IMPLEMENTATION CHALLENGES OF TECHNOLOGY AS A CHANGE MANAGEMENT PROGRAMME AT STANDARD CHARTERED BANK, KENYA

BY

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DECLARATION

I declare that this project is my original work and has never been submitted for a degree in any other university or college for examination/academic purposes.

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SUPERVISOR'S DECLARATION

The research project has been submitted for examination with my approval as the University Supervisor.

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DEDICATION

I dedicate this project to my loving husband Allan Muthui, my two sons Brandon Muthui and Delaney Muthui and to my entire family, your support, love, patience, encouragement, sacrifices and prayers has transformed my dreams to this degree. May God keep and bless you abundantly.

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ABBREVIATIONS AND ACRONYMS

AR   Action Research

ATMs –   Automated Teller Machines

CBK –   Central Bank of Kenya

I CT-   Information and Communications Technology

IT   information technology

SCB -   Standard Chartered Bank

Stanchart-   Standard Chartered

ABSTRACT

Strategic change has become a constant phenomenon which must be attended to and managed properly if an organization is to survive the challenges posted by huge competition following increased globalization and liberalization in many economies. While organizational change is a constant experience, the process of managing change involves a lot of challenges which if not well dealt with can hinder the attainment of a desired position. Standard Chartered Bank Kenya Limited is a commercial bank listed on the Nairobi Securities exchange although majorly owned by Standard Chartered PLC group. The objective of the study was to determine the implementation challenges of technology as a change management programme at Standard Chartered Bank, Kenya. The study applied case study research design where the unit of analysis was one organization. The study targeted six senior managers out of whom 4 responded. The study collected primary data using an interview guide. The collected data was analyzed using content analysis and the findings presented in prose. The study concludes that the Bank was driven by need to improve its efficiency and effectiveness in the implementation of technological change program. The study concludes that technological change program was inclusive as all departmental heads were involved who then informed their staff members on whatever needed to be done. Top management promoted change management implementation by taking ownership of the project. The study established that top management received implementation reports on a weekly basis on how the implementation was going. The study recommends that for the Standard Chartered Bank Kenya Limited to uphold high level of efficiency and effectiveness in operations, it needs to continuously invest in technological innovations. The study recommends that the Bank continuously train its staff to maintain their proficiency levels.

CHAPTER ONE: INTRODUCTION

1.1 Background of the Study

Change is any planned or unplanned transition from one scenario to another. Strategic change is long term in nature, affects the entire organization and aims at achieving effectiveness. Operational change on the other hand is short term in nature, affects sections of the organization and focus on efficiency. Organizational change management is very important globally and it is influenced and affected by different internal and external factors, positively or negatively. Most organizations have been undergoing rapid changes during the last decade. Rose and Lawton (1999) observes that changes in the service institutions arise out of the need for efficiency, economy, effectiveness, performance evaluation ethics and market concerns. Rising demand for services and expectations of quality of those services have placed extreme pressure on managers and their organizations, depicting change as a continuous episode in the life of corporations.

Change in an organization can be very different. Lorenzi and Riley (2000) identify four types of changes, with the definite possibility of overlap among them: operational changes, affecting the way the ongoing operations of the business are conducted; strategic changes, that occur in the strategic business direction; cultural changes, which affect the basic organizational philosophies by which the business is conducted; and political changes, occurring in staffing primarily for political reasons of various types.

The banking sector in Kenya has undergone several changes in itself as a whole. Banking organizations are getting more and more technologically oriented. The banking sector particularly, has undergone revolutionary changes enabled by technology.

In the Central Bank of Kenya, for example, a number of technological innovations have been implemented. The success of these interventions is no doubt heavily dependent on managing the people issues surrounding the process. In order to realize acceptance at all levels in the organization, HR has a major role in preparing the workforce to understand and endogenize the technological changes (Ndung'u, 2012).

1.1.1 Change Management

Change management is a set of processes that is employed to ensure that significant changes are implemented in an orderly, controlled and systematic fashion to effect organizational change (Mullins, 1999). One of the goals of change management is with regards to the human aspects of overcoming resistance to change in order for organizational members to buy into change and achieve the organization's goal of an orderly and effective transformation (Diefenbach, 2006a).

The introduction of change brings in a lot of resistance and conflict with the employees. This is because any change in 'status quo' brings in apprehension as no one knows what the outcome maybe. According to Jeff (2007) Change management is the process, tools and techniques to manage the people side of business change to achieve the required business outcomes and to realize that business change effectively within the social infrastructure of the workplace. However, according to Nickols (2006) the overall process of change and change management remain pretty much the same.

Organizational change is a socially constructed reality with negotiated meaning as outcomes of power relationships and struggles for supremacy (Grant, 2005). "Between the lines" a particular strategy is primarily about power and control, dominance and

supremacy, whose access to resources will be enlarged or reduced, who can stay and who has to go. On the one hand, this struggle for supremacy, power and control is about personal interests. For example, senior managers are well aware of the fact that initiating a new strategic change initiative can, irrespective of the factual outcomes for the organization, increase their credibility (Staw and Epstein, 2000) and their market value outside the organization as well as their position and influence inside the organization.

1.1.2 Technology

Technology refers to the skills, knowledge, experience, body of scientific knowledge and tools used in the design of production of goods and services. Technology and organizational innovation are the primary drivers of change, shaping, reshaping and sometimes completely overturning the existing order (Trott, 2005). According to Saddler (1995), there are three types of technological change: New processes of manufacturing goods or delivering services.

This includes new forms of hardware such as automation equipment and 'just in time' methods of inventory control, new products and significantly improved products resulting from advances in technology and development in the technology for processing and transmitting information. Technology changes very rapidly. "Timeless" skills that are relevant today and will remain relevant in the future are therefore very desirable. Technology demands problem-solving skills, a range of analysis tools from simple to sophisticated, the ability to identify and probe various approaches to a problem, and the ability to synthesize information to reach meaningful conclusions. These skills are useful in other disciplines as well as in the job environment.

In just a few months, the technology that an organization uses on an everyday basis may be outdated and replaced. That means an organization needs to be responsive to advances in the technological environment, its employees' work skills must evolve as technology evolves (Aiken & Keller, 2009). According to Donar Zohar (1997), Organizations that refuse to adapt are likely to be the ones that won't be around in a few short years. If an organization wants to survive and prosper, its managers must continually innovate and adapt to new situations. Aden (2005) noted that every organization goes through periods of transformation that can cause stress and uncertainty.

