

**MANAGEMENT OF STRATEGIC CHANGE AT THE TELKOM KENYA
LIMITED**

BY

MARY NJOKI MUTETI

**A RESEARCH PROJECT SUBMITTED IN PARTIAL FULFILLMENT OF THE
REQUIREMENT FOR THE AWARD OF THE DEGREE OF MASTER OF
BUSINESS ADMINISTRATION SCHOOL OF BUSINESS UNIVERSITY OF
NAIROBI**

NOVEMBER, 2013

DECLARATION

This research project is my original work and has not been submitted for examination to any other university.

Signed _____

Date _____

MARY NJOKI MUTETI

D61/66794/2010

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

Signed _____

Date _____

PROF. MARTIN OGUTU

LECTURER

SCHOOL OF BUSINESS

UNIVERSITY OF NAIROBI

ACKNOWLEDGEMENTS

The completion of this study would have been impossible without the material and moral support from various people. It is my obligation therefore to extend my gratitude to them. First of all I thank the Almighty God for giving me good health, and guiding me through the entire course.

I am greatly indebted to Professor Martin Ogutu who was my supervisor for his effective supervision, dedication, availability and professional advice. I extend my gratitude to my lecturers who taught me in the MBA programme, therefore enriching my research with knowledge. The Telkom Kenya Limited management employees, who were my respondents, deserve my appreciation for their support and willingness for providing the required information during my study. My appreciation finally goes to my classmates, with whom I weathered through the storms, giving each other encouragement and for their positive criticism.

DEDICATION

This study is dedicated to my family for their constant encouragement and patience throughout my academic struggle thus realizing my long cherished dream.

TABLE OF CONTENTS

DECLARATION	ii
ACKNOWLEDGEMENTS	iii
DEDICATION	iv
ABSTRACT	vii
CHAPTER ONE: INTRODUCTION.....	1
1.1 Background of the Study	1
1.1.1 Management of Strategic Change	1
1.1.2 Telecommunication Industry	3
1.1.3 Telkom Kenya Limited	4
1.2 Research Problem	5
1.3 Research Objectives	7
1.4 Value of the Study	7
CHAPTER TWO: LITERATURE REVIEW	9
2.1 Introduction	9
2.2 Strategic Change	9
2.3 Management of Strategic Change	11
2.4 Strategic Change Management Practices	12
2.5 Challenges of Managing Strategic Change	16
CHAPTER THREE: RESEARCH METHODOLOGY	20
3.1 Introduction	20
3.2 Research Design	20
3.3 Data Collection	21
3.4 Data Analysis	22
CHAPTER FOUR: DATA ANALYSIS, RESULTS AND DISCUSSION	23
4.1 Introduction	23
4.2 Strategic Change Management Practices Adopted by Telkom Kenya Limited.	23
4.3 Challenges of Managing Strategic Change Faced by Telkom Kenya Limited	28
4.4 Discussion of Findings	30

CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMENDATIONS.....	36
5.1 Introduction.....	36
5.2 Summary.....	36
5.3 Conclusion	36
5.4 Recommendations.....	40
5.5 Limitations of the Study.....	43
5.6 Areas of Further Research	43
REFERENCE.....	45
APPENDICES	48
APPENDIX I: Introduction Letter	48
APPENDIX II: Interview Guide.....	49

ABSTRACT

The importance of managing strategic change is to harnesses people, process and technology to achieve a competitive edge. Therefore the management of strategic change should be based on the understanding of the processes so that the system design reflects real work practices and delivers user-focused outcomes. It also makes sure that people understand and accept changes more readily since they understand where changes may take place in current practice, and the benefits from the change being implemented. Similarly managing strategic change helps an organization to develop an innovative vision for where the company needs to be, and in coming up with an innovative path for achieving excellence in their operations. Telkom Kenya Limited has been implementing various strategic changes in order to increase efficiency and remain competitive in the telecommunication sector. The changes that have occurred at Telkom Kenya Ltd. include downsizing, acquisition, structural changes, strategic changes and restructuring among others. The company has been managing the changes through use of consultants, change planning, communication and buy in. The company has changed its organization structure, its strategic focus, its employee size and composition and also its management orientation. The changes have been brought about by competition, market liberalization, technological advancements and changing customer demands. It is therefore important to find out the strategic change management practices at Telkom Kenya Limited. The study sought to find out; what are the strategic change management practices adopted by Telkom Kenya Limited? What are the challenges of managing strategic change faced by Telkom Kenya Limited? The study used a case study research design. The target population was the management employees of Telkom Kenya Limited. The study used purposive sampling technique to select the sample. Primary data collected using interview guides was analysed using content analysis. From the findings, the strategic change management practices adopted by Telkom Kenya Limited included: scientific methodology for managing planned change; diagnosis, analysis, feedback, action and evaluation; unfreezing the status quo, movement to a new state and refreezing the new change to make it permanent; systematic collection of data and selection of a change action based on analysis. Therefore, Telkom Kenya Limited has adopted diverse strategic change management practices. This would ensure that they managed change in the company systematically and ensure a smooth transition of the company would be achieved. The company faced diverse challenges that slowed down the strategic change management process. The study recommends that the management of Telkom Kenya Limited should address the major challenges facing the management of strategic change to streamline the change process and enhance the success of the strategic change management in the company. The management of Telkom Kenya Limited should continuously evaluate the strategic change management initiatives being implemented in order to undertake the necessary correctional measures in the change process. The management of Telkom Kenya Limited should conduct a research and pretest the different strategic change management practices to ensure that only the best practices are implemented.

CHAPTER ONE: INTRODUCTION

1.1 Background of the Study

The management of strategic change involves fundamental organizational renewal and growth guided by development of strategies, structures and systems. The management of strategic change ultimately requires that people develop not just new skills and knowledge but a whole new way of looking at things. It puts them through a whole internal re-orientation to enable the employees to develop new behavior and attitudes the change requires (Johnson & Scholes, 2002). Since strategic change generally involves the reordering of priorities and the disruption of established relationships, such change tends to be controversial both internally and externally.

Buchanan and Boddy (2009) asserts that to remain competitive, modern organizations should aim at uniqueness and superiority in all spheres of their operations, technology, work procedures, goods and services, approaches in the various management functions of planning, organizations, staffing, directing and controlling. These changes are only possible through creative and innovative thinking. It is therefore important to find out how organizations in the telecommunication industry are managing strategic change as the sector is highly dynamic.

1.1.1 Management of Strategic Change

Strategic change is defined as the changes in the content of a firm's strategy as defined by its scope, resource deployments, competitive advantages, and synergy. Strategic change entails the difference in the form, quality, or state over time in organization's alignment

with its external environment (Van de Ven & Poole, 1995). Strategic change should be industry specific, functional, flexible, and technically superior to maximize return on investment. Organizations succeed when the strategic change adopted for the circumstances they face are feasible in respect to their resources, skills and capabilities and are desirable to the stakeholders.

Strategic change is long term in nature, affects the entire organization and aims at achieving effectiveness. Strategic change management is very important globally and it is influenced and affected by different internal and external factors, positively or negatively (Rose & Lawton, 1999). For strategic change initiatives to be successful managers should take into account external (legal, competitive, technical, social, political and economic factors) and internal factors (structure, culture, internal power, time, skills, history, scope, readiness and resource availability).

