STRATEGIC CHANGE MANAGEMENT PRACTICES AND CHALLENGES OF IMPLEMENTATION BY MARYLAND GLOBAL INITIATIVES CORPORATION IN KENYA

BY

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DECLARATION

This project is my original work and has not been presented for the award of a degree in this University or any other Institution of higher learning for examination.

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D61/64870/2013

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

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DEDICATION

This project is dedicated to my family members for their support and encouragement.
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ABSTRACT

Strategic change has become a constant phenomenon which must be addressed by organizations in all sectors and industry if an organization is to remain competitive. 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. This study, therefore sought to assess the strategic change management practices and challenges of implementation by Maryland Global Initiatives Corporation. This research study adopted a case study design which was deemed appropriate because it involves a careful and complete observation of social units or a phenomenon and it also offers a comprehensive understanding of the social units or phenomenon under study. The study targeted senior management from key divisions as well as some middle level managers who are directly involved in strategic change management. The divisions are human resources, finance, technical & IT, corporate affairs and strategy & innovation. The primary data was collected using a comprehensive interview guide. Data collected was analyzed using content analysis. This is because the nature of data collected is qualitative in nature. The study concluded that Maryland Global Initiatives Corporation indeed uses change management practices such as enhancement of collaboration/participation between departments through group meetings, project matrix structures, restructuring and intentional employment of managers from outside as well as organizing of frequent offsite strategy meetings for all concerned departmental heads and middle level managers. The study also concluded that respondents received strategic objectives communication from top management, others indicated that the received from middle management while also some respondents said such communication comes from the operational level managers. Further, the study concluded that strategic change management is recognized and celebrated in Maryland Global Initiatives. This is done through good recommendations, cash rewards in form of spot awards and bonuses, parties, and promotions. However some departments were of the opinion that only senior managers take the credit and therefore the rewards. The study recommends individual and group recognition as a necessary component of change management in order to cement and reinforce the change in the organization. The study also recommends that changes anchored on corporate strategy be communicated properly.
CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

According to Huczynski and Buchanan (2003) strategic change describes organizational redesign and refocusing that is major, radical, frame-breaking, mould-breaking or paradigmatic in its nature and implications. It is incumbent on leadership to communicate the company’s strategic goals and objectives in order create willingness to change among those concerned for them to accept the new arrangements. In essence organizations would want everyone to buy in to the change; however, the important issue is to win over critical mass of individuals or groups whose active commitment is necessary to provide the energy for change to occur (Grant, 2005).

The research project was based on two theories, that is, resource-based theory and stakeholder theory. The resource-based theory stipulates that in strategic management the fundamental sources and drivers to firms’ competitive advantage and superior performance are mainly associated with the attributes of their resources and capabilities which are valuable and costly to imitate (Mullins, 1999). Building on the assumptions that strategic resources are heterogeneously distributed across firms and that these differences are stable overtime.

Barney (1992) examines the link between firm resources and sustained competitive advantage. Stakeholder theory seeks to systematically address the question of which stakeholders do and do not deserve or require management attention through evaluation of relationships between organizations and stakeholders based on exchange transactions, power dependencies, legitimacy claims, or other claims (Mitchell et al.,
Maryland Global Initiatives Corporation is an International Non-Governmental Organization operating in a competitive and ever changing environment. Management in Maryland Global Initiatives Corporation has adopted strategies, set financial and operating standards to improve its competitiveness as an NGO (Bwibo 2012). This has influenced adoption and implementation of strategic change management due to volatility in the operating environment, thus influencing NGOs *modus operandi* in implementing major corporate changes such as diversification in their intervention projects and adopting focus strategy in offering their products to specific target groups and differentiation of their products to meet the demand of the beneficiaries.

The Kenyan business environment has been undergoing a number of changes that have affected the manner in which international non-governmental organizations operate especially after the March 2013 elections that have seen the country changing the system of governance whereby more young people have taken into leadership than in the past years and the country adopting a devolved system of government among other factors that continue to challenge external environment for these organizations which has highly affected their performance in terms of growth, productivity, effectiveness and efficiency whose implications are most of the times under estimated by management and therefore not adequately managed.

**1.1.1 Concept of Strategic Change Management**

Management of strategic change is incomplete without a thorough understanding of strategy (Bita, 2011). Strategy is the direction and scope of an organisation over the long term. Thompson et al. (2006) argued that a firm’s strategy is its management game plan for growing the business. Strategic decisions are normally about trying to achieve some advantage for the organization over competition (Johnson & Scholes, 2002). Burnes (2009) describes strategy as a coherent or consistent stream of actions
which an organization takes or has taken to move towards its vision. This stream of actions can be centrally planned and driven, they can be delegated and distributed throughout the organization, and they can be either conscious actions in pursuit of a vision or emergent ones resulting from past patterns of decisions or resource allocations or from current responses to problems and opportunities (Johnson et al., 2008). Strategic change is defined as an alteration in an organization’s alignment with its external environment. An important development in this literature is that strategic change is increasingly seen as not only a shift in structures and processes, but also as a cognitive organizational reorientation involving “a redefinition of the organization’s mission and purpose or a substantial shift in overall priorities and goals” (Gioia, Thomas, Clark, & Chittipeddi, 1994: 364).

Though visions and strategies can be crucial in shaping the life of an organization, it is only when some facet of the organization is changed or changes that visions and strategies advance from being mere possibilities to become reality (Burnes, 2009). Hill and Jones (2001) have identified innovation, re-engineering and re-structuring as kinds of strategic change. Efficiency and effectiveness is also employed in the management of tasks and role relations in the firm. e-engineering utilizes new systems, software to effectively manage the external environment (Hill & Jones, 2001).

However, an important implication of this emerging perspective is that the success of strategic change will depend not only on an organization’s ability to implement new structures and processes, but also on the organization’s ability to convey the new mission and priorities to its many stakeholders (Smircich, 1983). 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—and almost always present a justification problem (Gioia & Chittipeddi, 1991).
1.1.2 Strategic Change Management

Strategic change management practices is defined as a set of managerial decisions and actions undertaken for organization to cope with changes in environmental aspects such as environmental scanning, strategy formulation, strategy implementation, evaluation and control. It is designed to set a firm's course of action, identifying the strategies it will use to compete in the market-place and how it will organize its internal activities (Hill and Jones, 2001).

In an environment of accelerating change, increasing competition, and effects of the worldwide information revolution, organizations are constantly managing programs and resources to accommodate changing needs. Change by its very nature tends to be uncomfortable, disruptive and even painful (Johnson and Scholes, 2005). Managers in various institutions have to manage this stress and uncertainty to be effective organizations. They have to counter their dynamic environment and competently convert threats and weaknesses from their internal and external environments into opportunities and strengths (Johnson and Scholes, 2005).

Strategic Change management in organization is usually required when changes occur to the environment in which an organization operates (Burnes, 2009). Johnson and Scholes (2002) concurs that strategic decisions are normally about trying to achieve some advantage for the organization over competition. Strategic management is all about identifying and embedding in the organization those changes that will ensure the long-term survival in the organization.

1.1.3 Challenges of implementing Strategic Change in Kenya

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. 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.
1.1.4 International Non Governmental Organizations

International non-governmental organizations (INGO) have a history dating back to at least 1839. It has been estimated that by 1914 there were 1083 NGOs. International NGOs were important in the anti-slavery movement and the movement for women's suffrage, and reached a peak at the time of the world Disarmament Conference. The primary purpose of an operational NGO is the design and implementation of development-related projects. NGO’s can either be international or local in terms of their operations coverage whereby the local NGO only operates in one particular country while the INGO is registered in one country but has operations within other countries.

