the change process (Kerama, 2006).

According to Kotter (1996), the methods used in successful transformations are all based on one fundamental insight: major change will not happen easily for a long list of reasons. Even if an objective observer can clearly see that costs are too high or products are not good enough for the customers, needed change can still stall because of inwardly focused cultures, paralyzing bureaucracy, parochial politics, a low level of trust, lack of teamwork, arrogant attitudes, a lack of leadership in middle management, and the general fear of the unknown.
Successful change of any magnitude goes through all eight stages, although one normally operates in multiple phases at once, skipping even a single step or getting too far ahead without a solid based almost always creates problems. It is therefore quite important that the change process follow the stages without moving too fast on the steps or stalling in one step for far too long. A globalized economy is creating both more hazards and more opportunities for everyone, forcing firms to make dramatic improvements not only to compete and prosper but also to merely survive (Kotter, 1996).

2.3.1 Step One - Establishing a Sense of Urgency

Most successful change efforts begin when some individuals or some groups start to look hard at a company’s competitive situation, market position, technological trends, and financial performance. This first step is essential because just getting a transformation program started requires the aggressive cooperation of many individuals. Without motivation, people won’t help and the effort goes nowhere (Kotter, 1995). Establishing a sense of urgency is crucial to gaining needed cooperation. With complacency high, transformations usually go nowhere because few people are even interested in working on the change problem as a result it becomes difficult to put together a group with enough power and credibility to guide the effort or convince key individuals to spend the time necessary to create and communicate a change vision (Kotter, 1996).
Kotter further states that increasing urgency demands that you remove sources of complacency or minimize their impact: for instance, setting higher standards both formally in the planning process and informally in day-to-day interaction; changing internal measurement system that focus on the wrong indices; vastly increasing the amount of external performance feedback everyone gets; rewarding both honest talk in meetings and people who are willing to confront problems; and stopping baseless happy talk from the top.

He further adds that raising the level of urgency involves making tough decisions such as: eliminating obvious examples of excesses like company-owned country club facilities, membership to clubs, stripping of some allowances that are clearly an excess such as Company paid Family Holidays; set revenue, income, productivity and customer satisfaction targets so high that they can’t be reached by conducting business as usual; insisting people to talk regularly to unsatisfied customers, unhappy suppliers; use consultants and other means to force more relevant data and honest discussion into management meetings; bombard people with information on future opportunities, on the wonderful rewards for capitalizing on those opportunities, and on the organization’s current inability to pursue those opportunities and hence the reason that organization must change now instead of later.
2.3.2 Step Two - Creating the Guiding Coalition

No one individual, even a monarch-like CEO is ever able to develop the right vision, communicate it to large numbers of people, eliminate all the key obstacles, generate short-term wins, lead and manage dozens of change projects or initiatives, and anchor new approaches deep in the organization’s culture. A strong guiding coalition is always needed – one with the right composition, level of trust, and shared objective (Kotter, 1996). Senior managers always form the core of the group. In some cases, you find board members, influential individuals in the organization, or even a powerful union leader.

Kotter further states that putting together the kind of team that can direct change effort is to find the right membership. Four key characteristics are essential to effective guiding coalition. The first is Position Power: Ensure that enough key players are on board, especially the main line managers, so that those left out cannot easily block progress. The second is Expertise: Ensure that the various points of view – in terms of discipline, work experience, nationality, culture, gender that are relevant to the task at hand are adequately represented so that informed, intelligent decisions will be made. The third characteristic is credibility: Ensure that the group has enough people with good reputations in the firm. The fourth characteristic is leadership: Ensure that the group includes proven leaders to be able to drive the change process. There is need for both leadership and management skills in the guiding coalition, and they must work in tandem, teamwork style as having more of one than the other could easily derail the change efforts.
2.3.3 Step Three – Developing a Vision and Strategy

A vision refers to a picture with some implicit or explicit commentary on why people should strive to create that future. It says something that helps clarify the direction in which an organization needs to move (Kotter, 1996). The vision facilitates major changes by motivating action that is not necessarily in people’s short-term self interests, it aligns individuals hence coordinating the actions of motivated people in a remarkably efficient way. An effective vision should be imaginable, desirable, feasible, focused, flexible and communicable.

A transformational vision is ambitious enough to force people out of comfortable zones, it aims in a general way at providing better products or services at lower costs thus appealing greatly to customers and stockholders, it takes advantage of fundamental trends especially globalization and new technology and makes no attempt to exploit anyone and thus have a certain moral power.

Strategy provides both logic and a first level of detail to show how a vision can be accomplished. For example, because the biggest trend today is toward faster-moving and more competitive market environments, many firms need to become less inwardly focused, centralized, hierarchical, slow in decision making, and political if they are to succeed in the marketplace, provide superior financial returns and so on.
According to Kotter (1996), in approaching an organizational change situation, managers explicitly or implicitly make strategic choices regarding the speed of the effort, the amount of preplanning and the involvement of others. Successful change efforts seem to be those where these choices both are internally consistent and fit some key situational variables such as amount and kind of resistance, position of the initiators vis-à-vis that of the resistors especially with regard to power and the stakes involved. Organizational changes that ignore these factors inevitably run into problems.

