

**CHALLENGES OF IMPLEMENTING CHANGE PROGRAMMES AT CITY  
COUNCIL OF NAIROBI**

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**DECLARATION**

I declare that this is my Original work and has not been presented in any other University or College for Examination or Academic purposes.

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**SUPERVISOR'S DECLARATION**

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## **DEDICATION**

This thesis report is dedicated to my Late Father Andrew Moturi, my dearest Mother Mary Bochaberi, dear Husband David Naibei, my lovely Children Kyle, Elvis, Kadzo and my Siblings Gladys, Anthony, Ruth and Richard for their inspiration and relentless motivation throughout my study period, God bless them all.

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## **LIST OF ABBREVIATIONS AND ACRONYMS**

<b>CCN</b> .....	City Council of Nairobi
<b>MOLG</b> .....	Ministry of Local Government
<b>CBD</b> .....	Central Business District
<b>MBWA</b> .....	Management by walking around
<b>TQM</b> .....	Total quality management
<b>BPR</b> .....	Business process re-engineering
<b>LASDAP</b> .....	Local Authorities Service delivery Action Plan
<b>HOD</b> .....	Heads of Departments
<b>HR</b> .....	Human Resources
<b>ERS</b> .....	Economic Recovery Strategy

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## **ABSTRACT**

Much of the previous research into the change programs has concentrated generally on challenges of change management, management of strategic change and management of change management process. This study therefore sought to fill the existing research gap by carrying out a case study on challenges of implementing change programs at City Council of Nairobi. The main objective of the study was to investigate the challenges experienced by City Council of Nairobi in implementing Change programs. The findings may be a general reflection of what happens in local authorities' country wide. This research was conducted through a case study. The target population of this study was 16 number departments at the City Council of Nairobi. This paper utilized an interview guide in data collection. This study collected primary data using a self-administered interview guide. The response received was analyzed by content analysis. From the findings, the study established that majority of respondents were aware of the change programs being implemented within the City Council of Nairobi. The study further established that most of the respondents were in agreement with the challenges in implementing the change programs in the organization. This study therefore recommends that in order to avoid challenges in implementing change programs within the City Council of Nairobi a review of the organization's strategic plan and the entire organizational structure needs to be revised and a more hands on approach needs to be incorporated within the organization and disseminated to all staff, who also need to be involved in the decision making processes that take place within it..

## CHAPTER ONE

### INTRODUCTION

#### 1.1 Background of the study

Organizations rarely standstill, but are in a more or less constant state of flux where change and adaptations is one part, if the organization has a knock on effect elsewhere.(Cole, 2005).It has become the accepted view that, for the society at large, the magnitude, speed, unpredictability and impact of change are greater than ever before. Although many claim that we are living through a period of unprecedented and unpredictable change, not everyone is affected by the same change. Though change management would not be considered particularly important if products and markets and organizational change were rare, it would be considered even less of an issue, if it were easily merged and success would be guaranteed, there is substantial evidence that this is not the case.

Strategic change management is a systematic approach to achieving a sustainable change in the human and organizational behavior. It involves changing the people in the organization from certain old behavior to some new behavior desired by the organization (Todd, 1999). (Jones, 2004) states that organizational change is the process by which organizations move from their present state to some desired future state so as to increase their effectiveness. Change affects every aspect of life thus taking a proactive approach to change is the only way to take charge of the future either as an individual or as an organization.

Change management entails thoughtful planning and sensitive implementation and above all, consultation with, and involvement of, the people affected by the changes. Change must be realistic, achievable and measurable. A question that needs to be asked is: what do we want to achieve with this change, why, and how will we know that the change has been achieved? Who is affected by this change and how will they react to it? Change management need to be understood and managed in a way that people can cope effectively with it.

Change can be unsettling, thus the manager needs to be a settling influence. Three types of organizational change that has been perceived to be important and have received considerable attention are Introduction of the new technology in the early 1980's, adoption of total quality management (TQM) and application of business process re-engineering (BPR).The microelectronic revolution of the 1980's which saw the rapid expansion of computers and computer based processes into most areas of organizational life, was the subject of great many studies. The move by the European organizations to adopt total quality management began in the mid 1980's, although total quality management was a success to the Japanese companies, whereas the experience in the western companies was that it was difficult to introduce and sustain the same.

Philip Crosby (1979) one of the founders of total quality movement claimed that 90 per cent of the TQM initiatives by American organizations failed. In the United Kingdom and other European countries the failure rate was 80 per cent. Business process re-engineering was hailed as the biggest business innovation (Mill, 1994:26) though less well documented than either new technology or TQM, (Wastell et al ) (1994:37) concluded that the business process re-engineering have typically achieved much less than they promised. Therefore even with these three types well established initiatives there is no guarantee for success. This is perhaps why managers consistently identify the difficulty of managing change as one of the key obstacles to the increased competitiveness of their organizations (Hanson, 1993; industrial society, 1997; Worrall and Cooper, 1997).Change management can either be reactive, in which case the management is responding to changes in the macro environment/(some change is external) or proactive, in which management is initiating change in order to achieve a desired goal(source of change is internal) Change management can be coordinated on a continuous basis, on a regular schedule, or when deemed necessary on a programme by programme basis (Lewin, 1947).

### **1.1.1 Concept of change management**

Organizations face challenges that are from their external environment. Environment's which organizations operate in are not static but continuously changing (Rue and Byar, 1992). This study will concentrate on challenges of implementing change programmes at City Council of Nairobi. Organizational

environment has been changing since the 1970's when the world experienced great changes in the petroleum price thus organization's had to consider how to reconfigure themselves to take in these external events into account (Stones; Freeman and Culbert, 2003). In the 1980's change shifted from local to global, thus market competitions were intensified across the world. In the 1990's technology revolutionized the way we think about organizations. Failure to spot change trends and conditions and to effectively manage them leads to a serious strategic problem characterized by maladjustments of the organizational outputs and demands of its internal environment (Thompson, 1997).

Change management is not a distinct discipline with rigid and clearly defined boundaries. Theory and practice of change management draws on a number of social science disciplines and traditions. The tasks are further complicated by the fact that the social sciences are inter woven, to challenge this, is to range wide enough to capture the theoretical foundations of change management, without straying so far into its relates disciplines that clarity and understanding suffer.

### **1.1.2 City Council of Nairobi**

The City Council of Nairobi is among the 275 Local Authorities in Kenya. It is governed by Cap 265, the Local Government Act,. In the Act, the City Council of Nairobi is classified as a municipal council. The act of parliament is yet to be amended to adopt the word 'city' among its classifications of the local authorities. In Kenya today there are only three cities recognized by the office of Deputy Prime Minister, Ministry of Local Government. They are the City Council of Nairobi, Mombasa City and Kisumu City. Other classifications of the local authorities include municipal councils (for example Machakos, Nyeri), County Councils (for example Nyamira, Makueni), Town Councils (for example Tala-Kangundo, Oyugis). Nairobi 'The place of cold water' owes its beginning to the exploitation of the East African territories by the British. With the railway reaching Nairobi in 1898, the colonial administration seat shifted from Machakos to Nairobi. This was facilitated by the availability of means of transport from Nairobi to Mombasa and the rest of the interior (including the later called white highlands). The rate at which Nairobi was growing as an urban area called for formation of a municipal committee.

In 1900 Sir Arthur Harding published the Nairobi municipal regulations and defined the Township as the area comprised within a radius of one mile and a half from the then present office of H. M. Sub minister in Ukambani'. The regulations covered committee meeting conduct, methods of lighting, policing and cleaning. The first Town Clerk was Captain E. L. Sanderson, other white Town Clerk who followed

were Sir Henry Belfield, Walter, Williams, Ridont, and Sir Edward Northey among others. The first African Councillors to serve in the municipal were Muchuhi Gikonyo and Khamisi in 1946. The first African Town Clerk was appointed in 1967. Since then 17 Town Clerks have managed the Council to date. The Council mandate is to provide and manage basic social and physical infrastructure services to the residents of Nairobi. These services include basic education, housing, health, water and sewerage, refuse and garbage collection, planning and urban planning and development, urban public transport and fire services among others.

There is no clearly designed change management approach in the City Council of Nairobi. Being under the office of Deputy Prime Minister, Ministry of Local Government, it has influences of the Molg, the office of the President, the office of the Prime Minister, Ministry of Finance and the Directorate of Personnel Management. Each of these branches issue advice, directives and instructions to the City Council of Nairobi on various areas of change programmes.

Change programs under performance contracting are coordinated from the office of the Prime Minister, Reforms Secretariat. The secretariat gives advice on financial, non-financial, operational and dynamic aspects of council's performance contract.

Directorate of Personnel Management gives directives and advice on the growth and development of officers with the framework of public service. Ministry of Finance also issues directives on procurement, fund spending, funds revenues and general public funds management. This affects the other government agencies including the City Council of Nairobi. It is at rare occasions that the council will have independent planned changes. This is because it operates under the umbrella of the Molg. Operating capital expenditure of the council has to be approved by minister Molg and the minister for finance (as instructed by parliament).

Most of the change management approaches at the council level are on emergent basis. They are not planned but are reactive to a threat which is in force and instructions from above. But it should be noted that normally change management approach in the council are a more or less a process. Bullock and batter (1985) approach has some application in the council. The management creates awareness of need for change after receiving instructions from the external influencers. The instructions are tailor made for council through planning for actions to be undertaken and how best to implement the changes as per the action plan.