NGOs are effective change agents in socio-economic sectors and international development having evolved from relief and welfare to sustainable development systems, (Van Sant 2003; Liston, 2008). In 2003, the global NGO sector was a $1.3 trillion industry, with estimated annual growth of 10%. In Kenya, the sector accounted for 5% of the country's GDP (approximately UK£1.5 billion) and employed some 250,000 people in 2009 (Salamon et al., 2004; Kenya National Bureau of Statistics, 2010). Despite the above growth, there is little agreement on the definition and boundaries of entities constituting the sector. Therefore there is need to understand how the NGOs are defined and understood in different contexts. Systematic review of management accounting literature reveals limited strategic management research in the NGO sector, despite continuous calls for research in NGOs, and the importance of strategic change management to the sector (Wadongo and Abdel-Kader, 2011).
1.1.5 Maryland Global Initiatives Corporation

Maryland Global Initiatives Corporation (MGIC) is an affiliate of the University of Maryland (UM) in Baltimore that supports University of Maryland's international work, especially in cases where legal registration in the country is required in order to do business in the country. MGIC will provide support for UM international education; training and research programs that need to hire local nationals, open bank accounts in the country, rent office space, and procure goods and services locally. MGIC was established in 2010. It is currently registered to do business in Kenya, Tanzania and Nigeria and is working toward additional registrations where program needs exist. Maryland Global Initiatives Corporation is focused on supporting international programs, establishing partnerships with key foreign institutions and governments, and providing a portal for information and resources related to UMB's global engagement.

A continuous, broadly inclusive approach was taken throughout the strategic planning process to ensure a plan that is representative of the larger organization thoughts and input. While the themes cover expansive areas, several specific overarching issues emerged that are not direct components of any one single theme. Those elements are information technology organization and utilization, pervasive and effective communication, faculty and staff training, and expanded government and community partner relationships. While various themes have tactics that reflect these areas, they are not broad enough, or adequate enough, to meet the larger need. Therefore, the organization has recognized these areas as fundamental elements to be addressed if the organization is to move forward with alacrity in implementing this plan and meeting its stated goals.
1.2 Research Problem

Today’s business environment produces change in the workplace more suddenly and frequently than ever before. Mergers, acquisitions, new technology, restructuring and downsizing are all factors that contribute to a growing climate of uncertainty. Jobs, health, even marriages can be placed at risk, jeopardizing productivity and profitability. People have deep attachments to their organization, work group, and way of working. The ability to adapt to changing work conditions is key for individual and organizational survival (Chapman, 2005). Strategic change has become a constant phenomenon which must be addressed by organizations in all sectors and industry if an organization is to remain competitive. 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 (Simons, 1999).

Organizations have to have relevant change management strategies so as to ensure that the human aspects of introducing new processes and technology are addressed. According to Chapman (2005) organizations have to create an organizational structure aligned with new strategies and processes. In addition, they should have jobs and skills sets that support the new organizational direction and employ effective communications strategies. They should also ensure customers, suppliers and other stakeholders understand and support the effort, and minimizing inertia to change. Regrettably, no studies have been undertaken in Kenya to investigate how NGO’s have aligned their organizational structures in line with emergent new strategies and processes.
Johnson & Scholes (2003) argue that there is no one right formula for managing strategic change. The success of any attempt at managing strategic change will also be dependent on a wider context in which that change is taking place. Burnes (2009) argues that the biggest single challenge facing managers today is globalization: the creation of a unified world market place. Allied to globalization, however, are three other challenges: how to achieve sustainability in a world of dwindling natural resources and increasing environmental pollution; how to manage increasingly diverse workforce; and, at a time when business leaders are considered less trustworthy than ever before, how to manage ethically. The real challenge for organizations is to change managerial behavior so that business ethics become business practices. These issues are not new but globalization has accentuated and brought them to the fore as never before (Gioia et al. 1994).

In the recent past, the NGOs have faced intense competition and tremendous challenges due to industry globalization, privatization, adverse changes in economic and political patterns which have all coupled to widen operating costs and therefore narrow profit margins (Liston 2008). To survive in this turbulent business environment, Maryland Global Initiates Corporation has employed strategic change management practices amid major challenges. This has resulted to change of vision, structures, systems and processes, leadership and communication. Bwibo (2012) carried out a study on strategic change management practices within non-governmental organizations in Kenya and found that Strategic management starts with introduction of new strategic processes in management to an overall change in business operations.

International non-governmental organizations continue to grow in number and their operations in Kenya have greatly increased. Although their delivery has improved
with time, these organizations have programs that are duplicated by others and most of their strategic change management practices are not in line with their operating environment which is very dynamic and above all most of them rarely match their expansion, relocation or restructuring needs with the required competency. One is therefore left to ask if organizations embrace all parameters of change management to successfully achieve change, and if the proper change management process is followed, to help them achieve the objectives that initiated change. Several studies have been carried out on strategic change management in Kenyan companies both public and private sectors including strategic change management practices at Teachers Service Commission (Mimaita, 2010). Strategic change management at National Museums of Kenya (Kendi, 2009); Strategic change management at Kenya Revenue Authority (Langat, 2011); Challenges of managing change after transition of ownership: The case study of Celtel (Muchui, 2006); Survey of strategic change management practices of Christian churches in Kenya (Obwoge, 2006); and challenges of managing strategic change in Telkom Kenya during and after privatization (Ouma, 2004).

In spite of the attention that the management of change has received, organizations continue to have problems in managing organizational change and the search for generalized laws of change still pervades the discipline (Hill and Jones, 2000). There is therefore an academic gap that exists in this field. This study therefore seeks to fill the existing gap by answering the question: what are the strategic change management practices and challenges of implementation by Maryland Global Initiatives Corporation?
1.3 Research Objective

The objective of this study was to determine the strategic change management practices and challenges of implementation by Maryland Global Initiatives Corporation.

1.4 Value of the Study

The study is significant to other NGOs as it offers an insight to the various challenges faced by Maryland Global Initiatives Corporation that adopts strategic change management and can borrow the same practices and apply especially during this time when the market is very competitive.

The Kenyan Government especially the ministry of sports gender and culture through its agency will benefit by using the study for policy making that will improve and level the present playing ground in the NGOs sector. This will not only help struggling operators but will also encourage more startups and create more employment, while increasing the government revenue.

NGO analysts will find the study useful by appreciating the best practices adopted by Maryland Global Initiates Corporation and also learn from the challenges encountered. The study will not only be appropriate to academicians of strategic management change but act as a basis for further studies on strategic management practices and challenges in NGO organizations or any other organization anticipating change.

The study will provide a platform for further research in the area of change management especially both the resources advantage theory and the stakeholder theory which stipulates that it is important to identify, develop and deploy key resources to maximize returns (Fahy, 2000). The study will further contribute in
strategies and practices that can be employed in NGO’s in order to successful implement strategic change management practices.
CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter presents literature that is relevant for the study on strategic change management practices among international NGOs. The review covers the theories of change management with focus made on the resource based theory and stakeholder theory and also topic on change management models, practices and challenges.

2.2 Theoretical Foundation

This research was anchored on two theories, that is, the Resource Based Theory and the Stake Holder Theory. They are discussed below.