2.3.4 Step Four – Communicating the Change Vision

Johnson et al (1999) observed that managers when faced with effecting change typically underestimate substantially the extent to which members of the organization understand the need for change, what is intended to be achieved or what is involved in the changes. It is therefore essential that the change vision be communicated in a simplified form as possible, using the available communication channels, getting feedback and further making the desired clarifications, and indicating the priority areas that will need to be focused first and fast.

Transformation is impossible unless hundreds or thousands of people are willing to help, often to the point of making short-term sacrifices. Employees will not make sacrifices, even if they are unhappy with the status quo, unless they believe that useful change is possible. Without credible communication, and a lot of it, the hearts and minds of the troops are never captured. It is therefore critical that all employees capture the vision and capture it accurately (Kotter, 1995).
The time and energy required for effective vision communication are directly related to the clarity and simplicity of the message. Focused, jargon-free information can be disseminated to large groups of people at a fraction of the cost of clumsy, complicated communication. Communication seems to work best when it is direct and so simple that it has a sort of elegance. Key elements in the effective communication of vision entails simplify the message, using metaphor’s and analogy, using multiple forums to spread the word, repeating it as often as possible, explanation of seeming inconsistencies and making the communication a two-way sort of give and take kind of communication.

2.3.5 Step Five – Empowering Employees to make Broad Based Actions

Successful transformations begin to involve large numbers of people as the process progresses. Employees are emboldened to try new approaches, to develop new ideas, and to provide leadership. The only constraint is that the actions fit within the broad parameters of the overall vision. The more people involved, the better the outcome. To some degree, a guiding coalition empowers others to take action simply by successfully communicating the new direction. However, communication is never sufficient by itself. Renewal also requires the removal of obstacles. Too often, an employee understands the new vision and wants to help make it happen (Kotter, 1995).

According to Kotter (1996), some of the barriers to employee empowerment include formal structures that make it difficult to act, bosses who discourage action (s) that are aimed at implementing the new vision, lack of the necessary skills to effect the desired change thereby limiting their contribution to the change effort and personal, information
systems and tools that makes it difficult to act on the change agenda. This results in situations where the employee is boxed, unable to be part of the change despite his/her willingness on the same. In order to empower employees to act on the vision, it is important that they have a shared sense of purpose, train them, confront supervisors who undercut the needed change and ensure that the existing structures are compatible with the vision.

2.3.6 Step Six – Generating Short-term wins

Implementing change that will ultimately transform an organization is a long-term process and it is understandable if commitment to the vision becomes somewhat weakened along the way. It therefore means that the achievement of ‘short-term’ wins is important, both as a motivating factor and as mechanism for tracking the progress towards the long term goals that have been set (Senior, 2006).

According to Kotter (1995), real transformation takes time, and a renewal effort risks losing momentum if there are no short-term goals to meet and celebrate. Without short-term wins, too many people give up or actively join the ranks of those people who have been resisting change. One to two years into a successful transformation effort, you find quality beginning to go up on certain indices or the decline in net income stopping. You find some successful new product introductions or an upward shift in market share. You find an impressive productivity improvement or a statistically higher customer-satisfaction rating. Whatever the case, the win should be unambiguous.
The result is not just a judgment call that can be discounted by those opposing change. Creating short-term wins is different from hoping for short-term wins. The latter is passive, the former active. In a successful transformation, managers actively look for ways to obtain clear performance improvements, establish goals in the yearly planning system, achieve the objectives, and reward the people involved with recognition, promotions, and even money (Kotter, 1995).

Some of the characteristics of a good short-term win is visibility of the progress, a large number of people can see for themselves whether the result is real or just a hype, the second attribute is in-ambiguity where there is no argument about the achievement and the last attribute of a short-term win is the relation of the win to the change effort. If for example, a reengineering effort promises that the first cost reductions will come in twelve months and they occur as predicted, that’s a win. Short-term wins provide evidence that the sacrifices so far made are worth it, rewards change agents, help fine-tune vision and strategies by guiding the coalition on the viability of their ideas, they provide clear improvements in performance making difficult for people to block needed change, they provide higher hierarchy with evidence that the transformation is on track and build momentum by turning neutrals into supporters and reluctant supporters into active helpers (Kotter, 1996).
2.3.7 Step Seven – Consolidating Gains and Producing more Wins

This is the most important step in as far continuity of change is involved. If people are too much excited about the short-term wins, there may be a feeling of “we won” and momentum of the change effort fizzles out. According to Kotter (1996), progress can slip quickly due to increased inter-dependency that is created by a fast-moving environment, interconnections that make it difficult to change anything without changing everything. With the exception of a few monopolies, organizations cannot now afford big inventories, slow and linear product development, and a foreign operation that goes its own way. Instead, organizations need to be faster, less costly and more customer focused.