Kanter et al (1992) Ten (10) commandments approach has also been used in the institutionalization of changes. The separate commandments are implemented one by one without following any order as the management and internal change agents so feel. Use of emergent change management approaches has also been in use. Due to the nature of some changes, the council is unable to plan for changes. The council reacts to such changes when they occur to reduce their effects or completely done away with them. But it should be noted that there is no defined change management policy in the council to guide on the approach. This means that the management consisting of councilors and chief officers are the ones who sometimes give direction through the council's resolutions. Any significant transformation creates people issues. New leaders will be asked to step up, jobs will be changed, new skills and capabilities must be developed and employees will be uncertain and resistant. In dealing with these issues on a reactive, case-by-case basis puts speed, morale and results at risk.

A formal approach for managing change begins with the leadership team and then engaging key stakeholders and leaders should be developed early and adopted often as change moves through the organization. This demands as much data collection and analysis, planning and implementation discipline as does a redesign of strategy, systems or processes. The change management approach should be fully integrated into program design and decision making both informing and enabling strategic directions. It should be based on a realistic assessment of the organization's history, readiness and capacity to change. The change management practices adopted by city council of Nairobi are; the introduction of Performance Contracting, Performance appraisal system, Rapid results initiative among many more.

Due to ever changing business environment especially with the influence of the government, many awareness and understanding practices have been put in place most of which were initiated in year 2003 by the NARC government and the current coalition government. The council has had its chief officers sensitized on government reforms which are transmitted to the council. Several induction courses have been conducted on them at the Kenya institute of administration. All other council's officers at one point in time have been sensitized on the council's changes and

management especially on performance contract, performance appraisal system, corruption eradication, ISO and the 6 key results areas in the current strategic plan. In-house training has been carried by training consultants on junior and senior officers.

Council's posters, newsletters and internal communications have been popular in the creation of awareness and understanding of change programmes at the council. Posters are displayed at strategic points in all the departments where the employees as well as visitors to the council can easily read and understand them. The council's introduction of 'The city council of Nairobi annual news report' publication has made many people be aware council of the significant changes and the change programmes being implemented. The council holds public awareness week annually. It uses the LASDAP's public forums to create awareness and understanding of the change and change management in the city council of Nairobi. For the change and change programs to be meaningful and successful in the council, it had to start from the top. The councilors and the chief officers who are policy makers had to initiate change through the council's resolution. Policies were developed and adopted by the members of the council and the chief officers were entrusted with the implementation process. This was the start point of institutionalizing change programs.

The councilors and the chief officers have undergone several trainings on change leadership. Seminars for top and middle management officers have taken place in various locations here the participants were taught to be key instruments of change and change programs. They were to lead the change process from the front but not back. Exchange programs have been conducted; some councilors and chief officers have travelled out of the country to Japan, USA, Britain and South Africa to have firsthand information on change programs and they have seen it work during the visits to the above mentioned countries. On coming back management team was formed to spearhead the chances headed by the City Mayor and the Town Clerk.

The adoption of employment of the chief executive officer on contract has been a practice to enhance the change leadership in the change programs. The former Town

Clerk initiated a regular and MUST chief officers' meeting on weekly basis. He personally used to chair the meetings which concentrated on the change programs operated by the council. It is composed of all the chief officers, heads of key operational areas like the markets, the city mortuary, the wards and divisional heads, inspectorate CBD group and Pumwani maternity hospital. Changes were initiated, communicated and implemented by the individual members of these work teams. This meant that the Town Clerk had all the updates on the change and change programmes at hand and was also known for his personal interaction and monitoring of the council changes through MBWA (management by walking around).

In his contract period, the city council of Nairobi's lost glory was being regained bit by bit. His successor has followed his footsteps in the change programs, he is known to advocate for change, support and change programs whether his subject likes it or not. It is notable that some officers have been forced by the wave of change and its management to exit from the council. This is because they would not stand it due to their rigidity to changes. In change leadership the chief executive officer of the council, is the chairman of the Reforms Secretariat, which oversees all the reforms or changes in the council. His secretary is a senior able officer, the Assistant Town Clerk, Reforms Secretariat.

## **1.2 Research problem**

In the last decade or so there has been an accelerated organizational change across the globe; these changes whether political, economic, social and technological have not spared Kenya. Many organizations have not managed change properly due to industrial unrests, resistance from staff and so on.

Many studies have been done in Kenya on change management namely: Gichohi (2007) looked at challenges of change at Unga group and concluded that the change process was due to liberalization of the Kenyan economy. Odhiambo (2005) evaluated the problems and practices in the manufacturing sector and concluded that manufacturing companies in Kenya considered implementing Kotters eight stage model. 'Amenya (2001) analyzed management of strategic change at rift valley railways and concluded that there were internal and external factors that necessitated



change at rift valley railways. Kamau. J (2010) study finding showed that management process at Action aid began by setting goals and objectives , study found out that challenge of managing change was due to the restructuring of the organization. Kibaga (2005) looked at strategic change at the insurance industry of Kenya. Most of the studies done have not looked at challenges face by implementing change programs at City Council of Nairobi. There exists a gap between concepts of strategic change management at City Council of Nairobi where previous studies dwelt on change management which therefore seeks to address the Knowledge gap.The study will therefore bridge the gap on the challenges of implementing change management programs at City Council of Nairobi?

### **1.3 Objectives of the study**

The specific objective of the study is

- 1) Establish the change programs ,
- 2) Identify the challenges faced in managing change programmes
- 3) Evaluate the change process in light of the models of change programmes at City Council of Nairobi.

### **1.4 Value of the study**

The findings of the study will have a wide spread implication on the organizations change management and will help revise the existing change management strategies. Study will add value to the existing body of knowledge. The value of the study will be its significance to City Council of Nairobi and other Local authorities on how best to manage and improve change management programs. How useful it is to management and employees of City Council of Nairobi as it will provide an opportunity to gauge their progress, direction and benefits accruing from the change effect. The study will generate literature on implementing change management processes at City Council of Nairobi for top scholars and researchers willing to carry out research in the field of Change Management. The study will also be helpful to City Council of Nairobi assess its levels of change management performance in relation to its peers and other industry players.

## CHAPTER TWO

### LITERATURE REVIEW

#### 2.1 Introduction

This chapter reviews the different perceptions of strategic change by scholars, and the various approaches to strategic change. Change is any planned or unplanned transition from one state to another, such change comes in many forms. Strategic change is long term in nature and affects the entire organization and aims at achieving effectiveness.

According to Burnes(1998) there are three schools of thought that form the central plank on which change management theory stands are: The individual perspective school, Pavlov (1927) that a dog can be taught to salivate at the ringing of the bell, by conditioning the dog to associate to the sound of the bell . This school of thought is split into two camps that are behaviorists and gestalt-field psychologists. According to the behaviorist theory all behavior is learnt, the individual is the recipient of the external and objective data. One of the basic principles of behaviorist is that humble actions are conditioned by their expected consequences. Behavior that is rewarded tends to be repeated and vice versa. Therefore in order to change behavior it is necessary to change the conditions that cause it (Skinner, 1979). In the principle of extinction, behavior will stop eventually if it is not rewarded (Lovell, 1980).

In the Gestalt Field theory learning is the process of gauging or changing insights, outlooks, expectations or thought patterns. According to the Gestalt filed perspective, behavior is not just a product of external stimuli but rather arises from the individual reason to interpret stimuli. The school has proved influential in the management of change whereas some writers use them in tandem.

The group dynamics school, this school has the longest history (Schein, 1969) as it originated with the work of Kurt Lewin. This group emphasizes on organizational change through team work groups rather than individuals (Bernstein, 1969) According to Lewin (1947a, 1947 b) people in organization work in groups, individual behavior must be seen, modified or changed in light of the groups prevailing practices and norms. Lewin (1947 a, 1947 b) postulated that group behavior is an intricate set of symbolic interactions and from that not only affected

group structures but also modify individual behavior. Therefore he agrees that individual behavior is a fraction of the group environment. The open systems school, is composed of a number of inter connected sub systems. Any change in one part of the system will have an impact on other parts of the system and its normal performance (Scott, 1987). The open system approach is based on describing and evaluating the sub-system in order to determine how they need to be changed so as to improve the overall functioning of the organization. Organizations are open to interact with the external environment and are also open internally. The various sub-systems interact with each other.

## **2.2 Strategic change**

Change is usually triggered by a threat or opportunity which is of sufficient magnitude that the organizational members can't ignore it? (Van de Venn & Poole, 1995). Strategic change is defined as a difference in the form, quantity or state over time in organizational alignment with its environment (Rajagopalan & Spreitzer, 1997). Strategic change not only decides what to change, how and when to change specific elements of the organizations strategic orientation (Worley; Hitchin & Ross, 1996). This change may be driven by dramatic change in the environment, declining organizational performance or both.

According to Hoerfers & Schendel (1978) Strategic change is also defined as change in the context of the organization's strategy as elaborated by its scope, resources, deployment, competitive advantage and synergy. Strategic change could also be affected by the state of the organization and its external environment. For instance organizations will adopt new strategies' in the face of financial distress for purposes of being even in the critical situation. Most recently there has been a shift of emphasis, away from the behavioral explicit, to an exploration of ways in which organizations perceive, interpret and understand strategic change.