1.1.3 Implementing Challenges of Technology as a Change Management Programme

Information systems are built by Information Technology that does not take responsibility for business benefit. Many enterprises view system business performance as a responsibility of Information Technology. But, IT will take responsibility only for the internal operational performance of the system as it is set up. Problems exist because neither IT, nor anyone else, was ever made responsible for the business benefit provided by the system. Enterprises often try to solve the lack-of-business-benefit problem with new more-complicated systems, rather than solving the IT and business problems and improving the utilization of existing systems. Most information system implementations are cost projects that provide marginal benefit. Banks need to keep in pace with the changes in their operating environment in order to effectively implement changes in their management.

The main challenge is thus not the acquisition of such systems but the compatibility of the new systems and the previous ones. Compatibility and respectively incompatibility will affect adoption implementation of the change management differently. Similarly, Rogers (1995) affirms that certain innovations are closely interlinked, and, therefore, there exists a strong correlation between the previous experience of the subject with particular tools and the subsequent use of other applications.

This idea leads to the introduction of the concept of "technology clustering" employed by various authors (Leung, 2001; Eastin, 2002) and defined as the set of technologies perceived by the user as interrelated and determinants of the subsequent degree of acceptance of others. Thus, those subjects with greater experience of a particular IT modify positively their perception of other similar technologies and increase their level of use and even come to observe a pattern of conduct differentiated between them (Reed et al., 2000).

Banks implementing Internet banking face different kinds of problems with integration of information across the financial institutions. The major challenge is the impact automation has on the banking process. Automation changes the way banks deal with customers from enquiries, opening account to charges. Sharing and control of information seem to be major concerns. Banks are concerned about how much information they need to share with their customers and suppliers and how to control the information. Most banks do not want their competitors to see their prices or customer base. The general fear is that sharing too much information hurts their business. Regarding controlling information, companies are aware that it is difficult to control what they own let alone control what they do not own.

Banks need to trust their partners and must coordinate with each other in the network. Because the Internet banking market has grown so big so fast, there has been a shortage of competent consultants. The skill shortage is so deep that it cannot be filled immediately.

1.1.4 Banking Sector in Kenya

The banking sector comprises of 45 institutions, 41 of which are commercial banks, 3 mortgage finance companies, one non-bank financial institutions and one building society as at December 2006, according to CBK annual reports. However, Gulf African banks Ltd commenced banking business in November 2007 which increased them to 46 institutions by December 2007. Out of the 45 institutions, 34 were locally owned. The foreign Banks comprised of 6 locally incorporated and 5 branches of foreign incorporate institutions.

The banking sector has embraced changes occurring in Information Technology with most banks having already achieved branchless banking as a result of the adoption of communications options. According to The Central Bank Annual Supervision report (2003), the increased utilization of modern information and communications technology has for example led to several banks acquiring ATMs as part of their branchless development strategy measures. The Central Bank notes that advancement in Information and Communications Technology (ICT) in the banking industry has enhanced efficiency and improved customer service. This is reflected particularly in the increased use of ATM cards resulting from broadening of ATM network, including additional ATM machines and a wider network of merchants that accept payment through credit/debit cards.

Several banks have also entered into the Internet Banking and established websites. Internet banking however is still at its infancy and more in terms of utilization is expected in this sector. The major indicator of e-banking is ATM banking. According to the survey conducted by financial sector deepening Kenya in association with Central Bank of Kenya, it was indicated that Kenya had a total number of 968 by the end of December 2007. Further, indication was that, an increase of 31.3 percent from 2006 was experienced, when the industry had 737 ATMs.

In Kenya, majority of banks have introduced internet banking, mobile banking and other e-banking facilities, to enhance delivery channels to their customers. It is however, important that the introduction of these products be accompanied with programs to broaden consumer horizon by enhancing their knowledge in the new and more innovative way of conducting banking business. For example, while Internet banking is fast and convenient mode of conducting banking transactions, this is yet to gain acceptance among banking consumers, due to fears of apprehension in this mode of banking. Like many other developing countries, e-banking in Kenya is at its nascent stages. Among the innovative banks is Kenya is Equity Bank which had more ATMs (232) as at December 2007.

1.1.5 Standard Chartered Bank

Standard Chartered Kenya, whose official name is Standard Chartered Bank (Kenya) Limited, but is sometimes referred to as Stanchart Kenya, is a commercial bank in Kenya.

It is a subsidiary of the British multinational financial conglomerate headquartered in London, United Kingdom, known as Standard Chartered. Stanchart Kenya is one of the banks licensed by the Central Bank of Kenya, the national banking regulator. Standard Chartered Kenya is a large financial services provider in Kenya. According to Kenyan sources, the bank was the 5th largest commercial bank in the country, by assets, as of December 2011. At that time, its total asset valuation was in excess of US$2 billion (KES: 164 billion). The value of the shareholders' equity in the institution is not available at this time.

Standard Chartered Bank opened its branches in Kenya in January 1911, with 2 branches; one at Treasury Square in Mombasa and the other on Kenyatta Avenue in Nairobi. Today, 100 years later, the Bank has an excellent franchise, with a network of 34 branches strategically located across the country, 90 Automated Teller Machines (ATMs) and 1,040 employees. With 25% local shareholdings, Standard Chartered Bank has remained a public quoted company on the Nairobi Stock Exchange since 1989.

Standard Chartered Bank integrated its Mobile Banking Platform to the Airtel Money payment system in Kenya and is the only bank in Africa to have a real time online integration into a Telco led payment system with no human intervention. Mobile banking service provides customers access to the bank 24 hours a day, 7 days a week anywhere. Mobile banking is available to both Safaricom and Airtel Money subscribers. Standard Chartered Bank (SCB) has made a foray into the credit card market with the launch of new Platinum and Gold credit cards. The latest devices have been built by use of a new chip technology to curb incidents of credit card fraud commonly referred to as card skimming

1.2 Research Problem

Strategic change has become a constant phenomenon which must be attended to and managed properly if an organization is to survive the challenges posted by huge competition following increased globalization and liberalization in many economies. Changes in technology, the marketplace, information systems, the global economy, social values, workforce demographics and the political environment have a significant effect on the processes, products and services produced by an organization (Simons, 1999).

While organizational change is a constant experience, the process of managing change involves a lot of challenges which if not well dealt with can hinder the attainment of a desired position. A successful change program ensures that employees understand the need for change and are able to buy into the change program. During transitions, employees speculate about how change will benefit or possibly harm them and thus require more information during the change process. Therefore, the change program will be useful in providing specific information to everyone at the same time, rumors can be minimized; communicate only the facts. Organizations today are faced with a host of issues, which may cripple their functionality, or in some extreme cases render the organizations obsolete.

Standard Chartered Bank Kenya Limited is a commercial bank listed on the Nairobi Securities exchange although majorly owned by Standard Chartered PLC group. The Bank has strategized to use technology in its business expansion as opposed to setting up physical branches.