Kotter (1996) suggests that the first major performance improvement will probably come well before the halfway point. Although some people would want to quit then, in successful transformations the guiding coalition uses the credibility afforded by the short-term win to push forward faster, tackling even bigger projects. The restructuring that had been avoided earlier on because of resistance is finally undertaken.

He further adds that in a major successful change effort, the guiding coalition uses the credibility afforded by short-term wins to tackle additional and bigger projects, additional people are brought in, promoted and developed with all the changes, senior people focus on maintaining clarity of shared purpose for the overall effort and keeping urgency levels up. The lower ranks in the hierarchy provide leadership for specific projects and manage those projects and in order to make the change easier in both short and long term, managers identify unnecessary interdependencies and eliminate them.
2.3.8 Step Eight – Anchoring New Approaches in the Culture

Two factors are particularly important in institutionalizing change in corporate culture. The first is a conscious attempt to show people how the new approaches, behaviors, and attitudes have helped improve performance. When people are left on their own to make the connections, they sometimes create very inaccurate links. The second factor is taking sufficient time to make sure that the next generation of top management really does personify the new approach. If the requirements for promotion don’t change, renewal rarely lasts. One bad succession decision at the top of an organization can undermine a decade of hard work. Poor succession decisions are possible when boards of directors are not an integral part of the renewal effort (Kotter, 1995).

Kerama (2006) suggests that in order to affirm the new culture and new way of working, new patterns of behavior and new processes resulting from the change have already clearly proven their worth to employees over a longer period of time, when the employees have recognized the relationship between the new course of action and the improvement in performance. Accordingly, cultural change can only take place at the earliest after the consolidation of first successes. New approaches normally only manifest themselves in a company culture when they work and are evidently better than the longstanding methods.
2.4 Empirical Studies on Kotter’s Model

A number of studies have been done on the use or application of Kotter’s model as tool of managing organization change. Some of these include that of McAllister (2004) which dwelt on Change Leadership in the U.S Coast Guard and it noted that change leadership as underscored by Kotter’s model is very applicable in the management of organization change. Other studies include that of Kerama (2006), which focused mainly on leadership of change programs within the insurance industry in Kenya using the Kotter’s model. The results emphasized on the aspect of leadership during periods of change, using Kotter’s model and concluded that indeed the Kotter’s model was used in the insurance industry in ranging degrees from a great extent to no extent at all.
CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

This chapter deals with the research design and methodology used in the study. The chapter has been organized into research design, data collection procedures and data analysis techniques that will be applied.

3.2 Research Design

The research problem was studied using a case study method. This method was suitable for this study because it aimed at giving in-depth information on the relevance of the Kotter’s Eight-Step change model in understanding Organizational change at NSN (Kenya). According to Cooper & Schindler (2003), a case study places more emphasis on a full contextual analysis of fewer events or conditions and their interrelations.

3.3 Data Collection

This study used only primary data. The data was collected through an interview guide. The interview guide had open-ended questions and was self-administered. Since NSN (Kenya) is structured along key customers, this study focused on one Customer Team (CT). The data was therefore collected from the NSN (Kenya) employees who were working on this customer’s projects. The respondents were selected from Sales, Care, Finance & Control, Network Implementation and Logistics departments.
3.4 Data Analysis

Content analysis was used to analyze the primary data. According to Cooper and Schindler (2003), this analysis provides the researcher with a qualitative picture of the respondents concerns, ideas, attitudes, and feelings. The content analysis was used to get a deeper insight of the concept and sought to answer the research problem question. The content analysis method has been used in similar studies including those of Kamau (2006), Khamis (2008) and Kiambuthi (2008).
CHAPTER FOUR: DATA ANALYSIS AND INTERPRETATION OF RESULTS

4.1 Introduction

This chapter discusses the findings of the study based on the analysis and interpretation of primary data collected through the interview guide. The findings sought to establish the relevance of Kotter’s Model in understanding organizational change at NSN (Kenya). The focus therefore was on the eight steps of managing organizational change as proposed by Kotter in his model.

4.2 General Information

The interviews were administered in the Care, Network Implementation (NI), Sales, Finance & Control and Logistics departments. The change program was rolled out globally and specifically in the MEA (Middle East & Africa) region in March 2010. The change program involved three critical areas namely; Drive for Growth, Cost Leadership and Reinvigorating the Organization. The region was further subdivided into four sub-regions namely MEA-East, MEA-Central, MEA-West and MEA-South where NSN (Kenya) is situated. This new structure was effective from 1\textsuperscript{st} July 2010 and the change program was cascaded to this sub-region along the business lines. The change program at NSN (Kenya) was still under implementation at the time of this study and hence the findings are based on the status of the change program as at that time.
4.3 Kotter’s Eight-Step Model

The results of the data analysis was categorized based on Kotter’s Eight-Step, with the view of understanding what tasks or activities had been executed that would indicate on whether a certain step had been executed and to what extent. Therefore the questions were structured along the eight-steps but the respondents were not asked specifically about the step. For example, to understand the first step which is establishing a Sense of Urgency, the respondents were asked to state their reasons why change was necessary and why they had embraced it with the view of understanding whether those reasons indicated a sense of urgency as opposed to directly asking the respondents on whether a sense of urgency had been established. The result of this analysis follows below.