Many of the change programs arise from management issues such as culture change, empowerment and technological changes. Change initiatives are driven by the need by organizations to reposition themselves in the face of changing competitive conditions. Change processes involve radical transitions within the organization that

encompass strategy, structure, system, process; culture (Balogun, 2001). Organization will experience different levels of transition. Gradual change represents a fairly stable slightly linear variation in the environment. Continuous change represents both steady and incremental shifts in the environment over time. Cost cutting, elimination of waste, reduction of efforts, streamlining internal processes, minimizing variation applying external best practices are key tactics (Hummer, 1990)

### **2.3 Approaches to strategic change management**

The first great test of competence that organization's face in their change effect is the identification of the change path to follow (Drucker; 1954). Strategic change is an ongoing process which must concentrate on assuming a good fit between the environment and the organization, where it needs to take into account competitors, customers and the external environment including technology, politics, economy and social factors (Rajpal; 2007). The strategic approach has three distinct processes namely: what business are we in? What are the key issues? How best can we compete? (Cohen & Cyert; 1973). Strategic planning process entails the following process, formulation of goals, analysis of the environment, assigning quantitative values to the goals, micro process strategy formulation, gap analysis, strategic search, selecting portfolio of strategic alternatives, implementing the strategic program, measurements, feedback and control. These steps should not be seen as an instant process of strategic change but a continuous ongoing process (Ansoff; 1969).

### **2.4 Change management models**

Kurt Lewin proposed step models which are commonly referred to as Unfreeze, change and Freeze. The Unfreeze stage is probably one of the most important stages to understand. This stage is about getting ready to change, it involves getting to the point of understanding change is necessary and getting ready to move from the current comfort zone. The unfreeze stage is about getting motivated for change and weighing the pro's and con's and deciding what action needs to be taken.

The change process stage is transitional. Transition is the inner journey or movement that is made in reaction to a change. This stage occurs as we take the changes that are needed. The freeze stage is whereby people are moving towards a new way of being.it

is usually the hardest period, as people are unsure and fearful. Support is of great importance here and can be in the form of Training, coaching and accepting mistakes as part of the process. It helps to communicate a clear picture of the desired change and its benefits to the people so as to not lose sight of where they are going. The freeze stage is about establishing stability once change has been made. Change is acceptable and becomes the new norm. People form new relationship and become comfortable with their routines. It is at this stage that managers can have a great influence thus leading to positive performance.

There are many theories on how to implement strategic change, many of them originate from leadership and change (Kotter, 1995). Kotter outlined eight steps namely: Create Urgency, this is whereby there is the development of sense of urgency and need for change. This helps in getting things moving. Urgency can build and feed on it and many people grasping the need for it. It identifies threats and develops scenarios about what could happen in the future. Form a powerful coalition; convince people that change is necessary. It takes strong leadership and visible support of people within the organization by bringing influential people together whose power cover areas such as job titles, expertise and political importance.

Create vision for change, links concepts of great ideas and solutions floating around. A clear vision helps, people grasp early and remember. Detecting values that are central to change is an effective tool and practice the vision of speech offered. Communicate the vision, do this frequently and powerfully and embed it within the organization. Talk often about the change agenda and apply the vision to all aspects of operation. Management should lead by example. Remove obstacles this can empower people. Hiring of change leaders is as effective as identifying leaders within the organization. Reorganize and lead people for the change effort. Look for super fire projects that can be implemented and reward staff members who meet the expectations.

Build on the change, Kotter (1995) efforts that change fast become victory and is derived too early. Real change runs deep. Quick wins are only the beginning of what needs to be done to achieve the long term change. Anchor for change, is corporate culture. Make organizational changes stick and become part of the organization.

Corporate culture determines what needs to be done; it ingrains the value behind the vision and incorporates the same in the day to day activities of the organization. Create short term wins, nothing motivates more than success. Assess the staff performance and results within a short time frame, without criticizing and negative remarks as this do not lead to them meeting their progress.

Temporary aspects of change are used as a means of breaking down the complex process of organizational change into manageable portions such as, conception for need for change which maybe in response to external or internal pressures or may be through a belief in need of change to meet future competitive demand (Dawson, 1984).he further states that change can be seen as a process of organizational transition where strategic decisions are made. Operations of new practices and procedures refer to the period when following implementation of change, new organization arguments and systems of operations begin to emerge.it is the period in which the relatively stabilized system of operation emerge comprising of new patterns of relations and new forms of working practice(Dawson, 1984).

Quinn (1986) argues that integrating of processes is incremental not processual. This involves patterns of change through creating awareness and commitment incrementally, amplifying the understanding of awareness, changing symbols and building credibility, Legitimizing new view points and making tactful shifts and partial solutions (Quinn, 1986). He further states that change progress should be solidified incrementally through creation of pockets of commitment by empowering champions and continuing the dynamics by eroding consensus.

A learning organization is an organization that has developed continuous capacity to adapt and change (Robbins, 2003). All organization learn whether consciously or sub consciously as it is a fundamental requirement for their sustained existence. A learning organization is an ideal to strive towards rather than a realistic description of structured activity, which draws organizational behavior concepts such as quality management organizational culture, boundary less organizations, functional conflict and transformational leadership.

## **2.5 Challenges of implementing change programmes**

The biggest single challenge facing managers today is globalization, and how to achieve sustainability in a world of dwindling natural resources and increasing environmental pollution, how to manage an increasingly diverse workforce and at a time leaders are considered less trustworthy and how to manage ethically (Burnes, 2003)

Slow adoption to modern technology is one of the key factors in the challenges of implementing change programmes. Mismanagement of resources is another challenge in the implementation of change programmes; resistance to change due to the unknown, another equally important factor is failure to adhere to rules and regulations, culture, stakeholder politics, teamwork and leadership are some of the factors that can influence the outcome of any change programme.

According to Ansoff and McDonnell (1990) Resistance to change is a multi-faceted phenomenon which introduces delays, additional costs and instability in a change process. Resistance can either be behavioral or systematic. Behavioral resistance is exhibited by individuals, managers or groups. Because of parochial self-interests, misunderstanding and lack of trust, differences in assessment, or low tolerance to change. Systematic resistance originates from passive incompetence's in the managerial capacity to carry out the change. Management requires planning and developing the required capabilities by integrating management development into the change process and stretching the implementation period as long as possible.

Rowe et al.,(1994) noted that Organizational culture is the total sum of shared values, attitudes, beliefs, norms, rituals, expectations and assumptions of people in an organization. Thompson and Strickland(1993), argues that there must be a fit between strategy, structure, systems, staff, skills, shared values, values, styles for change management process to be successful. Thomson (1997) argues that organizational culture and values held by managers and other employees within the organization are key influences on strategies of change and are therefore the central driving force for considerations in strategy creation and change

### **2.5.1. Political Management, mobilization support and legitimacy**

Stakeholders support is essential for a change programs due their different interests and power, achieving universal support is a challenge and politics sets in. According to Moore (1992) strategic change management process in the public sector starts by looking towards politics for three reasons, it is in this realm that managers must search to discover what purposes are deemed publicly valuable, political institutions grant public managers resources they need to accomplish their operational purposes., lastly public managers are accountable to politics and law both theoretically and practically. Managers use organizational politics as tactics to use power to influence goals and change to further their interests.

### **2.5.2. Teamwork**

Complexities of most processes are usually beyond the control of any one individual. The only way to tackle such problems is by use of teamwork. Building of effective team work is not an easy matter Team approach to change implementation removes artificial organizational barriers and encourages openness. Teams share common goals and help to focus energy by emphasizing self-control on part of the participants

### **2.5.3. Leadership**

Management of change is closely linked to the role of strategic leadership. Leadership is the process of influencing an organization in its efforts towards achieving an aim or goal, a leader influences and is not necessarily someone at the top of an organization. Rowe et al., argues that the team approach to change implementation removes artificial organizational barriers and encourages openness. Teams share common goals and help to focus energy by emphasizing self-control on the part of participants. Teams that are cohesive, that interact cooperatively, with members possessing compatible personality characteristics and that are operating under mild to moderate pressure appear to be most effective.



## **CHAPTER THREE**

### **RESEARCH METHODOLOGY**

#### **3.1 Introduction**

This section describes the proposed study design, data collection procedures or techniques, data collection instruments and its relevance and how the collected data was organized and analyzed.

#### **3.2 Research Design**

The research was conducted through the case study method at City Council of Nairobi. Case study is a form of qualitative analysis when a study is carried out in an organization and gives a detailed investigation of a single subject. Through this method the researcher is able to obtain in-depth knowledge of challenges faced by City council of Nairobi in implementing change management programs. It also facilitates an intensive study of a particular unit.

#### **3.3 Data Collection**

In this case study, primary source of information was used in the collection of data. Primary data was collected through an interview guide. Questions were divided in parts namely: Part A, Part B, Part C and Part D. Use of a standardized interview guide allowed for comparison of results among the respondents. The target population was the employees of City Council of Nairobi 16 departments namely: Administration, City Planning, City Engineer, Public health, Audit, Environment, City Education, Inspectorate, Social services and Housing, Human resources, Investigations and Analysis, City Treasurer, Procurement, Housing Development, Legal and ICT.

The interview guide was submitted to the various departments after providing a letter of introduction from the School of Business, University of Nairobi and a letter from the Human Resource Department City Council of Nairobi, authorizing the researcher to carry out the research and a covering note requesting the respondents to participate in the research in order to get the data required for the study. This was done with the help of research assistants and the researcher who was available to clarify the question that were not clear to the respondents and made prior arrangement and assured the respondents of high degree of confidentiality and anonymity

### **3.4 Data Analysis**

Content analysis was used to analyze the respondent's views on the challenges of implementing change management programs at City Council of Nairobi. Advantage of using content analysis is that it allows grouping of collected data into various groups for easier analysis which is a continuous process. Main purpose of content analysis was to study existing information in order to determine factors that explain a specific phenomenon. Content is defined by Creswell (2003) as a technique of making inference by systematically and objectively identifying specific characteristics of messages and to use the same approach to relate to trend. On receiving the questionnaire from the respondents, the data was checked to ensure completeness, consistency, accuracy and uniformity. The data was then be coded and tabulated to facilitate data analysis through content analysis.