Globally many firms are currently undergoing strategic change to adapt to the new market environment in order to retain their market share and enhance their profitability. The strategic change programmes arise from organized management strategies such as culture change, business process engineering, empowerment and total quality. Other strategic change initiatives are driven by the need for organizations to reposition themselves in the face of changing competitive conditions. Strategic change often involves radical transitions within an organization and encompasses strategy, structure, systems, processes and culture (Kazmi, 2002). The track record of success in bringing about strategic change within most organizations has been poor in most organizations

since many fail to grasp that they are performing an implementation which actually means turning plans into reality rather than formulation.

Most organizational managers today would agree that change has become a constant phenomenon which must be attended to and managed properly if an organization is to survive. Changes in technology, the marketplace, information systems, the global economy, social values, workforce demographics, and the political environment all have a significant effect on the processes, products and services produced. The culmination of these forces has resulted in an external environment that is dynamic, unpredictable, demanding and often devastating to those organizations which are unprepared or unable to respond (Burnes, 2004). Many of the corporate giants of the past such as IBM, Xerox and Texaco, have fallen victim to such pressures.

1.1.2 Telecommunication Industry

Telecommunication in Kenya began early in the 20th century with the British telecommunication. After independence in the three East African countries i.e. Uganda, Kenya and Tanzania between 1961 and 1963, the British telecommunication gave way to the multi East African posts and telecommunication (EAPST). When the East African community broke in 1977, the East Africa Telecommunication (EAT) gave way to the then giant monopoly Kenya Posts and Telecommunication Company (KPTC). The government through the Communication Commission of Kenya (CCK) gave license to two mobile phone provider companies namely Safaricom and Kencell. In 2003 CCK

gave licenses to a third mobile subscriber network the ECONET communications (GoK, 2011).

Currently, the Kenyan telecommunication industry has four main players that includes Safaricom, Airtel, Telkom Kenya (Orange) and Yu. The main players are the Safaricom, Airtel, Telkom Kenya (Orange) with market share of 75%, 12% and 9% respectively. The sector has over 17 million active subscribers. The industry in Kenya is going through profound changes. In the past decade, technological advancement and regulatory restructuring have transformed the industry. Markets that were formerly distinct, discrete and vertical have coalesced across their old Boundaries with a massive investment of capital-much of it originating from the private sector participants. The telecommunications sector in Kenya has faced massive environmental changes in the last decade. Liberalization, technological change and competition are the notable changes in this industry (CCK, 2012).

1.1.3 Telkom Kenya Limited

Telkom Kenya Limited was established as a telecommunications operator under the Companies Act in April 1999 to provide integrated communications solutions in Kenya which include widest range of voice and data services as well as network facilities for residential and business customers. In 2008, France Telecom acquired 51% shares in Telkom Kenya Limited under its brand name Orange. Telkom Kenya Limited is the only integrated telecommunication solutions provider in Kenya with services such as fixed

network, mobile and internet services. The company has two thousand and two hundred staff (2,200) currently, after restructuring (Telkom Kenya Limited, 2012).

The company has been implementing various changes in order to increase efficiency and remain competitive in the telecommunication sector. The changes which have taken place at Telkom Kenya Ltd. include downsizing, acquisition, structural changes, strategic changes and restructuring among others. These have been managed through use of consultants, change planning, communication and buy in. The company has changed its organization structure, its strategic focus, its employee size and composition and also its management orientation. The changes have been brought about by competition, market liberalization, technological advancements and changing customer demands. The challenges in implementing changes at Telkom Kenya include lack of a clear cut plan in managing the retrenchment, limited resources to finance the downsizing, resistance to change by employees and the dynamism of the telecommunication industry. Others include cutthroat competition, politics and technological advancement (Telkom Kenya Limited, 2012).

1.2 Research Problem

The importance of managing strategic change is to harnesses people, process and technology to achieve a competitive edge. Therefore the management of strategic change should be based on the understanding of the processes so that the system design reflects real work practices and delivers user-focused outcomes. It also makes sure that people understand and accept changes more readily since they understand where changes may

take place in current practice, and the benefits from the change being implemented (Green, 2005). Similarly managing strategic change helps an organization to develop an innovative vision for where the company needs to be, and in coming up with an innovative path for achieving excellence in their operations.

Telkom Kenya Limited has been implementing various strategic changes in order to increase efficiency and remain competitive in the telecommunication sector. The changes that have occurred at Telkom Kenya Ltd. include downsizing, acquisition, structural changes, strategic changes and restructuring among others. The company has been managing the changes through use of consultants, change planning, communication and buy in. The company has changed its organization structure, its strategic focus, its employee size and composition and also its management orientation. The changes have been brought about by competition, market liberalization, technological advancements and changing customer demands (Telkom Kenya Limited, 2012). It is therefore important to find out the strategic change management practices at Telkom Kenya Limited.

A number of local studies have been done on the telecommunication industry: Kamau (2012) studied the factors influencing implementation of strategic change in telecommunication industry; Lusweti (2010) researched on employee retention management practices in the telecommunication industry; while Mathu (2009) studied public targeting technique in public relations in telecommunication industry. However none of these studies have focused on the management of strategic change in telecommunication industry. It is this knowledge gap that the researcher sought to bridge

by conducting a study on management of strategic change at the Telkom Kenya Limited. The study sought to find out; what are the strategic change management practices adopted by Telkom Kenya Limited? What are the challenges of managing strategic change faced by Telkom Kenya Limited?

1.3 Research Objectives

This study addressed two research objectives;

- i. To determine strategic change management practices adopted by Telkom Kenya Limited.
- ii. To determine the challenges of managing strategic change faced by Telkom Kenya Limited.

1.4 Value of the Study

The study may act as a guide of how telecommunication companies should manage strategic change. It may therefore assist the management on how to go about implementing strategic change without compromising on workforce quality. The study findings may be of great significance to the management in the telecommunication industry as they may fully understand the effects of strategic change on the performance.

The study may be valuable to the managers in coming up with policies in management of strategic change. It may give up to date information on the management practices that have been adopted by players in the telecommunication industry and propose improvements to each of the practice.

The study findings may be of great importance to the researchers, as it may contribute to both theoretical and practical knowledge on the effect of strategic change in the telecommunication industry. Scholars may find it important as it may increase the body of knowledge in this area. It may also assist the researchers in doing further studies on the same. It is hoped that the knowledge gained from the study may serve as a basis for planning and a point of reference for further studies in the field of strategic change.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

This chapter presents the previous studies that have been done on strategic change management. The chapter is hence broken down into strategic change, management of strategic change, strategic change management practices and challenges of managing strategic change.

2.2 Strategic Change

Strategic change is defined as changes in the content of a firm's strategy as defined by its scope, resource deployments, competitive advantages, and synergy (Hofer and Schendel, 1998). A simple form of strategic change is a way of changing the objectives and vision of the company in order to obtain greater success. There is no certain magic formula to do the job and of course it is not always leading to success. Many companies fail to implement the plan correctly and completely, whereas the others fail to convey this change among employees and organization. It doesn't matter how great the company theory is or how useful the change may be for the organization, as long as management cannot make it be understood by its human resources (Hofer and Schendel, 1998).