4.3.1 Step One - Establishing a Sense of Urgency

In order to establish whether this step had been executed during organizational change at NSN (Kenya), a number of questions were set to determine the extent to which employees understood the need for change and the urgency thereof. Most of the respondents indicated their understanding of the urgent need for change in NSN (Kenya). Although this urgency was not directly communicated to them, the internal and external environment had given clear indications that change was needed and needed urgently. Some of the reasons given by the respondents on the urgent need for change included; different working cultures brought about by the merger of Nokia and Siemens companies, changing market conditions in the country for both the vendor and mobile operators, increased competition, less focus on customer needs and requirements, declining business in our key customer accounts and higher cost of our solutions compared to competition.
The respondents highlighted service delivery in project rollouts where quality of the work was not up to standard, delivery time and costs varied significantly with what was agreed on the project scope with the customer. Other issues included internal inefficiencies, long and laborious ordering procedures, stiff competition especially from Vendors from China who used pricing as competitive advantage, delays in properly addressing customer needs, project costs overruns, ineffective mode of operation as factors that brought about the necessity to change. These issues were considered by the respondents as indicators on why change was necessary and urgent.

The respondents gave varying reasons as motivators to adopt the change program. Some of the reasons included transparency and clarity of the change vision, desire to see the change program work out, desire to see a satisfied customer who in turn is likely to give return business, ability to adapt to challenges brought about by the changes and the desire to see NSN (Kenya) remain in business as opposed to changing jobs and moving to competition.

Some respondents felt that NSN being a global company had the necessary competence locally and can therefore use this as a competitive advantage, when seeking deals with its customers. Other respondents indicated that failure to adopt and embrace the change may lead to low morale and probably loss of jobs as part of restructuring that may eventually have to be done later should the business fail to turn around to profitability.
Only few respondents responded to change with an anticipation of a financial gain either through a salary increment or bonus payment while most indicated that their passion and desire to see NSN (Kenya) survive and succeed in providing superior technology and service to its customers in the Kenyan market as the greatest motivator to embrace change.

4.3.2 Step Two - Creating the Guiding Coalition

In this stage, respondents were asked on their awareness of the team that was spearheading change at NSN (Kenya). Majority of the respondents indicated that they were not aware of the team that is spearheading organisational change at NSN (Kenya). According to the respondents this was because the change program was being spearheaded at the regional and sub-regional levels along the business units and as such was not aware of any country-led change leadership team. This according to the respondents meant, that many of them were not aware of changes happening outside their business lines.

Some of the respondents however indicated that they were aware of the team spearheading change but the team was viewed as lacking enough passion about change or was not communicating sufficiently and hence was not visible to many people across the organization. Should such a team be formed, the respondents indicated that its members should be drawn from Sales, Finance and Control, Human Resources, CT, Care, Network Implementation and Logistics departments. According to the respondents, this would ensure that there was proper representation and that no major part of the organisation will be excluded and possibly frustrate the change effort.
4.3.3 Step Three – Developing a Vision and Strategy

In this section a number of questions were set up to establish how knowledgeable the respondents were on the Vision and Strategy that NSN globally intended to achieve since the change program was being spearheaded from the global level. Although most of the respondents could not state the vision of NSN verbatim, they were able to describe the various aspects that the vision seeks to address. Some of these aspects included customer focus, delivering outstanding solutions to its customers and providing innovative solutions that will drive growth for the communication service provider. Most of the respondents were able to identify key aspects of the NSN strategy as espoused in the NSN Plan 2010 which entailed Drive for Growth, Cost Leadership and Reinvigorating the Organization.

Some of the key aspects of NSN Strategy highlighted by the respondents included more customer intimacy, maintaining cost leadership outside vendors from the east, focus on growing sales revenue, be the number one provider of choice for its customers, providing innovative solutions in a cost effective way, being the company of choice for the employees and creating customer value through efficiency and experience in both the network and service layers. Other aspects that the respondents stated as part of the strategy included shortening of customer delivery time, having a higher customer loyalty index which measures the level of customer satisfaction on the services rendered by organisation.
As regards to what the NSN change vision intends to achieve, most of the respondents indicated knowledge of the global target of having a positive gross margin for five continuous quarters that will indicate success of the change program. However, many of the respondents did not understand what their individual or team specific contributions to the global target were. This they indicated could have been due to the fact that the focus has been more on business lines and only those who are in the management of the specific business lines knew this targets.