The provision of banking services through electronic channels (e-channels) namely ATMs, personal computer banking and phone banking have provided an alternative means to acquire banking services more conveniently. Unlike other of its main competitors who have resorted to opening new branches in their expansion strategies, Standard Chartered bank has maintained a conservatism approach in its market expansion strategies.

The Bank has leveraged its operations on technology as opposed to setting up physical branches. The Bank has proceeded to implement various banking systems to help deliver services efficiently to its customers. The bank recently launched EBBs system from Bank master. In addition, the bank has expanded its ATM network and introduced mobile banking to offer its customers a variety of delivery channels.

Studies that have been done locally on strategic change management include: Bwibo (2000) conducted a survey of strategic change management practices within non-governmental organizations in Kenya; Otiso (2008) studied on strategic change management practices the case of Africa merchant assurance company; Gekonge (1999) did a survey of the strategic change management practices by Kenyan companies: a case of companies listed by the NSE; Adieri (2000) studied on strategic change management practices within non-governmental organizations in Kenya; and Mbogo (2003) did a study of strategic change management process in commercial banks in Kenya; Mutuku (2011) studied on strategy implementation and its challenges: a case of Kenya Society for the Blind.

No study had been done to determine the implementation challenges of technology as a change management programme at Standard Chartered Bank, Kenya. What are the implementation challenges of technology as a change management programme at Standard Chartered Bank, Kenya?

1.3 Research Objective

The objective of the study was to determine the implementation challenges of technology as a change management programme at Standard Chartered Bank, Kenya

1.4 Value of the Study

The study would be important to academicians and researchers wanting to further knowledge in the area of change management and more specifically challenges of implementing technological changes in an organization. The findings of this study would act as guidelines and serve as reference material for future scholars besides suggesting areas for further research. The study would provide a platform for further research in the area of change management especially the challenges of strategy implementation. In the academic field, future researchers can use the study as a reference point if one is researching on change management and related topics.

The study would benefit the management of Standard Chartered Bank, Kenya and other organization in identifying challenges of implementing technology as a change management programme. It would be a useful source of information to its management of strategic changes.

The study would also be valuable to government and policy makers in different institutions in formulating policies on areas that require strategic change management. The study would provide advice to the government on issues to do with strategic change management in Kenya and how they can use different strategies in order to effectively manage the change process.

This study would also be important in explaining the impact that the operating environment has on strategic management of an organization. Organizations are dependent on the environment for resources and release their outputs into the environment hence the importance of open systems theory in this study. In order for organizations to be successful in their business, they have to consider the operating environment which includes competition.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

This chapter presents a review of the related literature on the subject under study presented by various researchers, scholars, analysts and authors. It will also review literature with respect to the research objective on the challenges of the implementation of technology as a change management programme at Standard Chartered Bank, Kenya. The specific areas covered here are theoretical perspectives, concept of strategy implementation, effective strategy implementation process and finally the challenges of strategy implementation.

2.2 Theoretical Perspective

The study is founded on two theories: open systems theory and institutional theory. Open systems theory requires that organization interact with their environment for resource s and release outputs to the environment hence the open system. As such, organizations need to consider their operating environment if they are to be successful in their operations. Institutional theory requires that organizations are founded on strong institutional framework if they are to be successful in what they do.

2.2.1 Open Systems Theory

This study is built on the open systems theory which provides managers with metaphors, terminology and explanations about how organizations function. Open systems theory refers to the concept that organizations are strongly influenced by their environment which is made up of other organizations that exert various forces of an economic, political, or social nature. The environment also provides key resources that sustain the

organization and lead to change and survival (Pfeffer and Salancik, 2003). Open systems theory was developed after World War II in reaction to earlier theories of organizations, such as the human relations perspective of Elton Mayo and the administrative theories of Henri Fayol, which treated the organization largely as a self-contained entity (Scott, 2002).

The rational systems perspective focuses on structure as a significant tool for the efficient achievement of organizational goals. It emphasizes the role of management in deciding such structures and determining the specific goals that are to be achieved. Hence, the focus is on formal structures, the specificity of goals, and the formalization of rules and roles. Open systems reflected the belief that all organizations are unique in part because of the unique environment in which they operate and that they should be structured to accommodate unique problems and opportunities (Scott, 2002).

Environmental influences that affect open systems can be described as either specific or general. The specific environment refers to the network of suppliers, distributors, government agencies, and competitors with which a business enterprise interacts. The general environment encompasses four influences that emanate from the geographic area in which the organization operates (Pfeffer and Salancik, 2003). The open-systems theory assumes that all large organizations are comprised of multiple subsystems, each of which receives inputs from other subsystems and turns them into outputs for use by other subsystems. The subsystems are not necessarily represented by departments in an organization, but might instead resemble patterns of activity.

Standard Chartered bank like any other organization relies on the environment for input resources in form of human capital and at the same time, its customers and competitors are in this environment (Scott, 2002). As such, it has to understand how to manage all these resources and stakeholders for maximum change management effects.

2.2.2 Institutional Theory

Institutional theory attends to the deeper and more resilient aspects of social structure in an organization. It considers the processes by which structures, including schemas; rules, norms, and routines, become established as authoritative guidelines for social behavior which an important aspect in change management. Debate on institutional theory mainly begins with making the distinction between the 'old' and 'new' institutionalist approach. The pioneer work of Selznick (1949, 1957) established the 'old' institutionalist approach, where the unit of analysis was a single organization. Some of the main issues investigated were values, organization-environment interaction, coalitions, influence, power and informal structures (Greenwood & Hinings, 1996).

The second group or so called 'new' institutionalists focus more on, for instance, organizational fields and their embeddedness, as well as issues of legitimacy, routines, scripts, and schema (Greenwood & Hinings, 1996). Scott and Meyer (1992) used the term institutional sectors as meaning those characterized by the elaboration of rules and requirements to which individual organizations must conform if they are to receive support and legitimacy from the environment. With reference to industrial sectors, Erakovic and Powell (2006) emphasize similarities between them and the concepts of 'institutional sectors' (Scott & Meyer, 1992) and the 'organizational field' (DiMaggio & Powell, 1983).

Also, according to these authors, industrial sectors present an, institutionally specific environment that provides resources, legitimacy and organizational networks. It inquires into how these elements are created, diffused, adopted, and adapted over space and time; and how they fall into decline and disuse.

2.3 Strategic Change program

Strategic change involves not only deciding what to change but how and when to change specific elements of one's strategic orientation (Worley, Hitchin, and Ross, 1996). Change may be driven by dramatic changes within the environment, declining organizational performance, or perhaps even both. The strategic change process encompasses four basic steps (Worley *et al.,* 1996):   Step one: Strategic analysis - analysis of an organization's external environment, its current strategic orientation, and the degree of its effectiveness at meeting its objectives and mission; Step two: Strategy making - begins with the decision to change its vision and orientation in the future and includes defining the products and services to be offered, specifying the markets to be served, developing a position to be competitive in those markets, and assessing the underlying organizational processes and culture that will either enable or inhibit the change; Step three: Strategic plan design - defines how the change process will be logistically accomplished through sequencing and pacing in light of the prevailing culture as well as anticipated resistance; Step four: Implementation of the plan – transition to the new orientation which includes developing budgets and timetables.