2.2.1 Resource Based Theory

The resource based theory was developed as a complement to the industrial organization (IO) view with Bain (1968) and Porter (1979, 1980, 1985) as some of its main proponents. With its focus on the structure conduct-performance paradigm, the IO view puts the determinants of an organization’s performance outside the organization, in its industry's structure. Being positioned against this view, the resource based theory explicitly looks for the internal sources of sustained competitive advantage (SCA) and aims to explain why firms in the same industry might differ in performance. As such, the RBV does not replace the IO view, rather it complements it (Barney, 2002; Mahoney & Pandian, 1992; Peteraf & Barney, 2003).

The resource based theory stipulates that in strategic management the fundamental sources and drivers to firms’ competitive advantage and superior performance are mainly associated with the attributes of their resources and capabilities which are
valuable and costly to imitate (Mullins, 1999). Building on the assumptions that strategic resources are heterogeneously distributed across firms and that these differences are stable overtime, Barney (1992) examines the link between firm resources and sustained competitive advantage. If the theory is used it is expected to enhance competitive advantage through maximum utilization of unique resources and capabilities.

The theory has the strength of promoting resources uniqueness in ensuring platform for sustained competition. The critique of the theory is that the RBV lacks substantial managerial implications or ‘operational validity’ (Priem & Butler, 2001a). It seems to tell managers to develop and obtain valuable, rare, inimitable, and non-substitutable (VRIN) resources and develop an appropriate organization, but it is silent on how this should be done (Connor, 2002; Miller, 2003). Gibbert (2006a, 2006b) argues the notion of resource uniqueness –the melding of heterogeneity and immobility –denies the RBV any potential for generalization, ex definition. One cannot generalize about uniqueness.

2.2.2 Stakeholder Theory
This theory was founded by Freeman (1984). Stakeholder theory is an instrument to identify critical stakeholders in the environment of the Management Practices in order to define developments for strategy. Moreover, in the contexts of business ethic and corporate social responsibility, stakeholder analysis has been used to identify important areas of concern (Mitchell et al 1997).

Using a range of influencing mechanisms, NGOs may be able to take advantage of their position as high-saliency stakeholders to influence corporate managers and investment funds. NGOs can develop power, urgency, and legitimacy. Stakeholder
theory considers economics and ethics issues that make companies take social responsibilities and present fairness to everyone involved in business, with the result that directors will run corporations for benefiting all stakeholders. Thus, the theory can be considered as a good combination between economy and ethics that enables the corporations to grow and promote social wealth. Stakeholder theory has been criticized on both theoretical and empirical grounds.

Williamson (1993), the father of transaction cost economics, has argued that the direct principal-agent relationship between owners and managers is distorted with the addition of other stakeholders to the equation. Sternberg (1997), suggests that stakeholder theory is intrinsically incompatible with all legitimate business objectives and undermines basic property rights and corporate responsiveness. Nonetheless, stakeholder theory provides important insights into the ways in which firms and their managers interact with NGOs, governments, and other actors.

2.3 Strategic Change Management Practices and Challenges of Implementation

The models that guide Strategic Change Management practices in organizations include Lewin’s three step approach, Kotter’s 8-Step Change Model, McKinsey 7s Model of Change management, Positive Approach to Change, Prosci’s ADKAR Change Model, Action Research Model and Karl Albrecht’s Change Response Cycle.

2.3.1 Lewin's Change Management Model

According to Kurt Lewin (1951) a particular set of behaviors at any moment in time is the result of two groups of forces: those striving to maintain the status quo and those pushing for change. When both sets of forces are about equal, current behaviours are maintained in what Lewin termed a state of quasi-stationary equilibrium. To change that state, one can increase those forces pushing for change and decrease those forces
maintaining the current state, or apply some combination of both. Lewin viewed this change process as consisting of three steps: Unfreeze, change and refreeze. Unfreeze is the first stage of change. It involves preparing the organization to accept that change is necessary and breaks down the existing status quo before putting up a new way of operating. To prepare the organization successfully, one needs to challenge the beliefs, values, attitudes, and behaviors that currently define it. The second step is change. After the uncertainty created in the unfreeze stage, people start to believe and act in ways that support the new direction. Time and communication are the two keys to success for the changes to occur.

People need time to understand the changes and they also need to feel highly connected to the organization throughout the transition period. The final step is refreeze. This step stabilizes the organization at a new state of equilibrium. It is frequently accomplished through the use of supporting mechanisms that reinforce the new organizational state, such as organizational culture, norms, policies and structures.

**2.3.2 Kotter’s 8-Step Change Model**

John Kotter developed 8 Steps for Change in a response to observing more than 100 companies trying to remake themselves into significantly better companies. Step 1 involves establishing a sense of urgency to prompt action (Kotter, 1996). Step 2 is to form a powerful guiding coalition of at least 3 to 5 powerful people within the organization leading the effort. Step 3 involves creating a vision of what the future with the change will look like. The vision serves to illustrate the general direction of the change, motivate people to take action and coordinate the actions which individuals will take (Kotter, 1996).
Step 4 requires communication of the vision through repetition, explanation, the use of multiple forums and leading by example (Kotter, 1996). Step 5 is empowering others to act on the vision. This may involve changing systems or structures within the organization and allocating more money, time, or support needed to make the change effective. Step 6 involves planning for short-term wins, Step 7 involves consolidating gains and producing more change and finally step 8 involves institutionalizing the new approaches. Change sticks when it becomes “the way we do things around here” (Kotter, 1995, pg. 67).

2.3.3 McKinsey 7s Model of Change management

McKinsey 7s model was developed in 1980s by McKinsey consultants Tom Peters, Robert Waterman and Julien Philips with a help from Richard Pascale and Anthony G. Athos. The goal of the model was to show how 7 elements of the company: Structure, Strategy, Skills, Staff, Style, Systems, and Shared values, can be aligned together to achieve effectiveness in a company. The key point of the model is that all the seven areas are interconnected and a change in one area requires change in the rest of a firm for it to function effectively.

Strategy is the plans for the allocation of a firm's scarce resources, over time, to reach identified goals. Structure refers to the way the organization's units relate to each other: centralized, functional divisions (top-down); decentralized (the trend in larger organizations); matrix, network, holding, etc. Systems comprise the procedures, processes and routines that characterize how important work is to be done. Skills are the distinctive capabilities of personnel or of the organization as a whole.

Staff means put people with the right skills in the right position. Style is the culture of the organization and how key managers behave in achieving the organization’s goals.
Shared Value: The interconnecting centre of McKinsey's model is: Shared Values. What the organization stands for and what it believes in. For example: the central beliefs and attitudes.

2.3.4 Positive Approach to Change

This was developed by David Cooperrider (2005). It involves the analysis of positive and successful (as opposed to negative) events. This approach also uses a basic framework called the 4-D model—discovery, dream, design, and destiny—to accomplish its objectives (Cooperrider et al. 2005). Change occurs in all phases of an appreciative inquiry process.

The Discovery phase is a diligent and extensive search to understand the “best of what is” and “what has been.” The Dream phase is an energizing exploration of “what might be”: a time for people to explore their hopes and dreams for their work, their working relationships, their organization, and the world at large. The Design phase involves making choices about “what should be” within the organization or system (Cooperrider et al. 2005).

2.3.5 ADKAR Change Model

The Awareness Desire Knowledge Ability and Reinforcement Model (ADKAR) was developed by Prosci (2000). It examines the inclination of the employees at each step and enables managers to develop a plan in order to induce willingness to accept the change. The ADKAR model is founded on two basic principles: one, successful change occurs when individuals have also changed and two; that it happens to an organization and its people. Therefore organizational change can only happen when the employees themselves have accepted the change by going through the ADKAR
stages. The ADKAR model focuses more on the individual change and can be used as a checklist because the individual forms part of the organization which can also be affected by the complexity and the priority of change. In reviewing the ADKAR model, it was noted that this model fails to take into account the fact that the process should encompass change and transition, as argued by Bridges (2003).