4.3.4 Step Four – Communicating the Change Vision

In this section, the respondents were asked how the change vision was communicated to them and how effective the communication was. The respondents came to know of the change vision through emails, intranet, newsletters, conferences commonly referred to as Town Hall Meetings (THM) and Teleconferences with the region and sub-regional heads responsible for different business units. However most of the respondents felt that the change vision was not clearly communicated to them on specific and measureable targets that they needed to attain for the change program to be considered successful. The respondents viewed the change information available as abstract, general and therefore could not easily relate to any of the targets that the change program intended to achieve as far as they were concerned.

Most respondents indicated that they were not clearly informed of what the change program intended to achieve or the role of their respective departments in contributing to the change program. Most of the respondents felt that the change vision was not well cascaded both vertically and laterally within NSN (Kenya), which they felt was possibly
because of the matrix kind of organizational structure. They indicated that there are no reporting lines to a central person in the country but instead each reporting was based on the business line which was headed at the MEA-South sub-regional level. The ‘silo’ mentality was evident from the respondents who were not concerned or aware on what was happening on other business lines. Most of the respondents felt the change program was meant for the Sales team and not their respective departments, since in their view it’s the Sales team that was responsible in sustaining and increasing NSN (Kenya) market share.

4.3.5 Step Five – Empowering Employees to Make Broad-Based Action

The questions in this section sought to establish on whether the employees at NSN (Kenya) were empowered to act on the change vision. A majority of the respondents indicated that they were fully empowered to act on the change program while others felt that although they were empowered to act on the change vision, their actions and therefore their results were dependent on other business lines doing their ‘bit’. For example respondents in the NI business unit indicated that they were fully responsible for the quality of the project rollouts and as such felt more in control of the outcome of their targets. Respondents in the sales team felt they were empowered to make decisions within a given sale value range. Respondents in the logistics department felt that they were not fully in control of the results in their section, mainly because of the involvement of third party players such as Transporters and Customs department on which they had little or no control.
Other questions on this section sought to establish the role that tools and processes played in supporting the change vision. The views of the respondents were varied. Some of the respondents felt that the tools that they use on a daily basis are laborious, tedious, complex, frustrating to use, repetitive and therefore do not bring the desired simplicity that the change program intended to achieve. For example the tools used for ordering were viewed as lacking the desired flexibility and having too much complexity which makes a customer order to be processed in as much as twelve weeks and this is only to confirm the order has been received at the factory level. The respondents indicated that this time was too long and should be shortened to between one and two weeks as these long durations hampers NSN (Kenya) efficiency and competitiveness.

The respondents felt that tools such as Work Timer Registration (WTR) should be further simplified to ease approval process of the work time. The paper Overtime (OT) pre-approval process was considered as a duplication of effort that later complicated the process of verifying the records as entered in the WTR system compared to the over-time hours that had been pre-approved and hence this tool did not provide the desired simplicity in line with the change vision. Other concerns raised by the respondents included the number of (Work Breakdown Structure) WBS and (Global Invoicing Code) GIC codes that were used by employees to fill their work time as too many, thereby making the filling laborious and rejection of time entries if they are entered in a wrong GIC. The respondents indicated also that they were aware of a team nominated at a global level to review all the tools and processes currently in use, with a view of simplifying them and hence were positive that the tools will be aligned to the new way of working.
Most of the respondents indicated that they had the necessary skills to implement the change vision. Other respondents indicated that they would like more business leadership and change management trainings in order for them to be effective in their current roles although in some cases some of these trainings were already planned for in the second half of the year 2010.

4.3.6 Step Six – Generating Short-Term Wins

In this section the study sought to understand if there were short-term targets that had been achieved in the recent past after the inception of the change program. The feedback from the respondents was varied where some indicated that they were aware of the short-term targets while others were not aware of any short-term targets set. Some of the respondents however had knowledge on some short-term achievements in their respective business lines and others had not yet seen any short-term achievements as the changes were ongoing and were yet to give any results. Some of the respondents were only aware of short-term wins or achievements within their own department or business line but could not clearly identify if they were related or not with the ongoing change program.

Some of the achievements in the different departments and business lines could not easily be related with the change program. For example the respondents from F & C had set targets such as improvement in the management of project costs to avoid overruns and having weekly meetings to enhance more open communication among the team, which they had achieved. The respondents from the Sales team indicated that they were able to close a major with a customer by focusing more on the nature of the solution as opposed
to pricing which was the main focus of their competitors. The logistics team was able to ensure correctness of orders made on the ordering system and help customer teams in accuracy of demand forecasting and planning to ensure that should a sales deal go through, the equipment is quickly assembled at the factory level and shipped in country.

The respondents from the NI team indicated that they were able to prepare a TI handbook which will be used as a standard for all network installations. The respondents from Care had managed to cut down on non-essential training costs, provide equitable training for all, cut telephone costs by ensuring most international calls are made using the provided VOIP tools, enhancing employee motivation through the Employee Engagement Survey (EES), reducing complexity in the service business line by addressing employee pain points and cutting down on the cost of expatriates by reducing the number of expatriates in the country.