Conner (2003) states that organizations like individuals have a speed of change at which they operate best. The speed reflects the degree to which the organization can absorb major change while minimizing dysfunctional behavior. In addition, an organization's

speed of change is variable and can fluctuate dramatically based on specific circumstances. At any point in time, an organization's capacity to effectively assimilate transition it encounters is limited by its level of resilience or speed of change. To increase an organization's speed of change one needs to look at change differently. Conner (2003) further argues that the two major pre-requisite for change are pain and remedy. Pain management provides motivation to pull away from the present while remedy selling provides the motivation to proceed to the desired state.

2.4 Concept of Technology

Technology is the making, modification, usage, and knowledge of tools, machines, techniques, crafts, systems, methods of organization, in order to solve a problem, improve a preexisting solution to a problem, achieve a goal or perform a specific function. Technology can also refer to the collection of such tools, machinery, modifications, arrangements and procedures (Vasudevan, 2003). Organizations view investments in information technology (IT) as a way to combat competition by improving productivity, profitability and quality of operations.

Financial sector is the major user and large investor in use of IT. It was among the first to incorporate electronic data processing in its operations, through check handling, bookkeeping credit analysis and ATMs (Bender, 1986; Martini, 1999). The computers usage in banking sector first started in the early 1950s. Bank of America was the first user of computer in banking sector. The use of Automated Teller Machine ATM was greatest achievement of online and real time automation by the commercial banks. ATM was first installed at Chemical bank in New York (Shelly and Cashman, 2004).

2.5 Change Management Programs: Planned Versus Emergent Change

Planned change is a term first coined by Lewin (1958) to distinguish change that was consciously embarked upon and planned by an organization; that is, it is deliberate and a product of conscious reasoning and actions (Marrow, 1969). Planned approach to change is closely associated with the practice of Organization Development Burnes (2000). Within the social sciences, an approach described by Burnes (1996) as the emergent approach is another popular alternative to the planned approach in the management of change.

The emergent approach was popularised in the 1980s and includes what other theorists have described as processual or contextualize perspectives (Dawson 1994). They advocate that the unpredictable nature of change is best viewed as a process which is affected by the interaction of certain variables and the organisation. Dawson prescribes that, "change needs to be managed as an ongoing and dynamic process", (Dawson 1994:182). Emergent change proponents share the common rationale that change should not be viewed as a linear sequence of events within a given time period as is the case with proponents of planned approach.

Dawson (1994) argues that the planned and emergent approaches to change management are equally valid but that they apply to different organizational circumstances. For example an organisation facing constant and significant environmental changes may find an emergent approach to change more appropriate than a planned approach In short, a model of change could embrace a number of approaches with the most suitable approach being determined by the organization's individual context as determined by the environment in which it operates.

2.6 Management of Strategic Change

Studies have recognized that successful implementation of change has everything to do with convincing a critical mass of people to adopt new attitudes, behaviour and practices. Burnes (2000) cites three schools of management; individual perspective, group dynamic and open systems. Individual Perspective School proponents include the behaviorists who believe that behaviour results from an individual's interaction with their environment. Psychologists argue that an individual's behaviour is the product of reason, it is not just caused by external stimuli, but that it arises from how an individual uses reason to interpret stimuli as conditioned by their expected consequences, where rewarded behaviour is repeated while ignored behaviour tends not to be repeated.

The Group Dynamics School postulates that change should be at the group or team level and that it is ineffectual to concentrate on individuals to bring about change (Schein, 1969).

The rationale is that because organizations work in groups, individual behaviour must be seen, modified or changed in the light of groups' prevailing practices (Lewin, 1958). The open systems school postulated that the focus of change should be neither on the individual nor on the group but on the entire organization.

2.7 Models of Strategic Change Management

Various change management scholars have proposed several models of moving an organization from a current undesirable status to a future desired state. Whereas the models differ in the detail, there is a general consensus that change is the only permanent aspect for today's organizations and that the organization which will remain relevant and

achieve their objectives are those which appreciate the need for change and respond innovatively. Planned change approach protagonists have developed models and techniques as an aid to the process of change (Dawson, 1994). Two models of change are discussed here including: three phase model and Kotter's 8-step change process model.

2.7.1 Three Phase Model

Lewin's Three-Phase model (1958) is highly influential and it underpins many change management models and techniques today (Burnes, 1996). The main thrust of this model is the understanding of the critical steps in the change process increases the probability of successfully managing change. Lewin (1958) also argues that any improvement in group or individual performance could regress unless active measures are taken to institutionalize the improved performance level. Any subsequent behavioral or performance change must involve the three-phases of *unfreezing the present level, moving to a new level and re-freezing at the new level.*

Drucker (2002) postulated that for successful change, organizations should follow the steps of unfreezing the status quo, movement to a new state and refreezing the new change to make it permanent. The status quo can be considered to be an equilibrium state. To move from this equilibrium, there is need to overcome the pressure of both individual resistance and group conformity - unfreezing is necessary. It can be achieved in one of three ways where the driving forces, which direct behavior away from the status quo can be increased, the restraining forces, which hinder movement from existing equilibrium can be decreased or a combination of first two approaches (Robbins, 2003).

Burnes (1996) argues that this model merely represents a logical extension to the Action Research (AR) model as unfreezing and moving respectively equate to the research and action phases of the AR model. The implications of this concept are that an understanding of planned organizational change cannot be gained by simply understanding the processes which bring about change, it is also necessary to understand the states that an organisation passes through before attaining the desired future state (Burnes, 1996).

2.7.2 Kotter's 8-Step Change Process Model

Kotter (1996) came up with the eight-stage change process which includes establishing a sense of urgency, creating a guiding coalition, developing a vision and strategy, communicating the change vision, empowering broad based action , generating short term wins, consolidating the gains and creating more change and finally anchoring the new approaches into the organizational culture.

The first step is establishing a sense of urgency which is crucial because when urgency is low, it is difficult to put together a group with enough power and credibility to guide the effort or to convince key individuals to spend the time necessary to create and communicate a change vision. The second steps entail creating the guiding coalition which is necessary to mobilize and spearhead the desired change. Kotter (1996) recommends that the coalition must have the right composition, level of trust and shared objective he identifies their key characteristics as position power, expertise, credibility and leadership. Building such a team is always an essential part of the early stages of any effort to restructure, reengineer, or retool a set of strategies.