There are some issues that managers who are responsible for strategic change should keep in mind. First of all they have to consider the culture and behaviors of employees. It obvious that changing something that people used to it for a long time is not easy to change. Another point is that when talking about a strategic change there must be good consideration about context compatibility between the change and organization. The

usual mistake in this case is to pull successful solutions from other situation to try in current one, which will not work. The last issue is to consider that change is about changing people. Organization will change by changing the attitude of managers and employees of the way them do their business (Hofer and Schendel, 1998).

There are different type of changes which can be applied to different organization with respect to the situation and problem that they are facing at the time. It's also important to manage the speed of the strategic change, being late in implementing the strategic change may make the change less efficient as it could have been. The speed of strategic change can be continues over time or can be done all at once. Transformation consists of changing organization culture. To go deeper, its fundamental change within organization which cannot be managed with the existing way of organization performance (Beckhard, 2007). All organisations are currently undergoing some type of change. Many of these change programmes arise from organized management strategies such as culture change, business process engineering, empowerment and total quality. Other change initiatives are driven by the need for organisations to reposition themselves in the face of changing competitive conditions. Strategic change often involves radical transitions within an organisation and encompasses strategy, structure, systems, processes and culture (Beckhard, 2007).

For strategic change to become a reality, it is necessary to change the way in which individuals within an organisation behave. This requires more than restructuring and adoption of new systems. There are three issues that managers leading strategic change

need to consider. There is need for a shift in the underlying culture of the organization, attitudes and behaviours of the employees. Many strategic change initiatives stumble because they fail to deliver this shift by addressing the cultural and political reality of organizations (Buchanan, 2009).

2.3 Management of Strategic Change

Strategic change management is the process, tools and techniques to manage the people to tally with business change to achieve the required business outcomes as well as realizing that business change effectively within the social infrastructure of the workplace. Organizational change management is very important globally and it is influenced and affected by different internal and external factors, positively or negatively (Burnes, 2004). The future is full of surprises, uncertainty, trend and trend breaks, irrationality and rationality, and it is changing and escaping from our hands as time goes by (Manaerman 1998). Organisations these days are literally fighting against all elements for survival. With the ever changing environment, continuous change must be inculcated in the day-to-day running of organizations if they want to keep pace with the goings on. From information technology (IT) to consumer tastes and preferences, change has affected all elements in the environment. Burkes (2004) stated that change is so complex and multifaceted that Carnall (2003) suggested that mastering the challenge is not a specialized activity to be facilitated or driven by an expert but an increasingly important part of every manager's role.

Change management is a structured approach to transitioning individuals, teams and organization from a current state to a desired future state. This process involves defining new values and behaviors, roles and positions among the workers in an organization to overcome resistance to change and to cement goal congruence and a common vision between an organization and its customers. Pettigrew and Whipp (1993) proposed a model for a successful change management to occur in an organization that involves five interrelated factors: Environmental assessment-collect and utilize information on internal and external environment; Leading change- creation of a positive climate for change, the identification of future directors and linking together of action by people at all levels in the organization; Linking strategic and operational change; human resources as both assets and liabilities and coherence of purpose.

This clearly shows that change must be accepted by all the facets of an organization and that the fact that it is continuous, stakeholders must realize that the change process must be understood and must achieve the goals and objectives set by the organisation. Strategic change in an organization is key in the development of plans which are critical in the day to day running of organizations. Strategic change does not necessarily cause a mission drift. Rather it is a process meant to re-energise an organization's business processes whilst maintaining the core objectives of the organization (Burnes, 2004).

2.4 Strategic Change Management Practices

The action research model advocates for a systematic collection of data and then selection of a change action based on what the analyzed data indicates. It aims at

providing a scientific methodology for managing planned change. The process of action research consists of five steps which are diagnosis, analysis, feedback, action and evaluation (Lewin, 1951).

The same approach seems to be supported by Dawson (2005) through the process/contextual perspective. It states that to understand the process of change, we need to consider the past, present and future context in which the organization functions, including external and internal factors. The substance of the change itself and its significance and timescale including the transition process, tasks, activities, decisions, timing, sequencing, political activity, both within and external to the organization and the interactions between these factors. Dawson identifies five specific aspects of the internal context which are human resources, administrative structures, technology, product or service, and the organization's history and culture. He also identifies four key features of the substance of change which are the scale, its 'defining characteristics', its perceived centrality, and the timeframe of change initiatives. The substance of change influences the scale of disruption to existing structures and jobs. The transition process may be slow and incremental, or rapid. In addition, managers can draw upon evidence from the context and substance of change to marshal support and to legitimate their own proposals through organizational political action. It's therefore the interaction between context, substance and political forces which shape the process of organizational change (Dawson, 2005).

Lewin (1951) also developed the three - step model, which states that successful change in 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). However, Huczynski and Buchanan (2003) state that refreezing no longer seems to be an option given constant transformation which is now the norm. Permanent thaw is perhaps a more appropriate metaphor. Many organizations now face a 'high velocity' environment. They continue to say that turbulent and rapidly changing external conditions are translated into a complex, multi-faceted, fluid and interlinked streams of initiatives affecting work and organization design, resource allocation, and system procedures in continuous attempts to improve performance. The environment for most organizations is likely to remain volatile, or become even more turbulent. Current trends do not lead to predictions of continuity and stability in the near future (Huczynski and Buchanan, 2003).

Bullock and Batten (2007) summarize their model in 4 broad stages. The Exploration Phase which involves awareness of need for change and searching for solutions, planning phase which involve understanding the problem, collecting information, setting change goals, designing action plans, action phase involving arrangements for

managing change, feedback processes and Integration phase involving consolidating and stabilizing change, reinforcing new behaviors. This model was an expansion of Lewin 3- step model and did not factor the volatility and dynamism of organizations environment. Kotter (2004) came up with the eight-stage change process whose initial step is establishing a sense of urgency crucial in gaining needed cooperation. This is because when urgency low, it's 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 step is creating the guiding coalition since a strong guiding coalition is always needed. The coalition must have the right composition, level of trust and shared objective. 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. Four key characteristics seem to be essential to effective guiding coalitions these are position power, expertise, credibility and leadership. The third step is developing a vision and strategy. Vision refers to a picture of the future with some implicit or explicit commentary on why people should strive to create that future. In a change process, a good vision serves in clarifying the general direction for change, it motivates people to take action in the right direction and it helps coordinate the actions of different people. A strategy provides both logic and a first level of detail to show how a vision can be accomplished (Kotter, 2004).

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 empower a broad base of people to take action 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 term 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. 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 in the culture since according to Kotter, culture changes only after successfully altering people's actions.

2.5 Challenges of Managing Strategic Change

Some of the greatest strategic change management obstacles are include, employee resistance, middle management resistance due to perceived loss of power and or limited involvement in the strategic change process, poor executive sponsorship when the

executive sponsor either does not play a key and visible role in supporting the strategic change effort, or shift their support too soon after the process of strategic change, limited time budget and resources and corporate inertia and politics where the organizational culture pushes back the strategic change initiative. The embedded culture can become an obstacle particularly where there are too many long tenured employees (Boomer, 2007).

Ansoff (1990) identified two types of resistance to change namely, behavioral resistance and systemic resistance. The two types of resistance occur concurrently during a strategic change process and they produce similar effects which include delays, unanticipated costs, and chronic mal-performance of new strategies. However, the basic causes are different. Behavioral resistance comes as a result of active opposition to strategic change by employees, while on the other hand, systemic resistance is normally due to passive incompetence of the organization.