Respondents from care indicated that they were able to make the first LTE (Long Term Evolution) call on one of its customer’s network in South Africa before the competition did and where one Radio Access (RA) Engineer was able to implement I-HSPA (Internet High Speed Packet Access) in a customer project in Seychelles without having received any formal training on the product. The respondents in the care department also felt that there was more transparency in resource forecasting and allocation and the costs had been brought down to manageable levels. The respondents from the sales department indicated that they were able to bag major sales deals in the first half of 2010 and had high prospects of other deals in the second half of 2010 that were still under discussions.
4.3.7 Step Seven – Consolidating Gains and Producing more Wins

This section sought to establish how NSN (Kenya) has sought to consolidate the short-term wins to generate even more wins. From the respondents it was evident that this consolidation was ongoing, although it was realized within the business lines as opposed to country-wide. As a result of more open internal communication, respondents in the F&C felt that it was now easier to plan for holidays as no one individual will hold all the information. The achievements in terms of managing projects had now equipped the F&C with the ability to predict chances of Project cost overrun before it actually happens and notifying the respective project manager accordingly.

The respondents in the sales department felt that the bagging of the major sales deal was a vote of confidence by the customer and this should now be used to ensure more sales deals are closed in the future. With the bagging of this deal, respondents felt that all involved departments should play their respective roles to ensure that the project is now rolled out in time, costs and quality that will supersede customer expectations. According to the respondents this deal gave the much needed boost and the feeling that despite previously lost business opportunities, there was still more opportunities for growth.

After the introduction of the TI book, the respondents in NI indicated that they now planned to setup a training centre in Kenya to train all NSN (Kenya) approved subcontractors to ensure that the quality of network implementation is of the highest standards and exceeds customer expectation. Respondents in care were now able to establish that the 70-20-10 model of training actually works after the successful I-HSPA
project implementation in Seychelles. In this model 70 % involves mentorship, 20 % involves on the job training and 10% involves classroom training. They indicated that this model should be used across the organisation as a success story as it brings in results and at the same time cutting down on training costs and hence contributing to the bigger goal of cost leadership.

Having achieved a gross margin of 8% in the first half of 2010, the respondents within care team now have set their aim in achieving 25% gross margin by second half of 2010 through optimization of costs and resources. In general the respondents felt that the short-term wins had created a ‘we can do it’ attitude which had spurred them to achieve even higher targets.

4.3.8 Step Eight – Anchoring new Approaches in the Culture
The study sought to establish through certain questions whether NSN (Kenya) was doing anything to ensure that the new way of working is permanent. Most of the respondents felt that there were necessary structures that had been put into place to ensure that the new way of working should be made a part of the organizational culture. Respondents felt that measures such as the Customer Loyalty Index which measures the customer’s level of satisfaction can be used as a good yard stick in determining whether the focus of the organisation is still on the customer.
Some of the respondents felt that this stage was still not completed, as more people needed to be brought into the picture so that they can buy the idea in whole and not as different sections or departments. Some respondents felt that the introduction of succession planning will go to a great length of ensuring continuity of the new way of working. Training and empowerment were noted as the key pillars towards making this change permanent, which many of the respondents indicated as lacking or still in progress. Actions were now being driven across teams and not individuals to ensure that there is continuity.

4.4 Importance of Sequence

The questions setup for this section sought to establish on whether the respondents believed that change should be executed in a sequential manner. During the study, the respondents were asked to state the sequence in which an organisational change should be implemented especially with the context of NSN (Kenya). From the data collected from the respondents, there were varied suggestions on the sequence and as such it was not possible to enumerate the ‘preferred’ sequence of managing organisational change in a firm like NSN (Kenya). However there was an agreement that sequence is important, but the respondents view the sequence from their department, section or business line perspective as opposed to organisation-wide perspective.
CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter presents a summary of the research findings where the main objective was to establish the relevance of Kotter’s Eight-Step change model in understanding organisational change at NSN (Kenya). Summary and conclusions based on the study findings are also discussed in this chapter. Finally the limitations of the study and recommendations for further research and implication of the study on policy and practice is also discussed.

5.2 Summary of the Findings

The objective of this study was to establish the relevance of Kotter’s Eight-Step model in understanding organisational change at NSN (Kenya). From the research findings it was evident that the Kotter’s Model is indeed relevant in understanding organisational change at NSN (Kenya). According to this model the first step involves creating a sense of urgency as far as change is concerned. From the research findings it was evident that a sense of urgency had been created on the need for organisational change at NSN (Kenya). However, this urgency was partly created by the management team and by the business environment in which NSN (Kenya) is operating. The sense of urgency from the business environment was created from customers’ feedback, loss of business from some key customers and preference of other vendors other than NSN from traditionally loyal customers. This step was therefore found to be important and relevant and concluded as fairly completed.
The second step involves creation of a guiding coalition to spearhead the change process. From the research findings most of the respondents were not aware of any country-specific team that was spearheading change but were well aware of sub-regional and regional teams that were spearheading change in NSN as a whole. The reason was because the organisational structure in NSN was of the matrix type. This meant that change programs in the country was being spearhead from a sub-regional and regional level and the teams responsible for the change programs at both of these levels were clearly known. Despite this kind of structure, the respondents indicated that key people across the organisation should be included in such a team should be constituted at a country level. This therefore confirmed that this stage is critical in organisational change, according to the research findings this step was found to be relevant and was found to be executed partly as the change program execution was still ongoing at the time of the study.