## **CHAPTER FOUR**

### **DATA ANALYSIS AND INTERPRETATION OF RESULTS**

#### **4.1 Introduction**

This chapter details the findings and interpretation of the results in light of the study and with respect to the objective of the study. The study was designed with the aim of establishing the challenges of implementing change programs at City Council of Nairobi. The study involved collection of primary data through the use of an interview guide which was administered through personal interviews. The research targeted the 16 departments at City Council of Nairobi namely: Administration, City Planning, City Engineer, Public health, Audit, Environment, City Education, Inspectorate, Social services and Housing, Human resources, Investigations and Analysis, City Treasurer, Procurement, Housing Development, Legal and ICT.

#### **4.2 Research findings**

This section represents the general information about the City Council of Nairobi. This includes the employee's demography and number of years with the organization, communications of objectives, whether or not the council embraces counter response measures as one of their strategies based on the challenges, and current counter response measures activities. Considering the demographic characteristics of the respondents, the study established that a majority of the employees were male; the findings can be generalized on the male respondents.

A majority of the departments had same number of respondents: particularly, Administration, Audit, City Inspectorate, City Treasurer, Human Resource and Investigations and Information Analysis which had four respondents each. City Planning and City Engineer department had 3 respondents each. The other

respondents were from Education, Health, Legal affairs and Public health departments. The implication on the study was that varied responses from the different departments adequately explored all the expected responses from the entire Council.

Regarding the designations, the researcher found that the respondents had different managerial designations at the high levels. The implication on the research is that the respondents were evenly distributed and therefore a variety of the responses were obtained. Regarding the number of years in position, results show that a majority had been in the firm for 10 years and above, other had also been in the council for 3 to 6 years, this implies that the majority of the respondent had enough experience to give acceptable responses to the study questions. In relation to the education level, the results showed that a majority of the respondents had attained University level education implying that majority of the respondents had adequate skills to respond to the questions asked in the study.

#### **4.2.1 Communication of Objectives and the role of the managers in change process**

The interview guide sought responses on the role of the managers in change programme process. From the responses received from the interviewees, it was clear that the corporate objectives were entrenched in the strategic plan of the organization where each departmental head had clearly defined objectives that were specific, measurable, achievable realistic and had specific targets. The researcher established that there was use of every available vehicle possible to communicate the vision and mission statement through employee bulletins, employee meetings, memos, newspapers, formal and informal interaction. In addition having a guiding coalition role on the behavior expected from employee nothing undermines the communication

of change programmes than that which seems inconsistent with the vision. Careful monitoring of senior management behavior and interaction was a good idea so as to be able to identify and address inconsistencies among words and deeds.

The researcher found out that the change management empowering programs involved getting rid of obstacles, changing systems or structures that undermine the change vision and encouraging risk taking and non-traditional ideas, activities and actions. The managements know that ruining a transformation without serious attention to short term wins is extremely risky. The Council's plan for visible improvements in performance or wins also creates the wins. In addition the people who make the wins should be visibly rewarded and recognized. Consolidating gains and producing more change programs credibly changes all systems, structures and policies that do not fit into the transformation vision. People who implement the change vision should be promoted or hired and the system be re-invigorated with new projects, themes and changes agents.

Moreover, the study inquired on the challenges involved in implementing change programmes at City Council of Nairobi. The respondents cited that it involved the implementation of organization strategy through the application of the management process to obtain the desired results. Particularly, change program process included designing the organization's structure, allocating resources, developing information technology and decision process, and managing human resources, including such areas as the reward system, approaches to leadership, and staffing.

All the departmental objectives were congruent with the overall council objectives. The staff members are also constantly reminded of their objectives during meetings carried out between managers and other staff members to review their performance

during and over a certain specific period of time. The study also indicates that there is awareness and involvement as the counter response measures strategy was being embraced by each of the respondents. HODs were involved in formulation and implementation of the strategy.

Making the necessary moves to establish positions in different businesses and achieve an appropriate amount and kind of diversification. A key part of corporate strategy is making decisions on how many, what types, and which specific lines of business the council should be in. This may involve deciding to increase or decrease the amount and breadth of diversification. It may involve closing out some strategies (lines of business), adding others, and/or changing emphasis among strategies.

The council managers initiated actions to boost the combined performance of the businesses the council had diversified into: This involved vigorously pursuing rapid-growth strategies in the most promising areas keeping the other core operations and service delivery businesses healthy, initiating turnaround efforts in weak-performing strategies with a promise, and dropping strategies that are no longer attractive or don't fit into the corporation's overall plans. They also involved supplying financial, managerial, and other resources, or acquiring and/or merging other companies with an existing core missions in pursuing ways to capture valuable cross-business strategic fits and turn them into competitive advantages especially transferring and sharing related technology, procurement leverage, operating facilities, distribution channels, and/or customers. Moreover, the council managers also are in forefront in establishing investment priorities and moving more corporate resources into the most attractive strategies.

Regarding the change programme empowerment practices in CCN, the researcher established that have a wealth of skills necessary for their jobs and that their work is meaningful to them. The respondent neither agreed nor disagreed with the statements that they had control over the aspects of the job that they are accountable, that their work gives them ability to contribute to the success of the organization, that their impact on what happened in their department was large. The respondents also neither agreed nor disagreed with the statements that their supervisors encouraged team work and delegated authority, that they had significant autonomy in determining how they did their job, that their position allowed career growth and development. In addition, the respondent neither agreed nor disagreed that they had significant opportunity for freedom and independence in doing their jobs; these were represented by mean scores of three. The respondents stated that they disagreed to some extent with the statement that there is a clear system of handling employee discontent and that they normally get sufficient resource to do their jobs.

#### **4.2.2 Change programs and strategy implementation process**

The study further looked at the various challenges facing implementation of the change programs adopted by the City Council of Nairobi for effective operations and service delivery. There were various reasons cited such as ineffectiveness, lack of direct control and use of the firm's resources, mechanisms such as organizational structure, poor information systems, ineffectual leadership styles, slow assignment of key managers, unplanned budgeting, little or less employee rewards, and weak control systems. The responsibility of implementing the change programs was under the Chief Executive Officer and Senior management docket.

The respondents were asked to choose only ten (10) out of the twelve (12) factors that they felt responded to the challenges involved in implementing change programmes in their Council for effective operations and service delivery, majority of respondents identified gaps in organization structure and rapid change in Technology as the factors hindered implementation of the change process. Need to concentrate on Core Activities , need to reduce operational cost and need to free resources for other purposes was also cited as an impediment to implementing change programmes.

The respondents further felt that the factors that moderately responded to challenges of implementing change programmes was the choice of what to strategy the council needs to embrace to improve institutional focus, ease of activity control through adoption of new technology, need to improve efficiency, and need to reduce risks in operations and service delivery

Some respondents did not consider management style and availability of human resource skills as important challenge factors that deter implementation of change programmes, respondents did not consider Government Policy as an important factor to be considered at all. With regard to other factors that respond to challenges of implementing change programmes at the council, the study revealed that most of the respondents considered choice of external service strategy consultants as an important factor. The various attributes of the strategy consultants which were considered as important include on change programs professionalism, competence, quality of flexibility. The council therefore needs to improve on technology and services quality so as to highly access world class services.



### **4.2.3 How challenges of change programs affect the implementation process of various areas in the council**

The study looked at how the change program process affect the implementation process of various key areas in the council. On structure, the study revealed that structure provides overall framework for strategy implementation, it is not in itself sufficient to ensure successful execution. Within the organizational structure, individuals, groups and units are the mechanisms of organizational action, and the effectiveness of their actions is a major determinant of successful implementation. In this context, two basic factors encourage or discourage effective action-leadership and culture.

Seeking to establish how change management process challenges affect the implementation process on Culture, the respondents cited that culture is a set of important assumptions (often unstated) that members of an organization share in common. These shared assumptions (beliefs and values) among members of an organization set a pattern for activities, opinions and actions within that firm.

On the area of Technology, the study revealed that most departments at City Council of Nairobi had not fully computerized their operations and service delivery function thus affecting its revenue base. Furthermore, change program process challenges were seen to affect leadership in that without the right leadership; employees remained skeptical of the vision for strategy and distrust of management team management likewise was frustrated and stymied by employee resistance. One major task of the Management was to implement strategy which entailed overcoming resistance.

Most respondents did not term Legal/Regulatory factors as a change program process challenge at CCN since CCN derives its legal mandate from the Local Government Act (Cap 265) of the laws of Kenya amongst other acts of parliament that augment its diverse core functions and priorities. These priorities are contained in various policy and planning documents such as the national development plans, poverty reduction strategy paper and Economic Recovery Strategy (ERS) for wealth and employment creation in the medium term and Kenya's vision 2030.

The study revealed that CCN faced competition in the industry from private owned firms such as estate developers who create estates and hence private owned services such as garbage collection, provision of water and sewerage services. These in turn led to loss of revenue to CCN. The study found that CCN change management process was also affected by Customer needs and preferences. Most respondents cited that strategy sets up leaders to struggle between managing the business and addressing the needs of the people. Typically, it is the people side that loses out. But if leaders don't establish an effective balance between business and people priorities they can destabilize the organizational culture and erode trust, generating fear and skepticism among employees at a time when a loyal, productive, and enthusiastic workforce is essential for success. The various implications of the challenges in implementing change programmes has led to poor provision of services rendered loss of revenue and lack of public trust especially on the timely delivery of services.