Ansoff (1990) defines resistance as a multifaceted phenomenon, which introduces unanticipated delays, costs and instabilities into the process of strategic change. Behavioral resistance is a natural reaction by groups and individuals to strategic change which threatens their cultural and position of power. Resistance to change is proportional to the size of the discontinuities introduced into the culture and power and inversely proportional to the speed of introduction. In managing resistance, a useful approach is to start by building a launching platform. This involves a strategic diagnosis, a behavioral diagnosis, eliminating unnecessary resistance, forming pro-change power base, and designing resistance reducing features into the plan for the strategic change. Once the

change is launched, the residual resistance should be anticipated and necessary power applied to overcome it. Whenever the strategic change in strategy is completed before the changes in capability, capability building should be continued until the strategic change is institutionalized. According to Kotter (2007) reorganization is usually feared, because it is a disturbance to the status quo, a threat to the people's vested interests in their jobs and an upset to the normal way of doing things. Therefore, strategic change is often characterized by delays and cost overruns resulting in loss in efficiency and effectiveness. Employees may be worried about the consequences of change, such as how the new conditions will take away their power and status. Some are concerned about the process of change itself, such as the effort required to break old habits and learn new skills (Kotter, 2007).

Pringle *et al* (2006) observes that although each company's circumstances account for some of the problems, widespread problems have one common root; the managers and subordinates view strategic change differently. Both groups know that vision and leadership drive successful strategic change, but few leaders recognize ways in which individuals commit to change to bring it about. From the top management, change is an opportunity to strengthen business by aligning operations to strategy, new professional challenges and risks and advance career. On the other hand, employees including middle management view change as unwelcome, disruptive, and intrusive. The top management often underestimates this gap on relationship with the employees and the effort required winning support for strategic change. In order to close the gap, the top managers need to see strategic change from the perspective of the employees. Unless the top managers

define new terms and persuade employees to accept them, it is unrealistic for such managers to expect employees to fully buy into changes that disturb status quo.

Problems set in when managers and subordinates fail to understand how strategic change is essential to turning the company around would require them to take a fundamentally different view of their obligations. The employees who for so long are used to a certain culture will favour maintaining the status quo, and therefore resistance to strategic change would be embedded in the culture (Pringle *et al*, 2006).

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

This chapter sets out various stages and phases that were followed in completing the study. It involves a blueprint for the collection, measurement and analysis of data. Specifically the following subsections are included; research design, data collection and data analysis.

3.2 Research Design

This study used a case study research design. A case study research design attempts to describe or define a subject, often by creating a profile of a group of problems, people, or events, through the collection of data and tabulation of the frequencies on research variables or their interaction (Schindler, 2003). In this case, the research problem was the management of strategic change at the Telkom Kenya Limited. Thus, this approach was appropriate for this study as it helped to describe the state of affairs as they exist without manipulation of variables which was the aim of the study. The target population in statistics is the specific population about which information is desired (Mugenda and Mugenda, 2003).

The respondents of interest in this study were the management employees of Telkom Kenya Limited. Currently, there are 70 employees working at different levels of management working in Telkom Kenya Limited (Telkom Kenya Limited HR, 2013). To arrive at the sample, the study considered 10% of the total number of management employees which was 7 respondents. This was in conformity with Mugenda and

Mugenda (2008) who postulated that at least 10 percent of the accessible target population is appropriate for statistical reporting. Simple random sampling was used to select the respondents. Several studies have used case study research design. For instance, Muthoni (2010) focused on enhancement of operational excellence in the retail service workshop processes a case study of General Motors East Africa Limited, while Gatherer (2010) focused on factors affecting customer retention in commercial banks: a case of Barclays Bank Limited.

3.3 Data Collection

The study used primary data for the analysis. The study made use of interview guide for data collection which was administered to each member of the sample population. The interview guide consisted of both open and close-ended questions. The close-ended questions provided more structured responses to facilitate tangible recommendations. The closed ended questions were also used to test the rating of various attributes and this helped in reducing the number of related responses in order to obtain more varied responses. The open-ended questions provided additional information that may not be captured in the close-ended questions.

The interview guide was carefully designed and tested with a few members of the population for further improvements. The interview guide was structured in various sections. The first section focused on the demographic information of the respondents. The second section had questions on strategic change management practices adopted by Telkom Kenya Limited while the third section was on challenges of managing strategic

change faced by Telkom Kenya Limited. This was done in order to enhance its validity and accuracy of data to be collected for the study. The interview guide was administered to the respondents using drop and pick later method.

3.4 Data Analysis

Before processing the responses, the completed interview guides were edited for completeness and consistency. The qualitative data from the open ended questions was analyzed using content analysis. This was by developing a thematic framework from the key issues, concepts and themes emanating from open ended questions. The information generated was then interpreted and explained.

CHAPTER FOUR: DATA ANALYSIS, RESULTS AND DISCUSSION

4.1 Introduction

This chapter presents analysis and findings of the study as set out in the research methodology. The results were presented on the management of strategic change at the Telkom Kenya Limited. The study was based on the following specific objectives: To determine strategic change management practices adopted by Telkom Kenya Limited: To determine the challenges of managing strategic change faced by Telkom Kenya Limited. The study targeted 7 management employees from Telkom Kenya Limited out of which 7 management employees participated in the interviews contributing to a response rate of 100%. This response rate was sufficient and representative and conforms to Mugenda and Mugenda (2003) stipulation that a response rate of 50% is adequate for analysis and reporting; a rate of 60% is good while a response rate of 70% and over is excellent. The chapter covers the demographic information, and the findings based on the objectives.

4.2 Strategic Change Management Practices Adopted by Telkom Kenya Limited.

The first objective was to determine strategic change management practices adopted by Telkom Kenya Limited. The findings are presented in the subsequent sections.

4.2.1 Strategic Change Management Practices

The study inquired on the whether the organization has been applying strategic change management practices in its operations. From the study findings, the respondents unanimously agreed that Telkom Kenya Limited has been applying strategic change management practices in its operations. They further indicated that the strategic change

management practices adopted by Telkom Kenya Limited included; scientific methodology for managing planned change. The company also conducted diagnosis, analysis, feedback, action and evaluation. The company further practiced unfreezing the status quo, movement to a new state and refreezing the new change to make it permanent. Another strategic change management practice adopted was the systematic collection of data and selection of a change action based on analysis. This implies that Telkom Kenya Limited had adopted diverse strategic change management practices. This would ensure that they managed change in the company systematically and ensure a smooth transition of the company would be achieved.

4.2.2 Conducting Systematic Collection of Data and Selection of a Change Action Based on Analysis

The study sought to find out the whether the company conducted systematic collection of data and selection of a change action based on analysis. According to the findings, Telkom Kenya Limited conducted systematic collection of data and selection of a change action based on analysis. The respondents further indicated that the Telkom Kenya Limited conducted systematic collection of data and selection of a change action based on analysis to a great extent. They further attested that conducted systematic collection of data and selection of a change action based on analysis was highly effective as a strategic change management practice. This depicts that systematic collection of data and selection of a change action based on analysis was a significant strategic change management practice that Telkom Kenya Limited applied in the management of their change process.

Therefore, the company change management strategy was based on research findings and therefore likely to be highly effective.