The third step entails establishing a vision and a strategy. From the research findings most of the respondents were aware of the vision and strategy of NSN as communicated from the global level. They were also aware of the key areas that NSN at a global level needed to achieve. This had been included in the NSN Plan 2010, and had been updated on the company’s intranet website for the employees to read, understand and action. This step was established to be relevant and found to be fairly completed.
The fourth step involves communicating the change vision. From the research findings, most of the respondents were aware of the change program, but were not aware of their individual or departmental contribution to the change program. This could be partly because of the nature of the organisational structure and the fact that the change execution had barely completed one year since its kick off. The new Sub-Regional organisational structure started operating effective 1st July 2010, and therefore the cascading of the specific contributions of every individual or department was still in progress. From the research findings, this step was found to be of critical importance and also was established to be ongoing as at the time of the study.

The fifth step involves empowering employees for broad-based action. From the research findings employees at NSN (Kenya) felt that they were empowered sufficiently to act on the change vision, and that where necessary approvals were required, it was granted in sufficiently good time. The findings of the study indicated that employees of NSN (Kenya) had the necessary skills to act on the change vision, and where such skills were missing or inadequate, relevant training programs had already been planned to be done in the second half of 2010. The tools and processes however, according to the findings were considered as not aligned to the change program where the respondents viewed them as complicated, complex, laborious and lacking in the desired flexibility. On the other hand some of the respondents indicated awareness of a simplification team that was reviewing the tools and processes currently in use in NSN with a view of simplifying them. From the findings of the study, this step was found as relevant and was established as still ongoing as at the time of the study.
The sixth step involves creating short-term wins. From the research findings there were different short-term wins created across the organisation and due to the nature of the organisational structure they were not coordinated at the country level, instead they were aggregated on the sub-regional and regional levels. Some of the short-term wins like increased sales had a direct relation to the change program which aimed for a growth in the sales volumes while others such as increased open communication and creation of TI handbook could not easily be quantified in respect to the program and hence their results could not be aggregated at the sub-regional or regional level to signify success. From the findings of the study, this step was found to be also relevant and was found to be ongoing at the time of the study.

The seventh step involves consolidating the wins and producing more wins. From the research findings the short-term achievements had been used to create even more achievements. Not only had the sales team be able to create more wins, it also considered the last sales win as a huge vote of confidence by the customer. The care team had now tested a model of training that focused more on mentorship than classroom training, thereby reducing significantly the costs incurred by Engineers attending overseas trainings. At the sub-regional and regional levels on the sales figures and the reduction of training costs could be aggregated to signify success on this stage. Although the other achievements were non-financial at the department level, they were used to boost the morale of those working on the change program, by furthering the ‘we can do it’ attitude. This step was also found to be crucial and relevant and from the findings its execution was still ongoing as at the time of the study.
The eighth and last step involves anchoring the new approaches in the organisational culture. From the findings of this study, this step was considered to be more under planning stage than execution. Organisational structures that are meant to make the new way of working permanent were formed in July 2010, two months before the study was carried out and hence due to the short period of operation, not much information was available on how the new organisational structure was aiding on the execution of these step.

Other ways of anchoring the new approaches was to have succession planning so that those spearheading the change program in the different departments and sections can appoint successors who believe in the change. This was to ensure that, should they leave the organisation or move to different departments there is continuity on the ‘new way of working’ and not reverting to the old way. However succession planning was also introduced at the same time when the new sub-regional structure was formed and the identification of successors was still ongoing for some of the line managers at the time of the study. From the findings of the study this step was found to be relevant and very important and the execution of this step had not yet commenced as at the time of this study.
5.3  Conclusions

The findings of this study have confirmed that the Kotter’s Eight-Step change model is relevant in understanding organisational change at NSN (Kenya). Despite the fact that NSN (Kenya) is a branch of NSN global with the headquarters in Espoo, Finland and that the change program was spearheaded from a global and regional levels and then cascaded to the country level, the model was quite useful in attempting to understand organisational change at NSN (Kenya). The findings also confirms that not only can models such as Kotter’s be used to understand organisational change in firms, they can also be used as tools of managing organisational change.