#### **4.2.4 Basic requirements of the council for effective implementation of change programs in enhancing service delivery .**

In seeking to understand the councils basic requirements for effective implementation of change programs for efficient operations and service delivery , the researcher

established that in order for the council to effectively achieve effective change programs process for effective operations and service delivery, financial requirements are as important as Physical and Structural facilities whereas the respondents felt that there are other additional requirements necessary for effective change programs

The researcher further established that the councils effective change program had a well-designed vision that allowed for free ideological movement and interaction of staffs. Moreover, the researcher wanted to find out whether there was any particular area frequently outsourced by the councils in effective strategy implementation. The findings therefore indicated that Information Technology is currently being outsourced by the council to a very great extent closely followed by training activities Facility management and policy management were found to be moderately outsourced as one way of improving the efficiency change programs of the councils formulated strategies.

Human resource (HR) services are outsourced to a small extent. The study revealed that HR counter response measures had great future potential as a key management strategy in the organizations, this enabled the council to reduce its high wage bill and improve management of payroll for its employees. The researcher further found that operations and service delivery were not outsourced at all. The council ensured that the activities were performed at optimal level. The respondents were confident that counter response measures had the capacity to increase the organizations effectiveness and efficiency.

## **CHAPTER FIVE**

### **SUMMARY, CONCLUSIONS AND RECOMMENDATIONS**

#### **5.1 Introduction**

This chapter presents the findings of the research, explores the implications of the findings, draws conclusions and prescribes recommendations. The researcher documented the research findings as received from the respondents. The documentation was necessary to support the findings and recommendations as stated. These are the facts from research on which the interpretation were based.

#### **5.2 Summary**

The summary of research findings were based on the study analysis on the challenges of implementing change programs at City Council of Nairobi. The study looked at the following areas; assessing the influence of organizational structure on operations and service delivery, assessing the influence of stakeholders in operations and service delivery, finding out the extent to which motivation influences change programs, the role of computerization in operations and service delivery, the extent to which audit will play a part in change process and to determine the influence of corporate governance on operations and service delivery.

The study dwelt on the various challenges facing the implementation of change programs adopted by the councils for effective programs. There were various reasons cited, such as ineffective direct control of the firm's resources, mechanisms such as an overcrowded organizational structure who had duplicated departments and duties and responsibilities,, poor information systems, ineffectual leadership styles, slow assignment of key managers, unplanned budgeting, little or less employee rewards,

and weak control systems. The responsibilities of the implementation of programs were left to the Chief executive and the senior management teams.

Within the organizational structure, individuals, groups and units are the mechanisms of organizational action, and the effectiveness of their actions was a major determinant of successful implementation. In this context, two basic factors encourage or discourage effective implementation, action-leadership and culture. On how strategy challenge impediments on change programs affect the implementation process on Culture, the respondents cited that culture was set of important assumptions (often unstated) that members of an organization share in common. These shared assumptions (beliefs and values) among members of an organization set a pattern for activities, opinions and actions within that firm.

On the area of Technology, the study revealed that most departments of the council had not computerized its challenge impediments on effective implementation of change programs Further, strategy challenge impediments on change programs operations was seen to affect leadership in that without the right leadership; employees remained skeptical of the vision for strategy and distrustful of management. The management likewise was frustrated and stymied by employee resistance. One major task of the Manager was to implement strategy which entailed overcoming resistance.

Moreover, majority of respondents identified gaps in organization structure and rapid change in Technology as the factors that highly respond to changes in change implementation process Need to concentrate on Core Activities, need to reduce operational cost and need to free resources for other purposes was also cited. The respondents further felt that the factors that moderately responded to the challenges of

the choice of what strategy the councils follows includes need to improve institutional focus, ease of activity control through adoption of new technology, need to improve efficiency, and need to reduce risks in challenge impediments on change programs

Some respondents did not consider management style and availability of human resource skills as important challenge factors that determines strategy implementation process services. All respondents did not consider Government Policy as an important factor to be considered at all. With regard to other factor responding to change management challenge and strategy implementation process at the councils , the study revealed that most of the respondents considered choice of external service strategy consultants as an important factor. The various attributes of the strategy consultants which were considered as important includes professionalism, competence, quality of service, contract term, credibility, cost and flexibility. The study also revealed that some respondents did not consider certain factors as important while selecting the external strategy consultants.

These were: size of the strategy consultants, qualification of the strategy consultants and strategy consultants' flexibility. Majority of the respondent felt that it was not cost effective to handle some activities services internally as the required skills were lacking and hiring them would cost more that delegating them to a third party. The councils therefore needs to improve on technology and services quality so as to highly access world class services.

Most respondents did not term Legal/Regulatory factors as a strategy implementation challenge at City Council, since councils derive their legal mandate from the Local Government Act (Cap 265) of the laws of Kenya amongst other acts of parliament that augment its diverse core functions and priorities. These priorities are contained

in various policy and planning documents such as the national development plans, poverty reduction strategy paper and Economic Recovery Strategy (ERS) for wealth and employment creation in the medium term and Kenya's vision 2030.

The study revealed that city councils faced competition in the industry from private owned firm's hence private owned services such as garbage collection, provision of water and sewerage services. These in turn led to loss of challenge impediments on change programs. The study found that City councils strategy implementation was also affected by Customer needs and preferences. Most respondents cited that strategy sets up leaders to struggle between managing the business and addressing the needs of the people. Typically, it is the people side that loses out.

But if leaders don't establish an effective balance between business and people priorities they can destabilize the organizational culture and erode trust, generating fear and skepticism among employees at a time when a loyal, productive, and enthusiastic workforce is essential for success. The study revealed that there were various implications of the challenges on the councils's strategy implementation process. This had led to poor provision of services, loss of challenge impediments on change management programs and lack of public trust especially on the timely delivery of services.

### **5.3 Conclusion**

The study concludes that there were various challenge impediments on change programs. These included Structure, culture, technology, leadership, resistance to change, legal/Regulatory factors, competition in the industry, customer needs and preferences, labor market conditions and substitute products/services. The study

concludes that the council had in a way been able to amend its strategy implementation process as per the challenges. This was through application of all management functions such as planning, controlling, organizing, motivating, leading, directing, integrating, communicating, and innovation to the implementation process.

The change programs discussed in the analysis and City Council of Nairobi takes Lewins three step model is a planned approach to the change management model is evident in the role of management at City Council of Nairobi. From the study it is also evident that change in the organization has preceded the growth strategy, this explains why the Council has undergone structured change within a short time frame. Challenges of implementing the change programs are evident in the organization and resistance to change and change of structures. From the study change processes like technology and information management are not well taken care of as part of the change programme process.

#### **5.4 Recommendations**

The study recommends that in order for City Council to be able to effectively implement their change programs, there is need to have an organized organizational structure, improved information systems, better leadership styles, timely assignment of key managers, effective budgeting and offer rewards, and control systems.

The researcher recommends that City Council of Nairobi put more emphasis in training their staff to manage the operations in professional way. Only qualified and competent employees need to be recruited and the recruitment policy be followed. The Internal Audit department in the City Council should be given the independence



it deserves. An audit committee should be formed which should work independently. Management should always act on the audit reports

City council need to motivate their employees through participation in decision making, innovation and empowerment. Working environment need to be improved as a way of getting employees motivated. Effective communication needs to be in place as a way of management. City council is required to practice corporate governance through establishing guidelines as management tolls of operations managers should also try eradicating corruption in order to improve operations and service delivery.

Study found that resistance to change by employees has hindered implementation of the City Council of Nairobi strategies. As the organization prepared to embark on strategic planning, resistance to change by employees may impede the process, there is need for the Councils management team to take a more proactive approach to managing change within the organization. Currently Change programs practices involves the management in setting goals, clarifying desired outcomes, providing feedback, giving rewards for desired performance and taking action when goals are not met. The focus of these change programme practices are on performance driving cultural changes.

The findings found out that the City Council of Nairobi management had not formulated and documented a change programs plan but had prepared a documented annual change plan. Annual planning has an operational focus and is concerned primarily with concrete goal setting and scheduling of specific tasks to meet the goals. The Councils management's team can build up on their experience through long term strategic change planning, environment scanning, goal setting and performance evaluation so as to develop a practical strategic plan. There is need for a structured

planning process. Based on the study findings it is recognized that the process of designing any changes may not be accepted by all and that implementation of change must be a continuous process and should be motivated so that the objectives of the change are met

### **5.5 Limitations of the study**

Respondents assumed that they were being investigated and thus unwilling to fill in the questionnaires and the researcher convinced them that the information they were to give was to be used only for academic purposes. The research met with various challenges when conducting the research that included the fact that the council employees ordinarily do not want to give information due to client confidentiality. In addition, some of the interviewees would not find the subject to be of interest. Additionally, some respondents would not want to give the information as they considered it of competitive importance. The respondents being normally very busy people may not have found a lot of time to be interviewed. Since the research was conducted via open-ended interviews, a large amount of time was needed to collect information from the respondents. Time limitation made it impractical to include more respondents in the study. This study was also limited by other factors in that some respondents may have been biased or dishonest in their answers.