The third step is developing a vision and strategy (Burnes, 1996). Vision refers to a picture of the future with some implicit or explicit commentary on why people should strive to create that future. The fourth step is communicating the change vision since the real power of a vision is unleashed only when most of those involved in an enterprise or activity have a common understanding of its goals and direction. That shared sense of a desirable future can help motivate and co-ordinate the kind of actions that create transformations. The fifth step is empowering broad-based action to develop action of the people by removing as many barriers to the implementation of the change vision as possible at this point in the process. The biggest obstacles that often need to be attacked are structures, skills, systems and supervisors. Generating short terms wins is the sixth step, this is necessary as major change usually take a lot of time.

There is need to have convincing evidence that all the effort is paying off especially to non believers who require even higher standards of proof. They want to see clear data indicating that the changes are working and that the change process isn't absorbing so many resources in the short term as to endanger the organization (Burnes, 2000) Running a transformation effort without serious attention to short-term wins is extremely risky.

Seventh step is consolidating gains and producing more change since the first major performance improvement will probably come well before the halfway point, the guiding coalition should use the credibility afforded by the short term win to push forward faster, tackling even more or bigger projects. The final step is anchoring new approaches. According to Kotter, culture changes after successfully altering people's actions and the new behavior produces some group benefit for a period of time, and after people see the connection between the new actions and the performance improvement.

2.8 Challenges of change management

Implementation of any strategy is always faced with many challenges. This is more so because of the uncertainty accompanied by the change process. The stakeholders in the change program are not sure of the outcomes of the change program hence they tend to prefer the status quo. These challenges include: resistance to change, resource availability, and organizational culture and leadership styles.

2.8.1 Resistant to change

Resistance is a phenomenon that affects the change process, delaying or slowing down its beginning, obstructing or hindering its implementation, and increasing its costs (Ansoff, 1990). Resistance is any conduct that tries to keep the status quo, that is to say, resistance is equivalent to inertia, as the persistence to avoid change (Maurer, 1996, Rumelt, 1995 and Zaltman and Duncan, 1977). Sang (2006) identified the forces of resistance to change include: employee desires for security, satisfaction with the status quo, narrow force change, group inertia, threatening experience, he threatened force, and changes in the allocation of resources.

Rumelt (1995) divides the sources of resistance into five groups. First source of resistance is perception; a wrong initial perception on the need for change is the first barrier to change. These include management myopia, or inability of the company to look into the future with clarity, denial or refusal to accept any information that is not expected or desired. The second main groups of sources of resistance include low motivation for change; costs of change, sacrifices involved termed cannibalization costs, past failures leaving a pessimistic image for future changes and different interests among employees

and management (Lorenzo, 2000 and Rumelt, 1995). The third set of sources of resistance to change is lack of a creative response. This include; fast and complex environmental changes, which do not allow a proper situation analysis, reactive mind-set, resignation, or tendency to believe that obstacles are inevitable and inadequate strategic vision or lack of clear commitment of top management to changes (Ansoff, 1990 and Rumelt, 1995).

Other sources of resistance are leadership inaction, sometimes because leaders are afraid of uncertainty, embedded routines, collective action problems, specially dealing with the difficulty to decide who is going to move first or how to deal with free-riders, lack of the necessary capabilities to implement change – capabilities gap – and cynicism (Beer and Eisenstat, 1996, Kanter, 1989 and Rumelt, 1995).

2.8.2 Availability of Resources

All organizations have at least four types of resources namely: financial, physical, human resources and technological resources (Thompson, 1990). David (2003) asserts that organizations have at least four types of resources that can be used to achieve desired objectives, namely financial, physical, human and technological. The various activities necessary to implement any particular strategy should be defined in terms of each type of resource required. The operating level must have the resources needed to carry out each part of the strategic plan (Harvey, 1998). It is often a common practice to reduce this specification of resource requirements to monetary terms (Copeland *et al.,* 2000).

According to Daft (2000), one major shortcoming of strategic implementation in organizations is a failure to translate statements of strategic purpose, such as gain in market share, into identification of those factors which are critical to achieving the objectives and the resources/competencies to ensure success. The intangible resources may also lead to unique challenges associated with external accountability imposed by the authorizing environment.

Inadequacy of any form of resources, such as inadequate funds, equipment and facilities, and human resources skills and experience, is often a big challenge during strategy implementation. Swartz (1985) argues that the challenge to management is that it might need to recruit, select, train, discipline, transfer, promote and possibly even lay off employees to achieve the since more and more organizations are using teams, the ability to build and manage effective teams is an important part of implementing strategies.

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

This chapter presents stages and phases that were followed in completing the study. It involves a blueprint for the collection, measurement and analysis of data. Specifically, the chapter covers research design, data collection and data analysis.

3.2 Research Design

The researcher applied a case study design. Yin, (1994) said that to refer to a work as a case study might mean that its method is qualitative, small-N; and that the research is ethnographic, clinical, participant-observation, or otherwise "in the field" (Yin 1994).

According to Yin (2003) a case study design should be considered when: the focus of the study is to answer "how" and "why" questions; you cannot manipulate the behavior of those involved in the study; you want to cover contextual conditions because you believe they are relevant to the phenomenon under study; or the boundaries are not clear between the phenomenon and context.

3.3 Data Collection

The study made use of primary and secondary data. Primary data was collected through face to face interview by the researcher while secondary data was collected through review of the contents of various relevant publications and reports at Standard Chartered Bank including the technology adoption strategy and the Strategic Plan, Financial Statements and other relevant materials. An interview guide has been used to collect data on the challenges of the implementation of technology as a change management programme at Standard Chartered Bank, Kenya.

The respondents comprised six senior managers at the bank. These included: Information Technology Manager, Human Resource Manager, and Corporate affairs manager, Customer relations Managers, Head of consumer banking and Head of wholesale banking. The interview guide was modeled on known change management program concepts deemed applicable in managing strategic change program in such organizations (Dawson 1994). The researcher believes that this made it possible to obtain data required to meet the objective of the study.

3.4 Data Analysis

The data obtained from the interview guide was analyzed using content analysis. Nachmias and Nachmias (1996) define content analysis as any technique used to make inferences through systematic and objective identification of specified characteristics of messages. The researcher reviewed the contents collected from the interviews held with the interviewees to put them into context and write the study findings. Since this is a descriptive study, no software was used in the analysis instead, the researcher compiled the research data collected and present it in prose form.

Kothari (2004) explains content analysis as the analysis of the contents of documentary and verbal material, and describes it as a qualitative analysis concerning the general import of message of the existing documents and measure pervasiveness. The researcher analyzed the information provided by the interviewees against known change management program concepts and models to describe and determine how a change management programme was conducted at Standard Chartered Bank, Kenya.