5.4  Limitations of the Study

The study was done at NSN (Kenya) which is a branch of NSN. Due to this fact, some of the achievements could not be entirely credited on the Kenyan office but was as a result of contributions from different business lines across the entire sub-regional and regional levels. It was also not possible to get financial information of the NSN (Kenya) office alone as the company rules do not allow sharing of branch specific financial information to the public, hence this key information which would have been a good indicator of success of the change program on each of the eight steps could not be incorporated in the findings of this study.
5.5 Recommendations for Further Research

A lot of changes are taking place in different organisations in response to changing environmental conditions. It is therefore recommended that future scholars should do a study on the use Kotter’s model as a tool of managing organisational change on Kenyan firms in any industry preferably on companies listed at the Nairobi Stock Exchange, as this would significantly make the relevant financial information easily accessible to the public. It is also recommended that a study be done to compare several of such models of organisational change with the view of establishing the outcomes of the different applications on firms operating in similar environments.

5.6 Implication on Policy and Practice

The findings of this study bring to light the value and relevance of models such as Kotter’s in not only understanding but also managing organisational change. The Kotter’s model can be used as a benchmark by checking on whether different actions that are paramount in an organisational change have been executed. This is valuable information to those who are responsible for the development, implementation and review of change programs in both private and public organisations. In the development of policies especially those related to change management, the findings of this study will put into focus the value and relevance of models as tools of understanding and managing organisational change. It will also help in the formulation of change strategies so that the execution of each tasks or activities are coordinated and have some sort of sequence to ensure that important steps which forms the core foundation of a change program are not skipped or rushed unnecessarily.
REFERENCES:


NSN (2010). Retrieved from Nokia Siemens Networks Website


APPENDICES

APPENDIX I: INTERVIEW GUIDE

SECTION A: GENERAL INFORMATION
1. Name (Optional) ________________________________

SECTION B: CHANGE MANAGEMENT
In October 2009, NSN globally instituted a change program with three critical objectives namely Drive for Growth, Cost Leadership and Reinvigorating the Organization. For purposes of this interview, change/vision shall refer to these three critical objectives.

A. Establishing a Sense of Urgency
2. Are you convinced that there is real need for change in NSN (Kenya) way of working/doing things? Explain
3. What in your opinion would happen to NSN (Kenya) as a business if it fails to change? Do the employees know this?
4. What have/will motivate you to embrace the change?
5. In your opinion what would happen to the NSN (Kenya) employees if they failed to adopt change? Do you think they know this?

B. Creating the Guiding Coalition
6. Are you aware of the team that is spearheading Change in NSN (Kenya)?
   Yes [ ]
   No [ ]
7. In your opinion how would you rate the team spearheading Change in terms of expertise, credibility, proven leadership and membership?
8. In your view who should be included in the team that is spearheading change?

C. Developing a Vision and Strategy
9. Do you know the Vision and Strategy of NSN? Please describe it.
10. Do you clearly understand what NSN (Kenya) need to achieve in the short term and the long term in order to achieve the desired vision or strategy?

D. Communicating the Change Vision
11. How well in your view are you aware of the specific targets and their respective timelines that the change program intend to achieve? Please state them.

12. How has the change program been well communicated to you and to the entire organisation?

E. Empowering Employees to make Broad-Based Actions

13. How well do you think you are empowered to act on the change program?

14. In your opinion do the tools and processes that you use regularly support the new way of working?

15. Do you have the necessary skills to act on the change vision? If no, what skills do you think you need in order for you to act on the change vision?

F. Generating Short-Term Wins

16. Are you aware of any results that you have contributed to directly or indirectly, through embracing the change program in the recent past? Please describe them.

17. Have you had any short-term win in your department in the recent past? If yes please explain.

G. Consolidating Gains and Producing more Wins

18. Once the short-term targets are achieved what next?

H. Anchoring New Approaches to Culture

19. What can be done to make the new way of working permanent?

20. In your opinion for successful change to happen, there are certain activities that must be done. Could you list them in order of preference?

Thanks for Your Cooperation
APPENDIX II: LETTER OF INTRODUCTION

UNIVERSITY OF NAIROBI
SCHOOL OF BUSINESS
MBA PROGRAM – LOWER KABETE CAMPUS

DATE: 6/9/2010

TO WHOM IT MAY CONCERN

The bearer of this letter, Justus Njorohe Kamau, Registration No. D.6.1.39172/2009, is a Master of Business Administration (MBA) student of the University of Nairobi.

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

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

Thank you.

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APPENDIX III: LETTER FROM THE ORGANIZATION STUDIED

Dr. W.N IRAKI  
CO-ORDINATOR, MBA PROGRAM  
SCHOOL OF BUSINESS,  
UNIVERSITY OF NAIROBI

Dear Sir/Madam,

RE: JUSTUS NJOROGE KAMAU

Refer to your letter dated 6th Sept 2010, requesting the above named to collect data from NSN (Kenya). I am glad to inform you that we have allowed him to collect data in our organisation.

This letter is to confirm that he was able to collect the data he had requested through one-on-one interviews on some selected employees of our organisation.

Andrew Wafula  
OBS & SA Application Stream Manager MEA South - EA

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