2.3.6 Action Research Model

The action research model focuses on planned change as a cyclical process in which initial research about the organization provides information to guide subsequent action. The model has eight steps. These are discussed below. The first stage is problem identification. This begins when a key executive in the organization or someone with power and influence senses that the organization has one or more problems that might be solved with the help of an Organizational Development practitioner. The second step is consultation with a behavioral science expert. The third stage is data gathering and preliminary diagnosis. It involves gathering appropriate information and analyzing it to determine the underlying causes of organizational problems (Gioia et al 1994).

The fourth stage is Feedback to a key client or group. Because action research is a collaborative activity, the diagnostic data are fed back to the client, usually in a group or work-team meeting. The fifth step is conducting a joint diagnosis of the problem. At this point, members discuss the feedback and explore whether they want to work on identified problems. Step six involves joint action planning. At this stage, the specific action to be taken depends on the culture, technology, and environment of the organization (Kanter 1989). Step seven is action, that is, the actual change from one organizational state to another. It may include installing new methods and procedures,
reorganizing structures and work designs, and reinforcing new behaviors. Such actions typically cannot be implemented. The final step is data gathering after action. Because action research is a cyclical process, data must also be gathered after the action has been taken to measure and determine the effects of the action and to feed the results back to the organization. This, in turn, may lead to re-diagnosis and new action (Fahy 2000).

In implementing change the main problem is likely to be carrying the body of the organization with the change (Burnes, 2009). It’s one thing to change the commitment of a few senior executives at the top of the organization, and another to convert the body of the organization to an acceptance of significant change. Consequently the following is imminent:

Uncertainty: Strategic changes mostly occur over significant periods of time and give rise to considerable differences in the way an organization operates. Consequently, the process of implementing strategic change generates a great deal of uncertainty in the organization which, in turn triggers off political and social activity as groups and individuals seek to cope with the organization and results in triggering off greater uncertainty (Johnson and Scholes, 2002).

Cultural Issues; the culture of an organization is a set of “unwritten rules”. Management may have a set of protocols for employees to adhere to perform business processes. Beliefs and practices that become embedded in an organization’s culture can originate anywhere: from one influential individual, work group, department, or division from the bottom of the organizational hierarchy or the top (Kotter and Heskett, 1992).
Thompson and Strickland (2003) argue that an organization's culture is either an important contributor or an obstacle to successful strategy execution. A strong culture is a valuable asset when it matches strategy and a dreaded liability when it doesn’t. Faced with pressures for change, managers are likely to deal with the situation in ways which are in line with the paradigm and the cultural, social and political norms of organizational life. This raises difficulties for when managing strategic change for it may be that the action required is outside the scope of the paradigm and the constraints of the cultural web: that is members of the organization would be required to change substantially their core beliefs or the ‘way we do things around here’.

Strategic drift; The ever increasing environmental turbulence appears to be currently showing signs of discontinuity. Strategies develop incrementally on the basis of historical and cultural influences but fail to keep pace with the changing environment. This is strategic drift (Johnson, 1988). In these circumstances the strategy of the organization will become less and less in line with the environment in which the organization operates. Good managers may also be bad leaders. This may breed imbalance in priority between strategic and operating work. Strong leadership required to direct the change management process in any organization is not automatic. Bad leaders who merely provide are not doing enough to inspire the employees to march ahead. People want to be shown the way all through (Peters and Waterman, 1982).

Resistance to change; Ansoff & McDonnell (1990) defined resistance as a multifaceted phenomenon, which introduces unanticipated delays, costs, and instabilities into the process of strategic change. Paton and McCalman (2008) stated that resistance manifests itself throughout the history of a change. Additionally, Hill and Jones (2001) noted that resistance is the manifestation of the irrationality of an
organization, a refusal to recognize new dimensions of reality, to reason logically and
to carry out the consequences of logical deductions. McGregor (1960) added that
resistance is a natural manifestation of different rationalities, according to which
groups or individuals interact with one another. Resistance can also be systemic as a
result of systemic overload due to imbalance in priority between strategic and
overload work, capability gap and strategic overload resulting in delays, cost
overruns.

2.4 Summary
This chapter has reviewed literature that is relevant for the study on strategic change
management practices among international NGOs. The review covers the theories of
change management with focus made on the resource based theory and stakeholder
theory. Resource based theory was developed as a complement to the industrial
organization whose focus on the structure conduct-performance paradigm, the IO
view puts the determinants of an organization’s performance outside the organization,
in its industry's structure). Stakeholder theory is an instrument to identify critical
stakeholders in the environment of the Management Practices in order to define
developments for strategy.

Further, the models reviewed include Lewin’s three step approach, Kotter’s 8-Step
Change Model, McKinsey 7s Model of Change management, Positive Approach to
Change, Prosci’s ADKAR Change Model, Action Research Model and Karl
Albrecht’s Change Response Cycle.
CHAPTER THREE
RESEARCH METHODOLOGY

3.1 Introduction
This chapter describes the research methodologies which were used in the study. It describes the research design, the data collection tools and processes as well as the target interviewees. The chapter wound up with an insight of the data analysis methods and tools which was employed during the study.

3.2 Research Design
The approach used in this study is a case study. Case study is an in-depth investigation of an individual, institution, or a phenomenon. It involves a careful and complete observation of social units or a phenomenon (Kothari, 2004). It also offers a comprehensive understanding of the social units or phenomenon under study. Case study is a method of in-depth study rather than breadth and places more emphasis on the full contextual analysis of the limited number of events or conditions and other inter-relations, which relies on qualitative data (Cooper and Schindler, 2005).

Researchers such as Bita (2011) and Chepkwony (2012) have successfully used case study in their research work. The study conducted is a case study of Maryland Global Initiatives Corporation. Target interviewees comprised of senior management from key departments as well as some middle level managers who are directly involved in the management of strategic change. The departments are human resources, finance, technical & IT, corporate affairs and strategy & business development. Secondary data was collected from Maryland Global Initiatives Corporation website.
3.3 Data Collection

The primary data was collected using a comprehensive interview guide. An interview
guide is a very important approach in a case study design as it requires several sources
of information to be used for verification and comprehensiveness (Cooper and
Schindler, 2003). Personal interview was selected as the most appropriate primary
data collection method taking into account the strategic approach of the study as well
as the complexity and predominant qualitative dimension of the phenomenon under
investigations (Kothari, 2004).

The interview guide comprised of open ended questions (unstructured) to elicit
detailed information from the interviewees. Through the technique the researcher was
able to collect views and opinions and even feelings of the interviewees about
strategic change management practices at Maryland global initiatives corporation.

3.4 Data Analysis

Data collected was analyzed using content analysis. This is because the nature of data
collected is qualitative in nature. This is a technique of making inferences by
systematically and objectively identifying specific characteristics of messages as the
basis to relate trends (Nachmias and Nachmias, 1996). It captures a qualitative picture
of interviewees, concerns, ideas, attitudes and feelings.