More respondents would have been essential to increase the representation of the council's team in this study and allowed for better check of consistency of the information given. However, the researcher did look for contradictions in the information given and no inconsistency were found. A limitation for the purpose of this research was regarded as a factor that was present and contributed to the researcher getting either inadequate information or responses or if otherwise the

response given would have been totally different from what the researcher expected. The main limitations of this study were most of the respondents were busy throughout and had to continuously be reminded and even persuaded to provide the required information. Further some respondents decided to withhold information which they considered sensitive and classified. This reduced the probability of reaching a more conclusive study. However, conclusions were made with this response rate.

### **5.6 Suggestions for further research**

Effective counter respond measures on challenge impediments on change management programs, research areas is widely embraced in the developing countries such a Kenya. In Kenya, it has gained acceptance mainly in the private organizations, however government organizations are also incorporating it as a key management strategy though at a sluggish pace. Given that this study only covered challenges that affect Implementation of change programmes at City Council of Nairobi, for effective challenge impediments on change programs, studies need to be done on challenge impediments on change management program for all Local Authorities. There is therefore room for a similar study to cover the entire council's effective strategy implementation in the major towns in Kenya. This is timely, given the today's rapid technology advances and the increased emerging of competition on organizations in the country.

The researcher suggest further research on revenue management since revenue can be collected to maximum level but be mismanaged due to other factor that the study did not consider

### **5.7 Implication of the study on Theory, Policy and Practice.**

The City Council of Nairobi has no clearly defined change management programs. Most of the change programmes at the Council are on emergent basis, since they are not planned but are reacting to threats. The Policy statement of the City Council of Nairobi is that of service delivery to the residents of Nairobi, which is enshrined in its Strategic Plan and vision mission statement which guides it.

The Council has embraced the Kurt Lewin's three step model, whereby the unfreeze stage is about getting ready to change , this is where the Council needs to move from its current comfort zone and getting motivated for change by weighing its pros and cons and deciding on what actions to take. Lewin's model has been useful to the Council as it has helped them embrace change and also to incorporate the change within the organization.

The City Council need to embrace the Change Kaleidoscope way in running its day to day activities by getting to use the eight steps used in the kaleidoscope change framework by getting to find out if the employees of City Council of Nairobi feel the change taking place within it. Change kaleidoscope was to be used to codify the wide range of contextual features and implementation options that may require consideration during change. The change practices that need to be looked at are: Time-How quickly is the change needed? Is the organization in crisis or is it concerned with its long term strategic development. Scope- what degree of change is needed? Does the change affect the whole organization or only part of it? Preservation- what organizational assets, characteristics and practices need to be maintained and protected during the change process? Diversity- Are the different

staff, professionals, groups and divisions within the organization relatively homogeneous or more diverse in terms of value, norms and attitudes.

Capability-what is the level of organizational, managerial and personal capability to implement change? Is there need to improve this capability before change process can be started. Capacity- How much resources can the organization invest in the proposed change in terms of cash, people and time. Readinesses for change- How ready for change are the employees within the organization? Are they both aware of the need for change and motivated to deliver the changes? Power- Where is the power vested within the organization? How much latitude of discretion does the unit needing to change and the change leader possess?

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**APPENDIX I**  
**INTERVIEW GUIDE**

**Instructions to be answered by employees in all 16 departments**

**Background of information**

- 1) **Name ( Optional)**
  
- 2) **State your gender : Male or Female**
  
- 3) **What is your highest academic qualification: Masters, degree, A 'levels, A 'levels or specify any other**
  
- 4) **Your position at City Council of Nairobi**
  
- 5) **How long have you worked at City Council of Nairobi**

**Change management programs at City Council of Nairobi**

- 1) **Are you aware of any change that the organization has been undertaking?**
  
- 2) **If answer is yes, which changes are you aware of?**
  
- 3) **In your own view, what has necessitated the changes? Explain**
  
- 4) **Do you think that the changes are impacting positively or negatively for the organization? Explain**

- 5) **Is there any aspect that needed change that was not exhaustively exhausted?**
  
- 6) **In your own words please explain what are the factors that accelerated change and what are the factors that reduced the speed of change?**
  
- 7) **What are the major successes of the change?**
  
- 8) **What role does communication play in the role of change management in the organization?**
  
- 9) **What is the role of human resource department on the effectiveness of implementing change management programs in the organization?**
  
- 10) **What initiatives are taken by management in creating and sustaining a climate which motivates employees when implementing change management programs in the organization?**
  
- 11) **What is the model/style of change management programs at city council of Nairobi?**
  
- 12) **What are the change management programs at city council of Nairobi?**
  
- 13) **In your own view have you experienced a shutdown or delay in implementing change as a form of resistance to the programme being implemented?**

**14) In your own view, do you think that resistance to change is a useful tool and how is it impacting (negatively/positively) to the organization?**

**15) What are the factors leading to success or failure of the change management programs in the organization?**

**16) What new technology has been adopted by the organization in the last 10 years?**

**17) How can you rate the organization in terms of modernization?**

**18) Did you get formal training while implementing change management programs in your organization?**

#### **Implementation of change**

**1) Did the organization anticipate the change it is undergoing and how was the change carried out?**

**2) Did the organization consider aligning the change in line with the corporate culture, vision, mission statements and goals of the organization?**

- 3) Was there any consideration that change will be accepted or possibility of resistance?
- 4) What was done to ensure acceptability of the change among its various stakeholders and minimizing possibility of resistance?
- 5) What was done to ensure that change is institutionalized?
- 6) Was change communicated to staff? if yes, how was it done?
- 7) Did top management support the change process?
- 8) Was the vision mission statement well-articulated and understood by the staff?
- 9) Were you part of the change implementation process in your organization? If yes, what role did you play?


#### **Challenges of change**

- 1) What are the major challenges in implementing change in your own opinion?
- 2) Are staff members involved in planning and implementing change?

- 3) **What challenges is management expecting to experience in implementing change and adapting the same in line with the new constitution?**
  
- 4) **What challenges have you not responded to?**
  
- 5) **What results have you observed after the change programs were implemented?**
  
- 6) **What are your suggestions and recommendations?**


**THANK YOU FOR YOUR RESPONSES**

**APPENDIX 11: INTRODUCTORY LETTER FROM CITY COUNCIL OF  
NAIROBI**



**CITY COUNCIL OF NAIROBI**

TOWN CLERK  
TELEGRAM: "MUNICIPALITY" NAIROBI  
TELEPHONE: 224282  
EXT 2381



CITY HALL  
P. O. BOX 30075  
NAIROBI  
KENYA

Ref: HRM/CCN/HRM/TB/HR/SWM /2011

**DEPARTMENT OF HUMAN RESOURCES MANAGEMENT**

Date: CCN/HRM/TB/HR/SWM  
2nd September 2011

JOYCE BAYART  
P.O. Box 20075 - 00100

**RE: RESEARCH.**

Reference is hereby made to your application letter dated 1st Sept, 2011 on the above subject;

The City Council of Nairobi has approved your request subject to the following;

1. The period of attachment will be one (1) months with effect from 2nd September 2011 to 2nd October 2011.
2. You will be attached to all sixteen departments in the Council
3. You are expected to adhere to the rules and regulations pertaining to your attachment.
4. That during your study there will be no costs devolving on the Council.
5. That you undertake to indemnify the Council against any claim that may arise from your research.
6. You are expected to be decently dressed at all times.
7. You are required to submit a **Copy of the final research document** within one weeks/months after completion.
8. You are expected to pay research fees of ksh. KSL

By a copy of this letter The Heads of Dept. is /are requested to accord you the necessary assistance.

Please report to the Chief Administrative Officer(s) in the sixteen departments for your research.

**CITY COUNCIL OF NAIROBI**


*Alice Kahuthu*

**ALICE KAHUTHU**

Sign: **FOR: DIRECTOR HUMAN RESOURCE MANAGEMENT.**

DIRECTOR  
HUMAN RESOURCES MANAGEMENT

**APPENDIX III: INTRODUCTORY LETTER FROM UNIVERSITY OF  
NAIROBI**

  
**UNIVERSITY OF NAIROBI**  
**SCHOOL OF BUSINESS**  
**MBA PROGRAM - LOWER KABETE CAMPUS**

---

Telephone: 020-2059162  
Telegrams: "Varsity", Nairobi  
Telex: 22095 Varsity

P.O. Box 30197  
Nairobi, Kenya

DATE.....

**TO WHOM IT MAY CONCERN**


The bearer of this letter Joyce Boyani  
Registration No: D61/70037/2007

is a Master of Business Administration (MBA) student of the University of Nairobi.

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

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

Thank you.

  
**DR. W.N. IRAKI**  
CO-ORDINATOR, MBA PROGRAM

**UNIVERSITY OF NAIROBI**  
**SCHOOL OF BUSINESS**  
**MBA OFFICE**  
**P. O. Box 30197**  
**NAIROBI**

**UNIVERSITY OF NAIROBI**  
**SCHOOL OF BUSINESS**  
**MBA OFFICE**  
**P. O. Box 30197**  
**NAIROBI**

**APPENDIX 1V:INTRODUCTORY LETTER FROM RESEARCH STUDENT**

**5<sup>th</sup> September, 2011**

Dear Respondents,

I am a Postgraduate student at Nairobi University, pursuing a Masters degree in Strategic Management. As part of partial fulfillment for the degree, I am conducting a research study on: **CHALLENGES OF IMPLEMENTING CHANGE PROGRAMMES: A CASE STUDY OF THE CITY COUNCIL OF NAIROBI.**

For this reason I would appreciate if you would kindly spare a few minutes of your time for me to ask you a few questions in regard to challenges of implementing change programmes at City Council of Nairobi.