4.2.3 Scientific Methodology for Managing Planned Change

The study sought to find out whether the company conducted “scientific methodology for managing planned change”. According to the findings, Telkom Kenya Limited conducted “scientific methodology for managing planned change” and to a moderate extent. They further attested that the scientific methodology for managing planned change was highly effective as a strategic change management practice.

This points to the fact that scientific methodology for managing planned change was a key practice applied by the Telkom Kenya Limited in the management of their change process. Therefore, the company change management strategy was executed in a systematic order to guarantee the desired smooth transition of the company.

4.2.4 Diagnosis, Analysis, Feedback, Action and Evaluation

The study sought to determine whether the company conducted “diagnosis, analysis, feedback, action and evaluation” as part of the strategic change management practice. Based on the findings, Telkom Kenya Limited conducted “diagnosis, analysis, feedback, action and evaluation” and to a very great extent. In addition, the study established that diagnosis, analysis, feedback, action and evaluation as a strategic change management practice was highly effective.

This depicts that point to the fact that the change management process was gradually implemented in Telkom Kenya Limited. The change management process was based on the diagnosis, analysis, feedback, action and evaluation as a key practice applied by the Telkom Kenya Limited. The findings further point to the fact that the Telkom Kenya Limited change management process was executed in a systematic order to guarantee the desired smooth transition of the company.

4.2.5 Defining the Internal Context Characteristics', its Perceived Centrality, and the Timeframe of Change Initiatives

The study further investigated on whether the company defined the internal context characteristics', its perceived centrality, and the timeframe of change initiatives as part of the strategic change management practice. Based on the findings, Telkom Kenya Limited defined the internal context characteristics', its perceived centrality, and the timeframe of change initiatives and to a very great extent. In addition, the study established that defining the internal context characteristics', its perceived centrality, and the timeframe of change initiatives as a strategic change management practice was highly effective.

This shows that strategic change management was well customized process to suit the company change needs as Telkom Kenya Limited very well defined the internal context characteristics', the perceived centrality, and the timeframe of change initiatives. This strategic change management practice would give the company the sustainability and the higher success rate to the change process.

4.2.6 Interaction Between Context, Substance and Political Forces

The study sought to determine whether the company ensured that there is interaction between context, substance and political forces which shape the process of organizational change as part of the strategic change management practice. The findings indicated that, Telkom Kenya Limited ensured that there was interaction between context, substance and political forces which shape the process of organizational change and to a very great extent. In addition, the study established that ensured that there is interaction between context, substance and political forces which shape the process of organizational change was moderately effective.

The findings implies that strategic change management process was highly linked to the external forces such as political forces and therefore Telkom Kenya Limited ensured that there was interaction between context, substance and political forces which shape the process of organizational change as part of the strategic change management practice.

The change process at Telkom Kenya Limited was in tandem with the external regulatory environmental requirement which affected the company's performance and therefore had high success rate.

4.2.7 Unfreezing the Status Quo, Movement to a New State and Refreezing the New Change to Make it Permanent

The study further sought to find out whether the company conducted “unfreezing the status quo, movement to a new state and refreezing the new change to make it permanent” as one of the strategic change management practice. Based on the findings,

Telkom Kenya Limited conducted “unfreezing the status quo, movement to a new state and refreezing the new change to make it permanent” and to a very great extent. In addition, the study established that unfreezing the status quo, movement to a new state and refreezing the new change to make it permanent was highly effective.

This depicts that “unfreezing the status quo, movement to a new state and refreezing the new change to make it permanent” was a significant strategic change management practice that Telkom Kenya Limited applied to a great extent in the management of their change process. Therefore, the company change management strategy was likely to be highly effective as it was being implemented as a crucial company strategy.

4.3 Challenges of Managing Strategic Change Faced by Telkom Kenya Limited.

The second objective was to determine the challenges of managing strategic change faced by Telkom Kenya Limited. The findings are presented in the subsequent sections.

4.3.1 Challenges in Managing Strategic Change

The study investigated on whether Telkom Kenya Limited encountered challenges in managing strategic change. From the study findings, the majority of the respondents attested that Telkom Kenya Limited encountered challenges in managing strategic change. The challenges in managing strategic change were; employee resistance, middle management resistance due to perceived loss of power and or limited involvement in the strategic change process, poor executive support towards strategic change initiatives when the executive sponsor either does not play a key and visible role in supporting the

strategic change effort, or shift their support too soon after the process of strategic change, limited time and resources allocation, corporate inertia and politics where the organizational culture pushes back the strategic change initiative and divergent views and differential perception about strategic change between the managers and subordinates about strategic change. In addition Telkom Kenya Limited encountered “behavioral resistance and systemic resistance that resulted to delays, unanticipated costs, and chronic mal-performance of new strategies” in managing strategic change. The company further experienced poor formulation of policies and procedures meant to spearhead strategic change initiatives owing to lack of involvement of all the employees in the formulation process. Therefore they viewed the change initiative as foreign ideas being imposed on them.

This illustrates that the strategic change management process being implemented by Telkom Kenya Limited faced various challenges which hindered the effectiveness of the process. The main challenges included; resistance to change from various management cadres due to fear of loss of power, lack of adequate support from the company’s top management, limited resources allocation to the change process, corporate inertia, divergent perception between the managers and subordinates about strategic change and poor formulation of change management policies and procedures. Therefore, the company faced diverse challenges that slowed down the strategic change management process.

4.4 Discussion of Findings

The study established that Telkom Kenya Limited has been applying strategic change management practices in its operations. The strategic change management practices adopted by Telkom Kenya Limited included: scientific methodology for managing planned change, diagnosis, analysis, feedback, action and evaluation. The company also practiced unfreezing the status quo, movement to a new state and refreezing the new change to make it permanent. Another strategic change management practices adopted was the systematic collection of data and selection of a change action based on analysis. Thus, Telkom Kenya Limited had adopted diverse strategic change management practices to ensure that they managed change in the company systematically and a smooth transition of the company would be achieved.

The findings are corroborated by Dawson (2005) and Robbins (2003) who postulated that key strategic change management practices included; scientific methodology for managing planned change, diagnosis, analysis, feedback, action and evaluation, unfreezing the status quo, movement to a new state and refreezing the new change to make it permanent, and systematic collection of data and selection of a change action based on analysis.

The study found out that Telkom Kenya Limited conducted systematic collection of data and selection of a change action based on analysis which was done to a great extent. The systematic collection of data and selection of a change action based on analysis was highly effective as a strategic change management practice. Therefore, the systematic

collection of data and selection of a change action based on analysis was a significant strategic change management practice that Telkom Kenya Limited applied in the management of their change process. Therefore, the company change management strategy was based on research findings and therefore likely to be highly effective. Similarly, Bullock and Batten (2007) indicated that change management initiatives should be based on research findings to be highly effective.

The findings revealed that Telkom Kenya Limited conducted “scientific methodology for managing planned change” and which was done to a moderate extent. The scientific methodology for managing planned change was highly effective as a strategic change management practice. This point to the fact that scientific methodology for managing planned change was a key practice applied by the Telkom Kenya Limited in the management of their change process. Therefore, the company change management strategy was executed in a systematic order to guarantee the desired smooth transition of the company. Based on the findings, Telkom Kenya Limited conducted “diagnosis, analysis, feedback, action and evaluation” and to a very great extent. In addition, the study established that diagnosis, analysis, feedback, action and evaluation as a strategic change management practice was highly effective. Therefore, the change management process was gradually implemented in Telkom Kenya Limited. The change management process was based on the diagnosis, analysis, feedback, action and evaluation as a key practice applied by the Telkom Kenya Limited. The findings further point to the fact that the Telkom Kenya Limited change management process was executed in a systematic order to guarantee the desired smooth transition of the company.