In addition, it provides valuable historical and cultural insights through analysis of
texts. More so it is an obtrusive means of analyzing interactions and provides insights
to complex models of human thought and language use. Chelagat (2012), and Ouma,
(2004) successfully used qualitative analysis in their research studies.
3.5 Summary
This chapter describes the research methodologies which were used in the study. The approach used in this study is a case study. Case study is an in-depth investigation of an individual, institution, or a phenomenon. The primary data was collected using a comprehensive interview guide. Data collected was analyzed using content analysis. This is because the nature of data collected is qualitative in nature.
CHAPTER FOUR

DATA ANALYSIS, RESULTS AND DISCUSSION

4.1 Introduction

This chapter presents data analysis and discussions. The study objective was to establish strategic change management practices adopted by Maryland Global Initiatives Corporation and to determine any challenges encountered in implementation. Primary data was collected using a comprehensive interview guide from senior management from key departments including some middle level managers who are directly involved in strategic change management. Secondary data was collected from Maryland Global Initiatives Corporation website including the company’s current strategic plan. The data was thereafter analyzed using content analysis based on the objectives of the study and the findings were presented as per the different themes underlined below.

4.2 Strategic Change management Practices

The researcher asked the interviewees various questions relating to strategic change management practices adopted by Maryland Global Initiatives Corporation and obtained various responses. This was meant to indicate how implementation of strategic change management practices, amid major varied challenges has enabled Maryland Global Initiatives Corporation to survive and lead in the turbulent business environment that the NGOs are experiencing. The results were as below.
4.2.1 Strategic Change Management practices used in Maryland Global Initiatives

The interviewees were asked whether there were any strategic change management practices used in Maryland Global Initiatives Corporation and what the practices were.

They indicated that indeed there were change management practices used and stated enhancement of collaboration between departments through group meetings, project matrix structures, restructuring and also intentional recruitment of managers from outside as examples of such practice. Additionally, the interviewees also pointed out that the organization at times conducts senior management meetings for all concerned departmental heads and senior middle level managers. First the organization conducts team building for those likely to be laid off as a result of intended change. Later it is done for all employees.

4.2.2 Strategic change management communication

When asked about who communicates change at Maryland Global Initiatives Corporation, the interviewees indicated that generally, change at Maryland Global Initiatives Corporation is communicated by senior management team especially County Director, and chief operating officer (COO).

4.2.3 Channels of change Communication

This question sought to find out the channels of communication applied at Maryland Global Initiatives Corporation to indicate how disseminating and receiving of information on strategic objectives took place. Results indicated that a simple majority of the interviewees cited meetings as the main channel of communication as well as email; others said they used informal meetings while others said they used
Memos for communication. The findings indicate that meetings and emails form the main channel of communication.

4.2.4 Strategic Change process leader

In this question, interviewees were asked to identify the person responsible for communicating strategic implementation objectives. Results showed that majority of the interviewees received strategic objectives communication from top management, others indicated that they received from middle management while some interviewees said such communication came from the operational level managers. These findings indicate that Maryland Global Initiatives Corporation communicates strategic change objectives through top or strategic managers.

4.2.5 Employee empowerment

The interviewees were then asked to indicate if employees are empowered to execute the change at Maryland Global Initiatives Corporation. Interviewees overwhelmingly accepted that they are empowered through trainings such as e-learning, workshops, resource center on the share point of the organization’s intranet, as well as external trainings through certifications for various disciplines that are fully supported.

4.2.6 Celebration/Rewarding of strategic change success

Individual and group recognition is a necessary component of change management in order to cement and reinforce the change in the organization. The interviewees were therefore asked whether strategic change success is celebrated and rewarded at Maryland Global Initiatives Corporation and how this is done.

They agreed that strategic change management is recognized and celebrated in Maryland Global Initiatives. This is done through good recommendations, employee
and team of the year awards where the name of the team and employee’s portrait are conspicuously displayed at the reception area. Others include spot awards and bonuses, parties, and promotions. However some departments were of the opinion that only senior managers take the credit and therefore the rewards.

4.2.7 Periodical review of change management strategies

The interviewees were asked to indicate if there was periodical review of change management strategies at Maryland Global Initiatives Corporation. Majority of the interviewees agreed that there are periodical reviews of change management strategies through following complaints by the staff, career talk, and group counseling. Interviewees further stated that periodical reviews are rarely done and suggested that more meetings and reviews by staff should be conducted.

4.2.8 Efforts to improve change management

This question sought to find out whether there are any efforts to improve change management at Maryland Global Initiatives Corporation by the management.

The interviewees stated that there were notable efforts by the management to improve change management which is done through restructuring, exits, further trainings, periodic evaluations with a view to finding the need to increase momentum, comparisons with other better similar establishments and clearly pointing out the difference in results, change in reward system to tie rewards with performance were cited as the change adoption methods.

4.3 Strategic Change Management Challenges

In implementing change the main problem is likely to be carrying the body of the organization with the change (Burnes, 2009). The study asked the interviewees
various questions relating to strategic management challenges faced by Maryland Global Initiatives Corporation and obtained various responses. This was meant to indicate the challenges encountered during its reinvention. This will help the corporation’s future change managers and also benefit other international NGO’s in Kenya and indeed the region.

4.3.1 Strategic change management involved parties

The study sought to determine from the interviewees who is involved in strategic change management in Maryland Global Initiatives. According to the interviewees, relative to the type of change; every concerned employee/manager is involved in change, with clearly defined leadership and scope.

4.3.2 Employees’ attitudes towards change

It’s one thing to change the commitment of a few senior executives at the top of the organization, and another to convert the body of the organization to an acceptance of significant change. The study therefore sought to investigate whether every employee of Maryland Global Initiatives Corporation accepts and supports change.

It was confirmed across the departments that change is generally accepted, though some resistance is normally noted depending on either the nature or outcome of the proposed change. Much of the resistance was noted during actual implementation of change for example delays, diversion of resources, failure to communicate or give timely feedback, key stakeholders either skipping crucial meetings or failing to do their respective parts.
4.3.3 Strategic change management Departmental support

The interviewees were also asked whether they always get the needed support of all other concerned departments/division during change in their department. The interviewees declared that needed support from all other departments/divisions was noted although due to size of the corporation, this was not always received at the required time. Buy-in time was longer and some changes were regarded as either inferior or their value was not readily acknowledged for example conflict between marketing and technical whereby commitment given to customers through advertisement was not honored by technical who were the sole implementers.

4.3.4 Cultural issues affecting change management

The study required the interviewees to state any cultural issues that affect change management in their department. It was revealed by the interviewees that the nature of the business necessitated participation of diverse work force whose management and optimization called for global experience. This negatively affected change for example need for frequent travels back home for expatriates, observance of certain holidays not practiced in Kenya.

However other cultural issues came out as positively impacting change for example there was firm belief in technical and marketing, regulatory and risk which advocated for “getting it right the first time” and fast response. Generally culture of perfection was upheld in all departments although this was cited to cause pressure on other stakeholders’ for example suppliers and contractors.

4.3.5 Success rate of proposed changes

The study also sought to determine how often the proposed changes met the targeted need in Maryland Global Initiatives Corporation and the barriers to meeting the
targets. The interviewees stated that generally most change efforts met targeted objectives mostly of outdoing competition by superior quality and early delivery. Some departments felt that some changes were hurriedly introduced without considering need for proper planning and failed to meet desired goals.