The information from this interview will be treated with confidentiality and in no instance will your name be mentioned in this research. In addition, the information will not be used for any other purpose other than for this research. Your assistance in facilitating the same will be highly appreciated.

Thanks in advance.

Yours Faithfully

**Joyce Boyani.....Supervisor.....**



**APPENDIX V:PROPOSAL CORRECTION FORM**

## APPENDIX VI LIST OF DEPARTMENTS SURVEYED

Departments of the city council of Nairobi and the Heads of Departments

Administration.....Town clerk

City treasurer.....City Treasurer

City planning.....Director, City planning

City engineers.....City Engineer

Public health.....Medical officer of Health

Environment.....Director of environment

City inspectorate.....Director of City Inspectorate

Social services & housing.....Director Social Services & Housing

Legal affairs.....Director of Legal Affairs

ICT.....Director of ICT

Audit.....Director of Internal Audit

Human resource management.....Director Human Resource Management

Investigations & information analysis. Director Investigations & Information Analysis

City education .....Director City Education

Housing development department.....Director Housing Development Department

**Source: Researcher (2011)**

**CHALLENGES OF IMPLEMENTING CHANGE PROGRAMMES AT CITY  
COUNCIL OF NAIROBI**

**OBWAYA JOYCE BOYANI**

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

**AUGUST 2011**

**DECLARATION**

I declare that this is my Original work and has not been presented in any other University or College for Examination or Academic purposes.

**Signature:..... Date:.....**

**BOYANI JOYCE OBWAYA**

**D61/70037/2007**

**SUPERVISOR'S DECLARATION**

This project has been submitted for examination with my approval of the following listed university supervisors.

**Signature:.....Date.....**

**DR .ZACK AWINO, PHD**

**SENIOR LECTURER**

**DEPARTMENT OF BUSINESS ADMINISTRATION**

**SCHOOL OF BUSINESS, UNIVERSITY OF NAIROBI**

## **DEDICATION**

This thesis report is dedicated to my Late Father Andrew Moturi, my dearest Mother Mary Bochaberi, dear Husband David Naibei, my lovely Children Kyle, Elvis, Kadzo and my Siblings Gladys, Anthony, Ruth and Richard for their inspiration and relentless motivation throughout my study period, God bless them all.

## **ACKNOWLEDGMENTS**

It has been an exciting and instructive period of study at the University of Nairobi and I feel privileged to have had this opportunity to carry out this study as a demonstration of knowledge gained during the period of study for my master's degree. This research project has been accomplished with the encouragement, support and contribution from a number of people whom I am deeply indebted to. First of all am indebted to the all-mighty GOD for his grace and for seeing me through this program every step of the way and for being with me throughout the study period. To my supervisors, Dr. Zack Awino and Dr. Maalu from the School of Business University of Nairobi for their guidance, dedication and their valuable contribution to the previous drafts and ultimately providing guidance and counseling to produce a paper of such magnitude throughout the research project. They gave me great and outstanding ideas that became extremely useful within the academic scope of this research project. I owe great thanks to staff at Am Bank House and Lower kabete offices for their motivation and help in the areas that needed their assistance. I also wish to thank my colleagues and class mates at University of Nairobi for their moral support during the period of study. Finally, I owe special thanks to my family, who have supported me and were patient with me even when my studies quietly ate into the time meant to be spent with them.

## **LIST OF ABBREVIATIONS AND ACRONYMS**

<b>CCN</b> .....	City Council of Nairobi
<b>MOLG</b> .....	Ministry of Local Government
<b>CBD</b> .....	Central Business District
<b>MBWA</b> .....	Management by walking around
<b>TQM</b> .....	Total quality management
<b>BPR</b> .....	Business process re-engineering
<b>LASDAP</b> .....	Local Authorities Service delivery Action Plan
<b>HOD</b> .....	Heads of Departments
<b>HR</b> .....	Human Resources
<b>ERS</b> .....	Economic Recovery Strategy

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## **ABSTRACT**

Much of the previous research into the change programs has concentrated generally on challenges of change management, management of strategic change and management of change management process. This study therefore sought to fill the existing research gap by carrying out a case study on challenges of implementing change programs at City Council of Nairobi. The main objective of the study was to investigate the challenges experienced by City Council of Nairobi in implementing Change programs. The findings may be a general reflection of what happens in local authorities' country wide. This research was conducted through a case study. The target population of this study was 16 number departments at the City Council of Nairobi. This paper utilized an interview guide in data collection. This study collected primary data using a self-administered interview guide. The response received was analyzed by content analysis. From the findings, the study established that majority of respondents were aware of the change programs being implemented within the City Council of Nairobi. The study further established that most of the respondents were in agreement with the challenges in implementing the change programs in the organization. This study therefore recommends that in order to avoid challenges in implementing change programs within the City Council of Nairobi a review of the organization's strategic plan and the entire organizational structure needs to be revised and a more hands on approach needs to be incorporated within the organization and disseminated to all staff, who also need to be involved in the decision making processes that take place within it..

## CHAPTER ONE

### INTRODUCTION

#### 1.1 Background of the study

Organizations rarely standstill, but are in a more or less constant state of flux where change and adaptations is one part, if the organization has a knock on effect elsewhere.(Cole, 2005).It has become the accepted view that, for the society at large, the magnitude, speed, unpredictability and impact of change are greater than ever before. Although many claim that we are living through a period of unprecedented and unpredictable change, not everyone is affected by the same change. Though change management would not be considered particularly important if products and markets and organizational change were rare, it would be considered even less of an issue, if it were easily merged and success would be guaranteed, there is substantial evidence that this is not the case.

Strategic change management is a systematic approach to achieving a sustainable change in the human and organizational behavior. It involves changing the people in the organization from certain old behavior to some new behavior desired by the organization (Todd, 1999). (Jones, 2004) states that organizational change is the process by which organizations move from their present state to some desired future state so as to increase their effectiveness. Change affects every aspect of life thus taking a proactive approach to change is the only way to take charge of the future either as an individual or as an organization.

Change management entails thoughtful planning and sensitive implementation and above all, consultation with, and involvement of, the people affected by the changes. Change must be realistic, achievable and measurable. A question that needs to be asked is: what do we want to achieve with this change, why, and how will we know that the change has been achieved? Who is affected by this change and how will they react to it? Change management need to be understood and managed in a way that people can cope effectively with it.

Change can be unsettling, thus the manager needs to be a settling influence. Three types of organizational change that has been perceived to be important and have received considerable attention are Introduction of the new technology in the early 1980's, adoption of total quality management (TQM) and application of business process re-engineering (BPR).The microelectronic revolution of the 1980's which saw the rapid expansion of computers and computer based processes into most areas of organizational life, was the subject of great many studies. The move by the European organizations to adopt total quality management began in the mid 1980's, although total quality management was a success to the Japanese companies, whereas the experience in the western companies was that it was difficult to introduce and sustain the same.

Philip Crosby (1979) one of the founders of total quality movement claimed that 90 per cent of the TQM initiatives by American organizations failed. In the United Kingdom and other European countries the failure rate was 80 per cent. Business process re-engineering was hailed as the biggest business innovation (Mill, 1994:26) though less well documented than either new technology or TQM, (Wastell et al ) (1994:37) concluded that the business process re-engineering have typically achieved much less than they promised. Therefore even with these three types well established initiatives there is no guarantee for success. This is perhaps why managers consistently identify the difficulty of managing change as one of the key obstacles to the increased competitiveness of their organizations (Hanson, 1993; industrial society, 1997; Worrall and Cooper, 1997).Change management can either be reactive, in which case the management is responding to changes in the macro environment/(some change is external) or proactive, in which management is initiating change in order to achieve a desired goal(source of change is internal) Change management can be coordinated on a continuous basis, on a regular schedule, or when deemed necessary on a programme by programme basis (Lewin, 1947).

### **1.1.1 Concept of change management**

Organizations face challenges that are from their external environment. Environment's which organizations operate in are not static but continuously changing (Rue and Byar, 1992). This study will concentrate on challenges of implementing change programmes at City Council of Nairobi. Organizational

environment has been changing since the 1970's when the world experienced great changes in the petroleum price thus organization's had to consider how to reconfigure themselves to take in these external events into account (Stones; Freeman and Culbert, 2003). In the 1980's change shifted from local to global, thus market competitions were intensified across the world. In the 1990's technology revolutionized the way we think about organizations. Failure to spot change trends and conditions and to effectively manage them leads to a serious strategic problem characterized by maladjustments of the organizational outputs and demands of its internal environment (Thompson, 1997).

Change management is not a distinct discipline with rigid and clearly defined boundaries. Theory and practice of change management draws on a number of social science disciplines and traditions. The tasks are further complicated by the fact that the social sciences are inter woven, to challenge this, is to range wide enough to capture the theoretical foundations of change management, without straying so far into its relates disciplines that clarity and understanding suffer.

### **1.1.2 City Council of Nairobi**

The City Council of Nairobi is among the 275 Local Authorities in Kenya. It is governed by Cap 265, the Local Government Act,. In the Act, the City Council of Nairobi is classified as a municipal council. The act of parliament is yet to be amended to adopt the word 'city' among its classifications of the local authorities. In Kenya today there are only three cities recognized by the office of Deputy Prime Minister, Ministry of Local Government. They are the City Council of Nairobi, Mombasa City and Kisumu City. Other classifications of the local authorities include municipal councils (for example Machakos, Nyeri), County Councils (for example Nyamira, Makueni), Town Councils (for example Tala-Kangundo, Oyugis). Nairobi 'The place of cold water' owes its beginning to the exploitation of the East African territories by the British. With the railway reaching Nairobi in 1898, the colonial administration seat shifted from Machakos to Nairobi. This was facilitated by the availability of means of transport from Nairobi to Mombasa and the rest of the interior (including the later called white highlands). The rate at which Nairobi was growing as an urban area called for formation of a municipal committee.