CHAPTER FOUR

DATA ANALYSIS, RESULTS AND INTERPRETATION

4.1 Introduction

This chapter presents the analysis and interpretations of the data from the field. It presents analysis and findings of the study as set out in the implementation challenges of technology as a change management programme at Standard Chartered Bank, Kenya. The data was gathered exclusively from an interview guide as the research instrument. The interview guide was designed in line with the objective of the study.

From the study all the 6 respondents targeted participated in the interview making a response rate of 100%. This commendable response rate was made a reality after the researcher made personal calls and visits to request the respondent to avail themselves for the interview as well as insisting the importance of participating in the study.

4.2 General Information of the Respondents

The study sought to establish the main drivers of technology change management program at Standard Chartered Bank of Kenya limited and objectives of the technology change management program. On the main drivers of technology change management program at Standard Chartered Bank of Kenya limited, the study established that there were several main drivers for the change program. First, the respondents identified operational costs which translated into the charges levied on different services by the Bank. The respondents noted that customers were very keen whenever costs were involved. In order to increase operational efficiency in the Bank, the respondents indicated that it was necessary to change the way the Bank carried out its business.

The sensitivity of customers to the cost of services offered by the Bank necessitated the adoption of technology. The bank's aim of adopting technology was to provide very affordable services to its clients. Following the successful implementation of technology, the bank then started running a campaign for figures not feet, meaning all that customers needed to do was to access a machine and internet and all their queries/transactions will be done. This was meant to provide the customers with convenience and secure financial services that are unmatched on the Kenyan financial services market.

Another main driver for change was the need for improved financial services security for customers. The Bank looked at providing financial services in a safe and secure manner to its customers. Following the Banks exposure over skimming cases in December 2012, it was necessary that the Bank develops mechanisms to reduce the exposure of its customers. In order to achieve this, it was necessary that the Bank develops mechanisms that would improve the security of its services. This involved teaching customers on personal security while transacting in the banking halls and at the automated teller machines. In addition, the Bank found it necessary to automate most of its financial transacting processes so that customers needed not necessarily to visit a physical branch to transact but could instead transact remotely anywhere at any time.

Another key driver for change for the Bank involved need to standardize its operations as per the requirements of their parent company in London. Standard Chartered Bank Kenya Limited is a subsidiary of the global Standard Chartered Bank Group. Technology was one of the ways that the Bank found necessary in the standardization of its services. Technology has enabled clients to transact with ease even when out of the country hence increasing customer convenience.

From the Bank's perspective, there were several drivers for change. Key among them was the need to gain competitive advantage. The level of competition in the Banking industry has become stiff as more and more Microfinance institutions were elevated into full commercial banks and other pan African banks came into the Kenyan market. This brought about fierce competition for customers. In order to gain competitive advantage and stand out from other banks, the bank decided to leverage on technology to deliver financial services to its customers in an efficient and cost effective manner. Technology has been a key competitive advantage for the bank. It has been very effective and while other banks are also trying to advance in technology, SCB is still remains on the lead.

4.3 Objectives of technology change

From the findings, the respondents indicated that the Bank had several objectives of the technological change program. First, the respondents indicated that the Bank wanted to embrace its policy that it was here for good regardless of whatever was happening in the banking sector. The bank also resorted to technological change program in order to deliver fast accurate and affordable financial services to its customers. With adoption of technology, the Bank foresaw faster and accurate customer service delivery. Another objective for the adoption of technological change program comprised the need to leverage its competitive advantage. Other key players in the Banking sectors had resort to opening of new branches in attracting customers. However, the Bank resort to information technology upgrade so as to reach out to customers all over the country. This was coupled with the need to provide timeless banking services to its customers.

On the timeliness of the technology change programme at the Bank, the respondents indicated that the change programme was so timely. This was proved from the positive

customer feedback obtained from customers over time. The respondents indicated that numerous challenges experienced in the past were declining with time. The respondents indicated that the new technology provided an inter-phase for logging in all complaints from all available means of communication to the Bank for example from facebook and twitter also have been used for such feedback.

The respondents indicated that technological changes were timely because the world is going digital with so many clients acquiring latest gadgets that can do so many things. Therefore allowing them to manage their finances from their gadgets was the best service to them. The respondents also indicated that the technological change programme was timely because the world is moving towards digital with so many clients acquiring latest gadgets that can do many things. Therefore allowing them to manage their finances from their gadgets would be the best service to them. The respondents further indicated that the change was timely because of the digital generation. With most customers being young generation who are digital, giving them a user friendly system for their financial needs would be the best service.

4.3.1 Inclusiveness of the Technological Change Program

The respondents were asked to indicate the level of inclusiveness of the technological change program. They indicated that all aspects of its departmental operations are incorporated by ensuring all departments that will impacted by the change are part of the change testing and signing team. The respondents further indicated that every department was involved in the definition of parameters to be included in the new system that was being adopted. This was largely because every department had unique needs that needed system customization. This was done through departmental meetings where

representatives were chosen to run with system piloting. System piloting ensured that the learning processes were conducted offline hence did not affect the live processing of transactions and real customer accounts. Instead, dummy accounts were created on which the staff in the pilot phase were allowed to work from before the live system was rolled out.

4.3.2 Communication of the Technology Change Management Program

The respondents were asked to indicate how the technology change program was communicated to the staff in the Bank. From the findings, the respondents indicated that the technological change program was communicated using various means. First, the respondents indicated that there were email communications alerting staff members of the planned technological upgrade. This prepared staff for the change. In addition, the respondents indicated that the change program was communicated through departmental heads who passed on the information to their staff in departmental meetings. This ensured that information on the intended change program was not distorted. It also helped reduce staff resistance when it came time for system implementation.

From the onset, any intention to change the system is communicated and staff were given enough time to test and give their approval that the system is supporting their needs and is working as it should. Trainings were organised for all staff who would be working with the system to ensure they understood and criticized it accordingly in good time. The respondents indicated that the Bank did using its core value of living the word. All staff were encouraged to be the first to test the new technology so that it becomes easy to bring on board and assist their clients. This was done by levying a charge to any staff who goes to the branch to make any transaction that can be done using technology such as online

banking or mobile banking. This encouraged staff to put in extra effort to learn how the system operated hence positively influencing their system learning and mastery process. This ensured that the anticipated resistance from staff was eliminated hence smooth system implementation.

4.3.3 Challenges of Technology Change Management Program

The study sought to establish the challenges that the Bank faced in the management of technological change. The respondents indicated that the Bank appointed departmental heads as key persons responsible for the implementation of the new system. This was largely because the departmental heads were well conversant with the way things were done in their department. In addition, section heads were appointed to ensure full Corporation of their departments.