4.3.6 Challenges faced during strategic change

The interviewees were also asked to point out the challenges faced during strategic change. Lack of employee involvement, ineffective coordination especially poor communication of change, dependence on donor funding, Low or lack of budgetary allocations, time allocated for the change, lack of a structured way of managing change, lack of needed resources for example specialized labor which is either nonexistent or expensive were amongst the challenges mentioned. In addition the interviewees said that some changes heavily rely on external contractors who fail to understand the intended change, others get it right but deliver late, others leave change midway. Mostly changes are anchored on corporate strategy and which when not communicated properly sometimes becomes a major challenge, others are lack of support and needed capabilities to carry change through, lack of commitment due to existence of commitment gap, change agents lacking a compelling figure of what change is desired. In some cases there was a degree of fear and anxiety during change due to mistrust and this delayed buy in of the proposed change.

4.3.7 Influences of Strategic change management

Asked who influences change in Maryland Global Initiatives Corporation and the kind of change it is, the interviewees said that change is mostly influenced by top leadership, but has other times been influenced by market demands, competition, and
industry or government regulators. Global trends have also influenced change in Maryland Global Initiatives Corporation.

4.4 Discussion of findings

From the findings Maryland Global Initiatives Corporation uses various strategic change management practices; this is in line with Newton et al (2003) who stated that approaches to managing change need to differ according to context. Enhancement of collaboration/participation between departments through group meetings, project matrix structures, restructuring and intentional employment of managers from outside as well as organizing of frequent offsite strategy meetings for all concerned departmental heads and senior middle level managers are such practices. Additionally team building between different sections, departments or divisions sometimes conducted by external trainers was found to be a common practice used especially before or during change. The findings indicate that meetings and emails form the main channel of communication. The findings are in line with other scholars’ findings including Kandie (2004), Robinson and Pearce (2004), Osoro (2009) and Kidombo (2007) all concluded that effective strategic plan implementation require clear channels of communication inculcated into the culture of the organization.

The study findings indicate that Maryland global incentives communicate strategic objectives information through top or strategic managers. The study findings are in conformity with scholars who have linked communication to strategy including, Cole (2002), Lamb and McKee (2004), Osoro (2009) and Waweru (2008). The scholars have recommended that communication of strategic objectives need to come from very authoritative sources in leadership positions. The study findings are therefore fit for use in other chapters and similar studies in future.
Interviewees agreed that there are periodical reviews of change management strategies, usually as a result of following complaints by the staff, through career talk and group counseling. Interviewees further stated that periodical reviews are rarely done and suggested that more meetings and reviews by staff should be hosted. Adaptable learning and training equipment was also suggested by interviewees. Reflecting what Mulube (2009), Letting (2009) and Barnes (2004) recommended for improved implementation of objectives.

From the findings, excellent communication is upheld before and during any change through weekly staff bulletin, emails and Memos. Additionally there are weekly updates with the Headquarters and program sponsors. It was established that through these forums major issues are communicated from one source in a direct way. Collier et al. (2004) argued that such involvement can foster a more positive attitude to change. People will see the constraints the organization faces as less significant and feel increased ownership of, and commitment to, a decision or change process.

Communication through the staff welfare was also found to be amongst the practices used to pick employees feedback. Observations are channeled through representatives (or committee members) who frequently meet with senior management and issues are deliberated. Under this practice the senior management reaches out to employees even those away from head office for interactive sessions to communicate change. Goodman and Truss (2004) stress the importance of considering both the content and process of corporate communication in times of change and indeed at all times.

The findings established that strategic change management is recognized and celebrated in Maryland Global Initiatives. This is done through good recommendations, awards, bonuses, parties and promotions. However some
departments were found to be of the view that only senior managers take the credit and therefore the rewards. Thompson and Strickland (2003) points out those managers typically try to enlist organization wide commitment to carrying out strategic change by motivating people and rewarding them for good performance.

Restructuring, demotions, exits, further trainings, periodic evaluations with a view to finding the need to increase momentum, comparisons with other better similar establishments and clearly pointing out the difference in results, change in reward system to tie rewards with performance were found to be the change adoption methods adopted by Maryland Global Initiatives Corporation. This is according to further literature which says that major tools include stake holder analysis, action research and the various steps of planned change steps advanced by Kurt Lewin and others. Additionally, the cultural web and force field analysis coined by Lewin (1943) are also useful means of identifying blockages to change and potential levers of change.

The findings established that depending on the type of change every concerned employee/manager is involved in change, with clearly defined leadership and scope. Bolman and Deal, (1999) said that if managers and change agents utilize a well-orchestrated, integrated design that responds to needs for learning, realignment, negotiation, and grieving, they might find themselves in the fast lane toward success and improvement. The need for a powerful organizational member for realizing change is raised by Quinn (2000) with his call for a change leader.

The study also found that across the departments change is generally accepted, though some resistance is normally noted depending on either the nature or outcome of the proposed change. Much of the resistance was found to be during actual
implementation of change for example delays, diversion of resources, key stakeholders either skipping crucial meetings or failing to do their respective parts. This concurs with Hayes, (1996); Baird et al., (1990) who argued that employees do not resist all change, only change that they do not understand or that they see as psychologically or economically threatening. Connected to that, the change resistance, which may occur during change efforts – reduction of productivity, work slowdowns, hostility and pessimism regarding goal attainment, can be attributed to several political, cultural, normative, and individual causes (Miller et al., 1994).

Internal trainings such as e-learning, workshops, resource centre, External trainings through Certifications for various disciplines are fully supported and enhanced by HR. Consistent Local and overseas trainings for specialized fields to enable proficiency at entry level and also before or during introduction of new technology were found to be the pre-strategic change management training carried out by Maryland Global Initiatives.

Additionally management training and development programs were also found to be common in Maryland Global Initiatives, both internal and external. Peters and Waterman (1982) concur that training is the cornerstone for building knowledge about the change and the required skills. Managers need to develop training requirements based on the skills, knowledge and behaviors necessary to implement the change. For strategic purposes, it is important for organizations to target the development of competences which can provide competitive advantage.

The findings also showed that needed support from all other departments /divisions was available although due to size of the company, this was not always received at the required time. Buy-in time was longer and some changes were established to be either
inferior or their value was not readily acknowledged for example was conflict between marketing and technical whereby commitment given to customers through advertisement was not honored by technical who were the sole implementers.

Generally most change efforts were found to meet targeted objectives mostly of outdoing competition by superior quality, “wowing the customers” and early delivery. Some departments were found to be of the view that some changes were hurriedly introduced without considering the need for proper planning and failed to meet desired goals. This is in line with Piderit (2000) who states that successful organizational adaptation is increasingly reliant on generating employee support and enthusiasm for proposed changes, rather than merely overcoming resistance.

Low or lack of budgetary allocations, time allocated for the change, lack of needed resources for example specialized labour which is either nonexistent or expensive were amongst the challenges mentioned. In addition the interviewees said that some changes heavily rely on external contractors who fail to understand the intended change, others get it right but deliver late, others leave change midway. Mostly changes are anchored on corporate strategy and which when not communicated properly sometimes becomes a major challenge, others are lack of support and needed capabilities to carry change through, lack of commitment due to existence of commitment gap, change agents lacking a compelling figure of what change is desired. In some cases there was a degree of fear and anxiety during change due to mistrust and this delayed buy in of the proposed change.

Change was found to be mostly influenced by top leadership, but has other times been influenced by market demands, competition, and industry or government regulators. Global trends were also found to have also influenced change in Maryland Global
Initiatives Corporation. Connected to that Balogun and Hailey (2008) stated that change leader or change agent function can be realized by the chief executive, or even a team of people who are responsible for managing the change process. Kanter (1983) adds that not only change agents but also ideal champions are necessary to promote and support new ideas.