According to Kotter (2004) scientific methodology for managing planned change is a key practice applied in the management of the change process. The change management process should be based on the diagnosis, analysis, feedback, action and evaluation. Companies implementing strategic change should define the internal context characteristics, its perceived centrality, and the timeframe of change initiatives and to a very great extent. The strategic change management should be well customized process to suit the company's specific change needs.

According to the findings the Telkom Kenya Limited conducted “unfreezing the status quo, movement to a new state and refreezing the new change to make it permanent” and to a very great extent. The unfreezing the status quo, movement to a new state and refreezing the new change to make it permanent was highly effective. Therefore, unfreezing the status quo, movement to a new state and refreezing the new change to make it permanent” was a significant strategic change management practice that Telkom Kenya Limited applied to a great extent in the management of their change process. Therefore, the company change management strategy was likely to be highly effective as it was being implemented as a crucial company strategy.

The findings concur with Huczynski and Buchanan (2003) who indicated that the unfreezing the status quo, movement to a new state and refreezing the new change to make it permanent was a highly effective practice in managing strategic change. However, the refreezing no longer seems to be an option given constant transformation which is now the norm. Permanent thaw is perhaps a more appropriate metaphor. Many

organizations now face a 'high velocity' environment. They continue to say that turbulent and rapidly changing external conditions are translated into a complex, multi-faceted, fluid and interlinked streams of initiatives affecting work and organization design, resource allocation, and system procedures in continuous attempts to improve performance. The environment for most organizations is likely to remain volatile, or become even more turbulent. Current trends do not lead to predictions of continuity and stability in the near future (Huczynski and Buchanan, 2003).

From the study findings the study found out that the challenges in managing strategic change were; employee resistance, middle management resistance due to perceived loss of power and or limited involvement in the strategic change process, poor executive support towards strategic change initiatives when the executive sponsor either does not play a key and visible role in supporting the strategic change effort, or shift their support too soon after the process of strategic change, limited time and resources allocation, corporate inertia and politics where the organizational culture pushes back the strategic change initiative and divergent views and differential perception about strategic change between the managers and subordinates about strategic change. In addition Telkom Kenya Limited encountered “behavioral resistance and systemic resistance that resulted to delays, unanticipated costs, and chronic mal-performance of new strategies” in managing strategic change. The company further experienced poor formulation of policies and procedures meant to spearhead strategic change initiatives owing to lack of involvement of all the employees in the formulation process. Therefore they viewed the change initiative as foreign ideas being imposed on them.

The findings are similar to Boomer (2007) who postulated that Some of the greatest strategic change management obstacles are include, employee resistance, middle management resistance due to perceived loss of power and or limited involvement in the strategic change process, poor executive sponsorship when the executive sponsor either does not play a key and visible role in supporting the strategic change effort, or shift their support too soon after the process of strategic change, limited time budget and resources and corporate inertia and politics where the organizational culture pushes back the strategic change initiative.

Thus, the strategic change management process being implemented by Telkom Kenya Limited faced various challenges which hindered the effectiveness of the process. The main challenges included; resistance to change from various management cadres due to fear of loss of power, lack of adequate support from the company's top management, limited resources allocation to the change process, corporate inertia, divergent perception between the managers and subordinates about strategic change and poor formulation of change management policies and procedures. Therefore, the company faced diverse challenges that slowed down the strategic change management process.

The findings augment earlier findings by Kotter (2007) who attested that challenges facing strategic change management process range from resistance to change from various management cadres due to fear of loss of power, lack of adequate support from the company's top management, limited resources allocation to the change process, corporate inertia, divergent perception between the managers and subordinates about

strategic change and poor formulation of change management policies and procedures. The strategic change is often characterized by delays and cost overruns resulting in loss in efficiency and effectiveness. Employees may be worried about the consequences of change, such as how the new conditions will take away their power and status. Some are concerned about the process of change itself, such as the effort required to break old habits and learn new skills (Kotter, 2007).

CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMENDATIONS

5.1 Introduction

This chapter presents summary of findings, conclusion and recommendations of the study in line with the objectives of the study. The research sought to establish the management of strategic change at the Telkom Kenya Limited.

5.2 Summary

The study established that Telkom Kenya Limited has been applying strategic change management practices in its operations. The strategic change management practices adopted by Telkom Kenya Limited included; scientific methodology for managing planned change, diagnosis, analysis, feedback, action and evaluation. The company also practiced unfreezing the status quo, movement to a new state and refreezing the new change to make it permanent. Another strategic change management practices adopted was the systematic collection of data and selection of a change action based on analysis. Therefore, Telkom Kenya Limited has adopted diverse strategic change management practices. This would ensure that they managed change in the company systematically and ensure a smooth transition of the company would be achieved.

The study found out that Telkom Kenya Limited conducted systematic collection of data and selection of a change action based on analysis which was done to a great extent. The systematic collection of data and selection of a change action based on analysis was highly effective as a strategic change management practice. Thus, systematic collection of data and selection of a change action based on analysis was a significant strategic

change management practice that Telkom Kenya Limited applied in the management of their change process. Therefore, the company change management strategy was based on research findings and therefore likely to be highly effective.

The findings revealed that Telkom Kenya Limited conducted “scientific methodology for managing planned change” and which was done to a moderate extent. The scientific methodology for managing planned change was highly effective as a strategic change management practice. This point to the fact that scientific methodology for managing planned change was a key practice applied by the Telkom Kenya Limited in the management of their change process. Therefore, the company change management strategy was executed in a systematic order to guarantee the desired smooth transition of the company.

Based on the findings, Telkom Kenya Limited conducted “diagnosis, analysis, feedback, action and evaluation” and to a very great extent. In addition, the study established that diagnosis, analysis, feedback, action and evaluation as a strategic change management practice was highly effective. Thus, the change management process was gradually implemented in Telkom Kenya Limited. The change management process was based on the diagnosis, analysis, feedback, action and evaluation as a key practice applied by the Telkom Kenya Limited. The findings further point to the fact that the Telkom Kenya Limited change management process was executed in a systematic order to guarantee the desired smooth transition of the company.

Similarly, Telkom Kenya Limited defined the internal context characteristics', its perceived centrality, and the timeframe of change initiatives and to a very great extent. In addition, the study established that defining the internal context characteristics', its perceived centrality, and the timeframe of change initiatives as a strategic change management practice was highly effective. This shows that strategic change management was well customized process to suit the company change needs as Telkom Kenya Limited very well defined the internal context characteristics', the perceived centrality, and the timeframe of change initiatives. This strategic change management practice would give the company the sustainability and the higher success rate to the change process.

The findings found out that Telkom Kenya Limited ensured that there was interaction between context, substance and political forces which shape the process of organizational change and to a very great extent. In addition, the study established that ensured that there is interaction between context, substance and political forces which shape the process of organizational change was moderately effective. The findings implies that strategic change management process was highly linked to the external forces such as political forces and therefore Telkom Kenya Limited ensured that there was interaction between context, substance and political forces which shape the process of organizational change as part of the strategic change management practice. The change process at Telkom Kenya Limited was in tandem with the external regulatory environmental requirement which affected the company's performance and therefore had high success rate.