On the level of acceptability of technological change by users, the respondents indicated that there was some resistance at first following limited system knowledge. Staff also feared for the unknown in the implementation of the new system. This resistance was attributed to employment security but over time this was resolved by constant communication and training that no staff was going to be declared redundant.

To enhance implementation of the technology in the bank, top management played a key role. The respondents indicated that top management played the role of clearly outlining what the change was going to be, its effects and how it was going to impact the way banking is done. They also enhanced implementation through ownership where they were involved in the implementation process by being briefed on the progress on a weekly basis. The culture of the Bank played a key role in the implementation of technological

change. The employees were ready and willing to go extra miles to ensure successful implementation of the system. In order to deal with the challenges of implementing technological change program, the respondents indicated that the Bank explained the need for system change in a town hall meeting attended by staff members from all offices within Nairobi. For those who were outside Nairobi, the Bank organized a team of top managers running with the implementation of new system to share with them the importance of changing the operating system. This enhanced ownership of the system by all staff and reduced the level of resistance among staff.

The respondents indicated that several challenges were expected in the implementation of a new system. First, they indicated that the Bank expected some level of resistance from staff for fear of losing jobs if the system was successfully implemented. In order to manage the situation, the management moved to clear out any doubts that any staff would be retrenched following the implementation of new system. Instead the management indicated that it had frozen hiring new staff and was promoting internal staff to new positions left vacant by employees who had left the Bank. This way, the Bank was able to manage the expectations of staff hence promote system implementation.

In order to ensure successful implementation of the new system, the Bank set aside enough reserve funds. The respondents indicated that enough funds were availed to the system implementation team to make the implementation a success. The respondents further indicated that information technology personnel contracted by the Bank possessed different sets of skills for the different system inter-phase in the Bank. This allowed smooth system implementation.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter presented the summary of key data findings, conclusion drawn from the findings highlighted and recommendation made there-to. The conclusions and recommendations were drawn in quest of addressing the research question or achieving the research objective which is determining the implementation challenges of technology as a change management programme at Standard Chartered Bank, Kenya.

5.2 Summary

From the findings of the study, the main drivers of technology change management program at Standard Chartered Bank of Kenya limited, included need to manage operational costs which translated into the charges levied on different services by the Bank. The study established that Bank wanted to increase the level of efficiency and effectiveness in its operations by adopting a new system for its transaction processing. The respondents noted that customers were very keen whenever costs were involved. The sensitivity of customers to the cost of services offered by the Bank necessitated the adoption of technology. The bank aims in adopting technology was to provide very affordable services to its clients.

Another main driver for change was the need for improved financial services security for customers. The Bank wanted to tap into the increasing digital village and offer its customers flexibility and convenience in their banking experience. The Bank looked at providing financial services in a safe and secure manner to its customers.

In addition, the Bank found it necessary to automate most of its financial transacting processes so that customers needed not necessarily to visit a physical branch to transact but could instead transact remotely anywhere at any time. Another key driver for change for the Bank involved need to standardize its operations as per the requirements of their parent company in London. Standard Chartered Bank Kenya Limited is a subsidiary of the global Standard Chartered Bank Group. Technology was one of the ways that the Bank found necessary in the standardization of its services.

From the Bank's perspective, there were several drivers for change. Key among them was the need to gain competitive advantage. The level of competition in the Banking industry has become stiff as more and more Microfinance institutions were elevated into full commercial banks and other pan African banks came into the Kenyan market. Through technological change program, the Bank had several objectives. The Bank wanted to embrace its policy that it was here for good regardless of whatever was happening in the banking sector.

The bank also resorted to technological change program in order to deliver fast accurate and affordable financial services to its customers. With adoption of technology, the Bank foresaw faster and accurate customer service delivery. Another objective for the adoption of technological change program comprised the need to leverage its competitive advantage. Other key players in the Banking sectors had resort to opening of new branches in attracting customers. On the timeliness of the technology change programme at the Bank, the change programme was as timely as proved from the positive customer feedback obtained from customers over time.

The new technology provided an inter-phase for logging in all complaints from all available means of communication to the Bank for example from facebook and twitter also had used for such feedback. On the level of inclusiveness of the technological change program, all aspects of its departmental operations were incorporated by ensuring all departments that will impact by the change are part of the change testing and signing team. Every department was involved in the definition of parameters to be included in the new system that was being adopted. This was largely because every department had unique needs that needed system customization. This was done through departmental meetings where representatives were chosen to run with system piloting.

The study established that technological change program was communicated using various means. There were email communications alerting staff members of the planned technological upgrade. The change program was communicated through departmental heads who passed on the information to their staff in departmental meetings.

The Bank appointed departmental heads as key persons responsible for the implementation of the new system. This was largely because the departmental heads were well conversant with the way things were done in their department. There was some resistance at first following limited system knowledge. Staff also feared for the unknown in the implementation of the new system. This resistance was attributed to employment security but over time this was resolved by constant communication and training that no staff was going to be declared redundant. Top management played the role of clearly outlining what the change was going to be, its effects and how it was going to impact the way banking is done.

The culture of the Bank played a key role in the implementation of technological change. The employees were ready and willing to go extra miles to ensure successful implementation of the system. Being a private organization, the employees had to work hard to ensure successful implementation of the system so as to deliver on their jobs. The implementation of the new system was included in the daily job description of employees hence promoting its implementation.

5.3 Conclusion

From the findings and summary above, the study makes several conclusions. First, the study concludes that the Bank was driven by need to improve its efficiency and effectiveness in the implementation of technological change program. It was established from the study that the level of competition in the Banking industry had increased as more microfinance institutions were licensed into commercial banks and additional entry of pan African banks. All these increased the level of competition which required that the Bank thinks of competitive strategy to outperform its competitors. As other banks strived to open new branches, Standard Chartered Bank Kenya limited resorted to implementing new system to enable it offer high quality services to its customers.

In the implementation of change program, the study concludes that the Bank was driven by several objectives. The Bank wanted to embrace its policy of being here for good regardless of whatever was happening in the banking sector. This was a form of assurance that the Bank wanted to give to its customers hence build confidence among them. The Bank also wanted to leverage on information technology to minimize operational costs and increase customer convenience and flexibility in accessing and

using its services. The implementation of new system offered customers an advantage of convenience and flexibility in transacting. This was a competitive advantage that the bank used to outperform its competitors who were involved in physical branch opening as opposed to adopting technology.

The study further concludes that technological change program was inclusive as all departmental heads were involved who then informed their staff members on whatever needed to be done. The departmental heads held departmental meetings where they passed relevant information on system implementation to their staff. In addition, each department had representatives in the pilot team which made their demands known thus allowing for customization of the system to meet their specific needs. This reduced the level of resistance among staff during implementation.

Top management promoted change management implementation by taking ownership of the project. The study established that top management received implementation reports on a weekly basis on how the implementation was going. This allowed for further reinforcement in case the different departments were not progressing well. This made sure that there was no department left behind in module development.