4.5 Summary
This chapter presents data analysis and discussions. The study objective was to establish strategic change management practices adopted by Maryland Global Initiatives Corporation and to establish any challenges encountered in managing strategic change at Maryland Global Initiatives Corporation. From the findings Maryland Global Initiatives Corporation indeed uses change management practices such as enhancement of collaboration/participation between departments. The findings established that meetings as the main channel of communication as well as email; others said they used informal meetings while others said they used posters for communication.

The study found out that employees are empowered through internal trainings such as e-learning, workshops, resource centre, external trainings through certifications for various disciplines were depicted as the pre-strategic change management training carried out by Maryland Global Initiatives. The findings also established that that there were notable efforts by the management to improve change management which is done through restructuring, demotions, exits, further trainings, periodic evaluations comparisons with other better similar establishments and clearly pointing out the difference in results, change in reward system to tie rewards with performance were cited as the change adoption methods.
CHAPTER FIVE
SUMMARY, DISCUSSION AND CONCLUSION

5.1 Introduction

This chapter presents a summary, conclusions and recommendations of the study.
This study was focused on strategic change management practices and challenges at
Maryland Global Initiatives, Kenya.

5.2 Summary of findings

5.2.1 Strategic management practices

From the findings, Maryland Global Initiatives Corporation indeed uses change
management practices such as enhancement of collaboration/participation between
departments through group meetings, project matrix structures, restructuring and
intentional employment of managers from outside as well as organizing of frequent
offsite strategy meetings for all concerned departmental heads and middle level
managers. Additionally team building between different sections, departments or
divisions sometimes conducted by external trainers was found to be a common
practice used especially before or during change.

The findings established that a simple majority of the interviewees cited meetings as
the main channel of communication as well as email; others said they used informal
meetings while others said they used posters for communication. Similarly the
interviewees affirmed that t-shirts, shirts and caps are mostly printed and distributed
to communicate change as well as promotions and advertisements and team building
Results showed that majority of the interviewees received strategic objectives communication from top management, others indicated that the received from middle management while also some interviewees said such communication comes from the operational level managers.

The study found out that employees are empowered through Internal trainings such as e-learning, workshops, resource centre, external trainings through certifications for various disciplines are fully supported and enhanced by HR respective divisional HR partners, consistent local and overseas trainings for specialized fields to enable proficiency at entry level and also before or during introduction of new technology were depicted as the pre- strategic change management training carried out by Maryland Global Initiatives.

According to the findings, strategic change management is recognized and celebrated in Maryland Global Initiatives. This is done through good recommendations, cash rewards in form of spot awards and bonuses, parties, and promotions. However some departments were of the opinion that only senior managers take the credit and therefore the rewards.

The study also found out that Majority of the interviewees agreed there are periodical review of change management strategies through following complaints by the staff, use of states, career talk, and group counseling. Interviewees further stated that periodical reviews are rarely done and suggested that more meetings and reviews by staff should be hosted. Adaptable learning and training equipment was also suggested by interviewees.

The findings also established that that there were notable efforts by the management to improve change management which is done through restructuring, demotions,
exits, further trainings, periodic evaluations with a view to find need to increase momentum, comparisons with other better similar establishments and clearly pointing out the difference in results, change in reward system to tie rewards with performance were cited as the change adoption methods.

5.2.2 Strategic Change Management Challenges

The findings established that depending on the type of change every concerned employee/manager is involved in change, with clearly defined leadership and scope.

The study also found out that across the departments change is generally accepted, though some resistance is normally noted depending on either the nature or outcome of the proposed change. Much of the resistance was found to be during actual implementation of change for example delays, diversion of resources, key stakeholders either skipping crucial meetings or failing to do their respective parts.

Internal trainings such as use of e-learning materials, workshops, resource centre, external trainings through certifications for various disciplines are fully supported and enhanced by HR through respective divisional HR partners, consistent local and overseas trainings for specialized fields to enable proficiency at entry level and also before or during introduction of new technology were found to be the pre- strategic change management training carried out by Maryland Global Initiatives. Additionally management training and development programs were also found to be common in Maryland Global Initiatives, both internal and external. The only noted challenge was budgetary issues and business continuity which can’t allow managers to be trained at the same time. This is instead done before, during and sometimes extends to post change period.
The findings also showed that needed support from all other departments /divisions was available although due to size of the company, this was not always received at the required time. Buy-in time was longer and some changes were established to be both inferior and their value was not readily acknowledged for example conflict between marketing and technical whereby commitment given to customers through advertisement was not honored by technical who were the sole implementers.

The study also found out that the nature of the business necessitated participation of diverse work force whose management and optimization called for global experience. This negatively affected change for example need for frequent travels back home for expatriates, observance of certain holidays not practiced in Kenya. However other cultural issues were found to be positively impacting change for example there was firm belief in technical and marketing, regulatory and risk that getting it right the first time, customer is king, and general fast deliveries on most change endeavors.

Generally the culture of perfection was found to be upheld in all divisions although this was cited to cause pressure to other stakeholders’ for example suppliers and contractors.

Generally most change efforts were found to meet targeted objectives mostly of outdoing competition by superior quality, wowing the customer, early delivery. Some departments were however found to be of the view that some changes were hurriedly introduced without considering the need for proper planning and failed to meet desired goals.

Low or lack of budgetary allocations, time allocated for the change, lack of needed resources for example specialized labour which is either nonexistent or expensive were amongst the challenges found to face strategic change. In addition the
interviewees said that some changes heavily rely on external contractors who fail to understand the intended change, others get it right but deliver late, others leave change midway. Mostly changes are anchored on corporate strategy and which when not communicated properly sometimes becomes a major challenge, others challenges established to face strategic change were lack of support and needed capabilities to carry change through, lack of commitment due to existence of commitment gap, change agents lacking a compelling figure of what change is desired. In some cases there was a degree of fear and anxiety during change due to mistrust and this delayed buy in of the proposed change.

Some changes heavily rely on external contractors who fail to understand the intended change, others get it right but deliver late, and others leave change midway. Mostly changes are anchored on corporate strategy and which when not communicated properly sometimes becomes a major challenge, others are lack of support and needed capabilities to carry change through, lack of commitment due to existence of commitment gap, change agents lacking a compelling figure of what change is desired. In some cases there was a degree of fear and anxiety during change due to mistrust and this delayed buy in of the proposed change.

Change was found to be mostly influenced by top leadership, but has other times been influenced by market demands, competition, and industry or government regulators. Global trends were also found to have also influenced change in Maryland Global Initiatives Corporation.

5.3 Conclusions

The study concluded that Maryland Global Initiatives Corporation indeed uses strategic change management practices such as enhancement of
collaboration/participation between departments through group meetings, project matrix structures, restructuring and intentional employment of managers from outside as well as organizing of frequent offsite strategy meetings for all concerned departmental heads and middle level managers.

The findings concluded that a simple majority of the interviewees cited meetings as the main channel of communication as well as email; others said they used informal meetings while others said they used memos for communication. Similarly the interviewees affirmed that t-shirts, shirts and caps are mostly printed and distributed to communicate change as well as promotions and advertisements and team building

The study concluded that interviewees received strategic objectives communication from top management, others indicated that the received from middle management while also some interviewees said such communication comes from the operational level managers.

The study concluded that employees are empowered through internal trainings, workshops, e-learning, resource centre and external trainings in various disciplines and are fully supported and enhanced by the management. Consistent local and overseas trainings for specialized fields are to enable proficiency at entry level and also before or during introduction of new technology were depicted as the pre-strategic change management training carried out by Maryland Global Initiatives Corporation.