According to the findings the Telkom Kenya Limited conducted “unfreezing the status quo, movement to a new state and refreezing the new change to make it permanent” and to a very great extent. The unfreezing the status quo, movement to a new state and refreezing the new change to make it permanent was highly effective. Therefore, “unfreezing the status quo, movement to a new state and refreezing the new change to make it permanent” was a significant strategic change management practice that Telkom Kenya Limited applied to a great extent in the management of their change process. Therefore, the company change management strategy was likely to be highly effective as it was being implemented as a crucial company strategy.

From the study findings the study found out that the challenges in managing strategic change were; employee resistance, middle management resistance due to perceived loss of power and or limited involvement in the strategic change process, poor executive support towards strategic change initiatives when the executive sponsor either does not play a key and visible role in supporting the strategic change effort, or shift their support too soon after the process of strategic change, limited time and resources allocation, corporate inertia and politics where the organizational culture pushes back the strategic change initiative and divergent views and differential perception about strategic change between the managers and subordinates about strategic change. In addition Telkom Kenya Limited encountered “behavioral resistance and systemic resistance that resulted to delays, unanticipated costs, and chronic mal-performance of new strategies” in managing strategic change. The company further experienced poor formulation of policies and procedures meant to spearhead strategic change initiatives owing to lack of

involvement of all the employees in the formulation process. Therefore they viewed the change initiative as foreign ideas being imposed on them.

Therefore, the strategic change management process being implemented by Telkom Kenya Limited faced various challenges which hindered the effectiveness of the process. The main challenges included; resistance to change from various management cadres due to fear of loss of power, lack of adequate support from the company's top management, limited resources allocation to the change process, corporate inertia, divergent perception between the managers and subordinates about strategic change and poor formulation of change management policies and procedures. Therefore, the company faced diverse challenges that slowed down the strategic change management process.

5.3 Conclusion

The study concludes that Telkom Kenya Limited has been applying strategic change management practices in its operations. The strategic change management practices adopted by Telkom Kenya Limited included; scientific methodology for managing planned change, diagnosis, analysis, feedback, action and evaluation. The company also practiced unfreezing the status quo, movement to a new state and refreezing the new change to make it permanent. Another strategic change management practices adopted was the systematic collection of data and selection of a change action based on analysis. Therefore, Telkom Kenya Limited has adopted diverse strategic change management practices. This would ensure that they managed change in the company systematically and ensure a smooth transition of the company would be achieved.

The study concludes that Telkom Kenya Limited has been conducting systematic collection of data and selection of a change action based on analysis which was done to a great extent. The systematic collection of data and selection of a change action based on

analysis was highly effective as a strategic change management practice. Thus, systematic collection of data and selection of a change action based on analysis was a significant strategic change management practice that Telkom Kenya Limited applied in the management of their change process. Therefore, the company change management strategy was based on research findings and therefore likely to be highly effective.

Telkom Kenya Limited conducted “scientific methodology for managing planned change” and which was done to a moderate extent. The scientific methodology for managing planned change was highly effective as a strategic change management practice. This point to the fact that scientific methodology for managing planned change was a key practice applied by the Telkom Kenya Limited in the management of their change process. Therefore, the company change management strategy was executed in a systematic order to guarantee the desired smooth transition of the company. Telkom Kenya Limited also conducted “diagnosis, analysis, feedback, action and evaluation” and to a very great extent. In addition, the study established that diagnosis, analysis, feedback, action and evaluation as a strategic change management practice was highly effective. Thus, the change management process was gradually implemented in Telkom Kenya Limited. The change management process was based on the diagnosis, analysis, feedback, action and evaluation as a key practice applied by the Telkom Kenya Limited. The findings further point to the fact that the Telkom Kenya Limited change management process was executed in a systematic order to guarantee the desired smooth transition of the company.

The study further concludes that Telkom Kenya Limited defined the internal context characteristics’, its perceived centrality, and the timeframe of change initiatives and to a very great extent. In addition, the study established that defining the internal context characteristics’, its perceived centrality, and the timeframe of change initiatives as a strategic change management practice was highly effective. This shows that strategic change management was well customized process to suit the company change needs as Telkom Kenya Limited very well defined the internal context characteristics’, the

perceived centrality, and the timeframe of change initiatives. This strategic change management practice would give the company the sustainability and the higher success rate to the change process.

The findings conclude that Telkom Kenya Limited ensured that there was interaction between context, substance and political forces which shape the process of organizational change and to a very great extent. In addition, the study established that ensured that there is interaction between context, substance and political forces which shape the process of organizational change was moderately effective. The findings implies that strategic change management process was highly linked to the external forces such as political forces and therefore Telkom Kenya Limited ensured that there was interaction between context, substance and political forces which shape the process of organizational change as part of the strategic change management practice. The change process at Telkom Kenya Limited was in tandem with the external regulatory environmental requirement which affected the company's performance and therefore had high success rate.

Telkom Kenya Limited also conducted “unfreezing the status quo, movement to a new state and refreezing the new change to make it permanent” and to a very great extent. The unfreezing the status quo, movement to a new state and refreezing the new change to make it permanent was highly effective. Therefore, “unfreezing the status quo, movement to a new state and refreezing the new change to make it permanent” was a significant strategic change management practice that Telkom Kenya Limited applied to a great extent in the management of their change process. Therefore, the company change management strategy was likely to be highly effective as it was being implemented as a crucial company strategy.

From the study findings the study concludes that the strategic change management process being implemented by Telkom Kenya Limited faced various challenges which hindered the effectiveness of the change process. The main challenges included;

resistance to change from various management cadres due to fear of loss of power, lack of adequate support from the company's top management, limited resources allocation to the change process, corporate inertia, divergent perception between the managers and subordinates about strategic change and poor formulation of change management policies and procedures. Therefore, the company faced diverse challenges that slowed down the strategic change management process.

5.4 Recommendations

The study recommends that the management of Telkom Kenya Limited should address the major challenges facing the management of strategic change to streamline the change process and enhance the success of the strategic change management in the company. The study recommends that the management of Telkom Kenya Limited should continuously evaluate the strategic change management initiatives being implemented in order to undertake the necessary correctional measures in the change process. This will help to avert any weakness of the strategic change management initiatives being implemented. The study further recommends that the management of Telkom Kenya Limited should conduct a research and pretest the different strategic change management practices to ensure that only the best practices are implemented.

5.5 Limitations of the study

The study was limited by the tight schedule of the respondents which limited their availability for the interview. However, the researcher made appointments with the respondents which facilitated their participation in the interview.

The research findings might not be generalizable and applicable to other telecommunication companies in Kenya owing to the fact that different telecommunication companies in use different approaches in the management of strategic change. The study could not control the respondents' attitude which could have affected the quality of information given.

5.6 Areas of further research

Since this study explored the management of strategic change at the Telkom Kenya Limited, the study recommends that; similar studies should be done in the banking sector of the Kenyan economy for comparison purposes and to allow for generalization of findings on the management of strategic change in Kenya.