5.4 Recommendations

From the discussions and conclusions in this chapter, the study recommends that for the Standard Chartered Bank Kenya Limited to uphold high level of efficiency and effectiveness in operations, it needs to continuously invest in technological innovations. The operating environment has become very competitive as other banks too seek to strengthen their systems. As such, whatever may appear as competitive advantage for the

Bank may not hold for long unless the bank continuously invests in research and innovations. In order to remain competitive on the market, it is important that the Bank maintains its innovativeness and upgrading its information system. This will ensure that as other commercial banks upgrade their systems, the bank still has a competitive advantage over them.

In order to deal with staff resistance in technological change implementation, the study recommends that the Bank continuously train its staff to maintain their proficiency levels. As employees leave and others join the Bank, there is need to train and equip new staff with pre-requisite skills necessary for operating the technology implemented.

5.5 Limitations of the Study

Being that this was a case study on one bank the data gathered might differ from implementation of the technological change management in other banks. This is because different banks have different strengths and weakness which may affect technological change implementation. The study however, constructed an effective research instrument that sought to elicit general and specific information on the implementation challenges of technology as a change management programme at Standard Chartered Bank, Kenya.

The study faced both time and financial limitations. The duration that the study was to be conducted was limited hence exhaustive and extremely comprehensive research could not be carried on the implementation challenges of technology as a change management programme at Standard Chartered Bank, Kenya.

Due to limited finances the study could not be carried out on the other branches of the bank. The study, however, minimized these by conducting the interview at the bank's headquarter since it is where strategies are made and rolled out to other branches that operate on the blue print.

5.6 Area for Further Research

The study recommends that further research should be done on the challenges of implementing new capital requirements set by the Central Bank of Kenya to regulate the capital reserve. Several banks have merged while others have adopted different strategies. This study therefore recommends that future research be conducted on the strategies used by commercial banks in meeting capital reserve requirement.

The researcher further recommends that a similar study be done on other institutions for the purposes of benchmarking. This will help in the establishment of how information technology has influenced the business operations of firms in general in Kenya and the wider African continent.

The study further recommends that a further study be done on the benefits of information technology upgrade where the advantages and disadvantages will be clearly outlined and brought to the attention of managers so that when they are making decision as regards information technology upgrade that clearly understand it well. This will help avoid the challenges encountered once the organization has embarked on technological change implementation.

5.7 Implication of the Study on Theory, Policy and Practice

The findings imply that Standard Chartered Bank Kenya Limited has been able to improve its business operations through implementation of technological change. Unlike its competitors who were investing in expansion through opening of physical branch network, Standard Chartered Bank invested in information technology upgrade which has leveraged its operations. Following information system upgrade, customers have now been offered convenient and flexible banking experience which may not be available in other banks. However, in order to maintain its competitive advantage, the Bank needs to continue offering highly competitive services through improved innovation and inventions as other banks are also upgrading their information system to competitive standards.

In policy, the findings of this study would inform the Government and other policy making agencies on what needs to be done in order to promote the competitiveness of the banking sector. The Government through its relevant agencies needs to move with haste to see how to regulate the operations of the industry in a highly innovative and technologically driven environment. This could be intended to protect the reputation of the banking industry in general.

In practice, the findings of this study can be used by other organizations in planning their strategies for increasing efficiency and effectiveness in their operations. More especially in dealing with challenges of change management including employee resistance and incorporation. The Bank was able to have all employees involved and corporate with each other in the new system implementation. This will help in the development of

optimum strategies to facilitate better customer service delivery. The findings of this study also extend the provisions of the theories used. For example, using open systems theory, it can be noted that the Bank affected the competitiveness of the banking industry altogether. This was largely because as Standard Chartered upgraded its information system, other banks concentrated on opening physical branches which have turned to be expensive to operate.

The findings of this study could also be used to strengthen the institutional theory which requires that in order to strengthen corporate governance in organizations, it is important that an appropriate organizational structure needs to be in place which will ensure smooth flow of information. There needs to be optimal structures that ensure optimal decision making is an organization is to maximize its financial performance.

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APPENDICES

Appendix I: Interview Guide

THE IMPLEMENTATION CHALLENGES OF TECHNOLOGY AS A CHANGE MANAGEMENT PROGRAMME AT STANDARD CHARTERED BANK, KENYA

NB: The information provided will be treated confidentially and will purely be used for than academic purposes.

GENERAL INFORMATION

1. What were the main drivers of technology change management program at Standard Chartered Bank of Kenya limited?

2. (a) What were the objectives of the technology change management program at SCB?

   (b) Do you think the technology change management program were timely and appropriate?

3. How does SCB ensure that the technology change management program incorporates all aspects of its departmental operations?

4. How was the technology change management program communicated to the staff in the Bank? Have there been seminars, training, consultative workshops etc to prepare the Change implementation?

CHALLENGES OF TECHNOLOGY CHANGE MANAGEMENT PROGRAM

The HR Department/ Corporate affairs Department

5. Who were the key persons responsible for the implementation of the new system?

6. What was the acceptability of the technology change by the users of the system in the bank?

7. What roles did the top management play to enhance implementation of the technology in the bank?

8. How has culture of the bank affected the implementation of the new system?

The Information Technology/Customer Relations Manger

9. How was the bank prepared to face any challenge that occurred during implementation?
10. What were the expected challenges of the new system in implementation?
11. In what ways were the resource availability influenced the implementation of technology change management?
12. In a general view, what skills do IT personnel possess necessary for the implementation of the new system.
13. How was the integration of the new system done?
14. How is the firm able to pick and note the challenges?

Retail and wholesale Banking
15. What were the major challenges in the implementation of the technology change management?
16. Has the bank been able to efficiently handle the challenges?
17. To what extent has these challenges influenced the level of implementation of the new system in the bank?

Appendix II: Letter of Introduction

Jennifer Kajuju Mbaabu

P.O Box 380-00100

Nairobi

The Manager

Standard Chartered Bank Limited

P.O Box 3003-00100

Nairobi

21.12.2012

Dear Sir/Madam,

REF: LETTER OF INTRODUCTION

Above matter refers.

I have been an employee at your organization for the last six years. I'm currently doing a project in MBA at The University of Nairobi. The topic of research is "Implementation challenges of technology as a change management Programme at Standard Chartered Bank"

I hereby seek your approval to carry out this research in your organization.

Regards

…………………

Jennifer Kajuju Mbaabu

Appendix III: Letter of Authorization

Appendix III: Letter of Authorization from Standard Chartered Bank (K) Limited

Appendix III: Letter of Data Collection from the University of Nairobi

Appendix IV: Letter from Standard Chartered Bank Confirming Data Collection