The study concluded that strategic change management is recognized and celebrated in Maryland Global Initiatives. This is done through good recommendations, cash rewards in form of spot awards and bonuses, parties, and promotions. However some
departments were of the opinion that only senior managers take the credit and therefore the rewards.

The study also concludes that majority of the interviewees agreed there are periodical review of change management strategies through following complaints by the staff, use of states, career talk, and group counseling. Interviewees further stated that periodical reviews are rarely done and suggested that more meetings and reviews by staff should be hosted. Adaptable learning and training equipment was also suggested by interviewees.

The study concluded that depending on the type of change every concerned employee/manager is involved in change, with clearly defined leadership and scope. The study also concluded that across the departments change is generally accepted, though some resistance is normally noted depending on either the nature or outcome of the proposed change. Much of the resistance was concluded to be during actual implementation of change for example delays, diversion of resources, key stakeholders either skipping crucial meetings or failing to do their respective parts.

Internal trainings such as e-learning, workshops, resource centre, external trainings and certifications for various disciplines are fully supported and enhanced by HR through respective divisional HR partners. Consistent local and overseas trainings for specialized fields to enable proficiency at entry level and also before or during introduction of new technology were concluded to be the pre- strategic change management training carried out by Maryland Global Initiatives Corporation. Additionally, management training and development programs were also concluded to be common in Maryland Global Initiatives, both internal and external. The only noted
challenge was budgetary issues and business continuity which can’t allow all managers to be trained at the same time.

The study further concluded that needed support from all other departments/divisions was available although due to the size of the company, this was not always received at the required time. Buy-in time was longer and some changes were established to be either inferior or their value was not readily acknowledged for example, conflict between marketing or technical whereby commitment given to customers through advertisement was not honored by technical who were the sole implementers.

The study also concluded that the nature of the business necessitated participation of diverse work force whose management and optimization called for global experience. This negatively affected change for example need for frequent travels back home for expatriates, observance of certain holidays not practiced in Kenya. However other cultural issues were concluded to be positively impacting change for example there was a firm belief in technical and marketing, regulatory and risk that getting it right the first time, customer is king, and general fast deliveries on most change endeavors. Generally the culture of perfection was concluded to be upheld in all divisions although this was cited to cause pressure to other stakeholders for example suppliers and contractors.

Generally most change efforts were concluded to meet targeted objectives mostly of outdoing competition by superior quality, early delivery. Some departments were concluded to be of the view that some changes were hurriedly introduced without considering the need for proper planning and failed to meet desired goals. Low or lack of budgetary allocations, time allocated for the change, lack of needed resources for example specialized labour which is either nonexistent or expensive were amongst the
challenges concluded to face Maryland Global Initiatives Corporation in relation to strategic change management.

Besides some changes were concluded to heavily rely on external contractors who fail to understand the intended change, others get it right but deliver late, and others leave change midway. Mostly changes were established to be anchored on corporate strategy and, which when not communicated properly sometimes becomes a major challenge. Others were lack of support and therefore needed capabilities to carry change through, sometimes there is lack of commitment due to existence of commitment gap, if change agents lack a compelling figure of what change is desired. In some cases there was a degree of fear and anxiety during change due to mistrust and this delayed buy in of the proposed change.

Change was concluded to be mostly influenced by top leadership, but has other times been influenced by market demands, competition and industry or government regulators. Global trends were also found to have also influenced change in Maryland Global Initiatives.

This study found out the best practices and also the challenges encountered by Maryland Global Initiatives Corporation during its continuous reinvention. The findings help the corporation’s future change managers and also benefit other international NGO’s in Kenya and indeed the region. New players in the market will adopt effective strategic change management practices which will enhance their survival and competitiveness in a global environment.

**5.4 Recommendations**

Although strategic change management is recognized and celebrated at Maryland Global Initiatives Corporation, some departments were concluded to be of the view
that only senior managers take the credit and therefore the rewards. The study therefore recommends individual and group recognition as a necessary component of change management in order to cement and reinforce the change in the organization.

Needed support from all other departments was affected by the size of the company, in terms of delay. The study therefore recommends buy-in time be shortened and a critical review of changes.

The study also recommends that changes anchored on corporate strategy be communicated properly. Other challenges such as lack of support on needed capabilities to carry change through, lack of commitment due to existence of commitment gap, agent’s lack a compelling figure of what change is desired also need to be counteracted in order to ensure a smooth adoption process of strategic changes in order to gain a competitive edge in the industry.

5.5 Limitations of the Study

This research was a case study and therefore the research was limited to Maryland Global Initiatives Corporation, Kenya. Thus the findings on strategic change management practices and challenges of implementation are limited only to Maryland Global Initiatives Corporation, Kenya and as such they cannot be generalized as remedies to other organizations.

The study focused on interviewing some of the very busy executive team members and scheduling appropriate interview timings was a challenge, in some instances the researcher had to keep rescheduling the interviews. However, the study eventually managed to obtain information from the key decision makers of the company. It’s also important to note that the data collected from the interviewees may have suffered
from personal biases and may therefore not fully represent the opinion of Maryland Global Initiatives Corporation Kenya in some cases.

5.6 Suggestions for further Research

This study sought to establish strategic change management practices adopted by Maryland Global Initiatives Corporation and to determine any challenges encountered in implementation of the strategic change at Maryland Global Initiatives Corporation. Further research is recommended based on the strategic change management practices and the challenges of implementation in other international NGO’s in Kenya as well as East Africa. This will allow for generalization of the results.

The study recommends further research on other perceived factors that influence adoption and implementation of strategic change in NGO’s.
REFERENCES


APPENDIX: INTERVIEW GUIDE

PART A: INTERVIEWEE PROFILE

1. In which department do you work?
2. What is your position in the department?
3. For how long have you worked with Maryland Global Initiatives Corporation?

PART B: STRATEGIC CHANGE MANAGEMENT PRACTICES AT MARYLAND GLOBAL INITIATIVES CORPORATION

1. Is the need for change communicated at Maryland Global Initiatives Corporation?
2. Who communicates change at Maryland Global Initiatives Corporation?
3. How is change communicated at Maryland Global Initiatives Corporation?
4. Who leads the change process at Maryland global Initiatives Corporation?
5. In your opinion, are the employees empowered to execute the change at Maryland Global Initiatives Corporation? If yes, how?
6. Is strategic change management success celebrated at Maryland Global Initiatives Corporation?
7. Is successful change management rewarded at Maryland Global Initiatives Corporation? If yes, how?
8. Is there periodical review of change management strategies at Maryland Global Initiatives Corporation?
9. If yes after how long is the review done?
10. In your view, are there efforts to improve change management at Maryland Global Initiatives Corporation by the management?
11. If yes, which methods are used to improve change management?

12. How often does proposed change meet the targeted need at Maryland Global Initiatives Corporation? If no, why do you think so?

PART C: CHALLENGES OF IMPLEMENTING STRATEGIC CHANGE AT MARYLAND GLOBAL INITIATIVES CORPORATION

13. Who is involved in strategic change management at Maryland Global Initiatives Corporation?

14. Does every employee of Maryland Global Initiatives Corporation accept and support change?

15. Do you always get the needed support of all other concerned departments during change in your department?

16. Do you face any cultural issues that affect change management in your department? If yes which are they?

17. How often does proposed change meet the targeted need in Maryland Global Initiatives Corporation? If no, why do you think so?

18. What are some of the challenges faced during strategic change?

19. Who influences change in Maryland Global Initiatives Corporation? If any is it positively or negatively?