REFERENCE

- Ansoff, I. & MacDonell, E. (1990). *Implanting Strategic Management*. 2nd Edition, England: Prentice Hall.
- Beckhard, R.F., & R.T. Harris (2007). *Organizational Transitions: Managing Complex Change*. Reading, MA: Addison-Wesley.
- Boomer, L.G. (2007). Strategy execution and alignment. *Accounting Today*, Vol 21 Issue 9, p24, May.
- Buchanan E., & Boddy W., (2009). *Strategic management and organizational dynamics: the challenge of complexity*. 4th ed. Harlow: FT/Prentice Hall
- Bullock, R.J., & D. Batten S. (2007). "It's Just a Phase we're going through." *Group and Organizational Studies* 10 : 383–412.
- Burnes, B. (2004). *Managing Change: A Strategic Approach to Organizational Dynamics*, 4rd Edition; Prentice Hall
- Communication Commission of Kenya, Annual Report (2012)*.
- Dawson, P. (2005) *Understanding Organizational Change*, in Huczynski, A and Buchanan, D (2003). *Organizational Behavior*, 4th Ed. Pearson Education Ltd., England
- Gathere J., N., (2010). *An investigation of factors affecting customer retention in commercial banks: a case of Barclays Bank Limited*. Unpublished Thesis of university of Nairobi.
- Government of Kenya (2011). *The Telecommunication sector in Kenya*. Government printers

- Graham Y. (2007). Encouraging successful change, *Managing Services*, Vol. 51 Issue 1, p40-43.
- Green M. (2005). *The Mind of the Strategist* McGraw Hill, New York.
- Hofer S. & Schendel N., (1998). *Executing Strategic Change: Understanding the Critical Management Elements that Lead to Success*. Prentice Hall.
- Huczynski, A., & Buchanan, D. (2003). *Organizational Behavior*, 4th Ed. Pearson Education Ltd., England
- Johnson G., & Scholes, K., (2002). *Exploring Corporate Strategy; Texts and Cases*, Prentice Hall, New Delhi
- Kamau P., (2012). “*Factors influencing implementation of strategic change in telecommunication industry*”. Unpublished MBA project, Jomo Kenyatta University of Science and Technology
- Kazmi, A. (2002). *Business Policy and Strategic Management*, 2nd Edition Tata McGraw Hill
- Kotter J. (2004). "*Leading Change: Why Transformation Efforts Fail*" Harvard Business Review.
- Kotter, J. (2007). *Leading change-why transformation efforts fail*. Harvard Business Review. Harvard Business School Press, January.
- Lewin, K. (1951). *Field Theory in Social Sciences*, in Huczynski, A and Buchanan, D (2003), *Organizational Behavior*, 4th Ed. Pearson Education Ltd., England
- Lusweti M., (2010). “*Employee retention management practices in the telecommunication industry*”. Unpublished MBA project, University of Nairobi.

- Mathu S. (2009). "*Public targeting technique in public relations in telecommunication industry in Kenya.*" Unpublished MBA project, University of Nairobi.
- Mintzberg, H., Quinn, J. & Chosal, S. (1999). *The Strategy Process*, Revised European Edition, Prentice Hall
- Mugenda, O. M. & Mugenda, A. G. (2003). *Research Methods: Quantitative and Qualitative Approaches*. Nairobi: Acts press.
- Muthoni H., (2010). *Enhancement of operational excellence in the retail service workshop processes a case study of General Motors East Africa Limited*. Unpublished Thesis of Sunderland University.
- Pringle, I., Young, D. & Chambers, C. (2006). *Change leadership- why general managers need a new type of competence*. Accountancy Ireland, Vol.38 No.1, p72-73, February.
- Robbins, S. P. (2003). *Organizational Behavior*, 10th edition, Prentice Hall
- Rose. A & Lawton (1999). *Public Service Management*, FT-Prentice Hall.
- Schindler, D., R. & Cooper, P S (2003). *Business Research Methods*, (8th edn). New York. McGraw-Hill
- Sinha, J.B.P., (2000). "*Work culture: an exposition in the Indian context*", Vikalpa, Vol. 16 No. 4
- Telkom Kenya Limited, Utility Bulletin* (2012).
- Van de Ven, A. H., & Poole, M. S. (1995). Explaining development and change in organizations. *Academy of Management Review*, 20: 510–540.

APPENDICES

APPENDIX I: INTRODUCTION LETTER

University of Nairobi,
PO BOX 30197-00100
Nairobi.

The HR Manager Telkom Kenya Limited
PO BOX 30301-00100
Nairobi.

Dear sir/Madam,

RE: LETTER OF INTRODUCCION

I am a master of business administration student at the University of Nairobi and in my final year of study. As part of the requirements for the award of the degree of Master of Business Administration, I am undertaking a research on “**MANAGEMENT OF STRATEGIC CHANGE AT THE TELKOM KENYA LIMITED**”.

In this regard, I am kindly requesting for your support in terms of time, and by responding to the attached interview guide. Your accuracy and candid response will be critical in ensuring objective research. This is an academic research and confidentiality is emphasized, your name will not appear anywhere in the report. Kindly spare some time to complete the interview guide attached.

Thank you in advance

Yours Sincerely,

Mary Njoki Muteti

APPENDIX II: INTERVIEW GUIDE

Instructions: *(Please read the instructions given and answer the questions as appropriately as possible).* It is advisable that you answer or fill in each section as provided. Make an attempt to answer every question fully and honestly.

Section A: Strategic Change Management Practices

1. Has your organization been applying strategic change management practices in its operations?

b). If yes, what strategic change management practices have been adopted in your organization?
.....
.....
.....

2. Does your company conduct “systematic collection of data and selection of a change action based on analysis”?

a) If yes, to what extent?

b) How effective is this change management practice in your organizations?
.....

3. Does your company conduct “scientific methodology for managing planned change”?
.....

a) If yes, to what extent?

b) How effective is this change management practice in your organizations?

.....

4. Does your company conduct “Diagnosis, analysis, feedback, action and evaluation”?

.....

a) If yes, to what extent?

5. Does your company define the internal context characteristics’, its perceived centrality, and the timeframe of change initiatives”?

a) If yes, to what extent?

b) How effective is this change management practice in your organizations?

.....

6. Does your company ensure there is interaction between context, substance and political forces which shape the process of organizational change”?

If yes, to what extent?

b) How effective is this change management practice in your organizations?

.....

7. Does your company conduct “unfreezing the status quo, movement to a new state and refreezing the new change to make it permanent”?

If yes, to what extent?

b) How effective is this change management practice in your organizations?

.....

Section B: Challenges of Managing Strategic Change

8. Has the organization encountered challenges in managing strategic change?

.....

b) What are the challenges experienced by your organization in managing strategic change?

.....

9. Does your company face employee resistance in managing strategic change?

.....

10. Does your company face “middle management resistance due to perceived loss of power and or limited involvement in the strategic change process” in managing strategic change?

11. Does your company face “poor executive sponsorship” in managing strategic change?

.....

12. Does your company face “limited time budget and resources” in managing strategic change?

13. Does your company face “corporate inertia and politics” in managing strategic change?

.....

14. Does your company face “behavioral resistance and systemic resistance that result to delays, unanticipated costs, and chronic mal-performance of new strategies” in managing strategic change?

15. Does your company face “divergent views between the managers and subordinates about strategic change” in managing strategic change?

.....

Add questions on

Policies & procedures, attitude, differential perception,

Thank you for your time and participation