In 1900 Sir Arthur Harding published the Nairobi municipal regulations and defined the Township as the area comprised within a radius of one mile and a half from the then present office of H. M. Sub minister in Ukambani'. The regulations covered committee meeting conduct, methods of lighting, policing and cleaning. The first Town Clerk was Captain E. L. Sanderson, other white Town Clerk who followed

were Sir Henry Belfield, Walter, Williams, Ridont, and Sir Edward Northey among others. The first African Councillors to serve in the municipal were Muchuhi Gikonyo and Khamisi in 1946. The first African Town Clerk was appointed in 1967. Since then 17 Town Clerks have managed the Council to date. The Council mandate is to provide and manage basic social and physical infrastructure services to the residents of Nairobi. These services include basic education, housing, health, water and sewerage, refuse and garbage collection, planning and urban planning and development, urban public transport and fire services among others.

There is no clearly designed change management approach in the City Council of Nairobi. Being under the office of Deputy Prime Minister, Ministry of Local Government, it has influences of the Molg, the office of the President, the office of the Prime Minister, Ministry of Finance and the Directorate of Personnel Management. Each of these branches issue advice, directives and instructions to the City Council of Nairobi on various areas of change programmes.

Change programs under performance contracting are coordinated from the office of the Prime Minister, Reforms Secretariat. The secretariat gives advice on financial, non-financial, operational and dynamic aspects of council's performance contract.

Directorate of Personnel Management gives directives and advice on the growth and development of officers with the framework of public service. Ministry of Finance also issues directives on procurement, fund spending, funds revenues and general public funds management. This affects the other government agencies including the City Council of Nairobi. It is at rare occasions that the council will have independent planned changes. This is because it operates under the umbrella of the Molg. Operating capital expenditure of the council has to be approved by minister Molg and the minister for finance (as instructed by parliament).

Most of the change management approaches at the council level are on emergent basis. They are not planned but are reactive to a threat which is in force and instructions from above. But it should be noted that normally change management approach in the council are a more or less a process. Bullock and batter (1985) approach has some application in the council. The management creates awareness of need for change after receiving instructions from the external influencers. The instructions are tailor made for council through planning for actions to be undertaken and how best to implement the changes as per the action plan.

Kanter et al (1992) Ten (10) commandments approach has also been used in the institutionalization of changes. The separate commandments are implemented one by one without following any order as the management and internal change agents so feel. Use of emergent change management approaches has also been in use. Due to the nature of some changes, the council is unable to plan for changes. The council reacts to such changes when they occur to reduce their effects or completely done away with them. But it should be noted that there is no defined change management policy in the council to guide on the approach. This means that the management consisting of councilors and chief officers are the ones who sometimes give direction through the council's resolutions. Any significant transformation creates people issues. New leaders will be asked to step up, jobs will be changed, new skills and capabilities must be developed and employees will be uncertain and resistant. In dealing with these issues on a reactive, case-by-case basis puts speed, morale and results at risk.

A formal approach for managing change begins with the leadership team and then engaging key stakeholders and leaders should be developed early and adopted often as change moves through the organization. This demands as much data collection and analysis, planning and implementation discipline as does a redesign of strategy, systems or processes. The change management approach should be fully integrated into program design and decision making both informing and enabling strategic directions. It should be based on a realistic assessment of the organization's history, readiness and capacity to change. The change management practices adopted by city council of Nairobi are; the introduction of Performance Contracting, Performance appraisal system, Rapid results initiative among many more.

Due to ever changing business environment especially with the influence of the government, many awareness and understanding practices have been put in place most of which were initiated in year 2003 by the NARC government and the current coalition government. The council has had its chief officers sensitized on government reforms which are transmitted to the council. Several induction courses have been conducted on them at the Kenya institute of administration. All other council's officers at one point in time have been sensitized on the council's changes and



management especially on performance contract, performance appraisal system, corruption eradication, ISO and the 6 key results areas in the current strategic plan. In-house training has been carried by training consultants on junior and senior officers.

Council's posters, newsletters and internal communications have been popular in the creation of awareness and understanding of change programmes at the council. Posters are displayed at strategic points in all the departments where the employees as well as visitors to the council can easily read and understand them. The council's introduction of 'The city council of Nairobi annual news report' publication has made many people be aware council of the significant changes and the change programmes being implemented. The council holds public awareness week annually. It uses the LASDAP's public forums to create awareness and understanding of the change and change management in the city council of Nairobi. For the change and change programs to be meaningful and successful in the council, it had to start from the top. The councilors and the chief officers who are policy makers had to initiate change through the council's resolution. Policies were developed and adopted by the members of the council and the chief officers were entrusted with the implementation process. This was the start point of institutionalizing change programs.

The councilors and the chief officers have undergone several trainings on change leadership. Seminars for top and middle management officers have taken place in various locations here the participants were taught to be key instruments of change and change programs. They were to lead the change process from the front but not back. Exchange programs have been conducted; some councilors and chief officers have travelled out of the country to Japan, USA, Britain and South Africa to have firsthand information on change programs and they have seen it work during the visits to the above mentioned countries. On coming back management team was formed to spearhead the chances headed by the City Mayor and the Town Clerk.

The adoption of employment of the chief executive officer on contract has been a practice to enhance the change leadership in the change programs. The former Town

Clerk initiated a regular and MUST chief officers' meeting on weekly basis. He personally used to chair the meetings which concentrated on the change programs operated by the council. It is composed of all the chief officers, heads of key operational areas like the markets, the city mortuary, the wards and divisional heads, inspectorate CBD group and Pumwani maternity hospital. Changes were initiated, communicated and implemented by the individual members of these work teams. This meant that the Town Clerk had all the updates on the change and change programmes at hand and was also known for his personal interaction and monitoring of the council changes through MBWA (management by walking around).

In his contract period, the city council of Nairobi's lost glory was being regained bit by bit. His successor has followed his footsteps in the change programs, he is known to advocate for change, support and change programs whether his subject likes it or not. It is notable that some officers have been forced by the wave of change and its management to exit from the council. This is because they would not stand it due to their rigidity to changes. In change leadership the chief executive officer of the council, is the chairman of the Reforms Secretariat, which oversees all the reforms or changes in the council. His secretary is a senior able officer, the Assistant Town Clerk, Reforms Secretariat.

## **1.2 Research problem**

In the last decade or so there has been an accelerated organizational change across the globe; these changes whether political, economic, social and technological have not spared Kenya. Many organizations have not managed change properly due to industrial unrests, resistance from staff and so on.

Many studies have been done in Kenya on change management namely: Gichohi (2007) looked at challenges of change at Unga group and concluded that the change process was due to liberazation of the Kenyan economy. Odhiambo (2005) evaluated the problems and practices in the manufacturing sector and concluded that manufacturing companies in Kenya considered implementing Kotters eight stage model. 'Amenya (2001) analyzed management of strategic change at rift valley railways and concluded that there were internal and external factors that necessitated

change at rift valley railways. Kamau. J (2010) study finding showed that management process at Action aid began by setting goals and objectives , study found out that challenge of managing change was due to the restructuring of the organization. Kibaga (2005) looked at strategic change at the insurance industry of Kenya. Most of the studies done have not looked at challenges face by implementing change programs at City Council of Nairobi. There exists a gap between concepts of strategic change management at City Council of Nairobi where previous studies dwelt on change management which therefore seeks to address the Knowledge gap.The study will therefore bridge the gap on the challenges of implementing change management programs at City Council of Nairobi?

### **1.3 Objectives of the study**

The specific objective of the study is

- 1) Establish the change programs ,
- 2) Identify the challenges faced in managing change programmes
- 3) Evaluate the change process in light of the models of change programmes at City Council of Nairobi.

### **1.4 Value of the study**

The findings of the study will have a wide spread implication on the organizations change management and will help revise the existing change management strategies. Study will add value to the existing body of knowledge. The value of the study will be its significance to City Council of Nairobi and other Local authorities on how best to manage and improve change management programs. How useful it is to management and employees of City Council of Nairobi as it will provide an opportunity to gauge their progress, direction and benefits accruing from the change effect. The study will generate literature on implementing change management processes at City Council of Nairobi for top scholars and researchers willing to carry out research in the field of Change Management. The study will also be helpful to City Council of Nairobi assess its levels of change management performance in relation to its peers and other industry players.

## CHAPTER TWO

### LITERATURE REVIEW

#### 2.1 Introduction

This chapter reviews the different perceptions of strategic change by scholars, and the various approaches to strategic change. Change is any planned or unplanned transition from one state to another, such change comes in many forms. Strategic change is long term in nature and affects the entire organization and aims at achieving effectiveness.

According to Burnes(1998) there are three schools of thought that form the central plank on which change management theory stands are: The individual perspective school, Pavlov (1927) that a dog can be taught to salivate at the ringing of the bell, by conditioning the dog to associate to the sound of the bell . This school of thought is split into two camps that are behaviorists and gestalt-field psychologists. According to the behaviorist theory all behavior is learnt, the individual is the recipient of the external and objective data. One of the basic principles of behaviorist is that humble actions are conditioned by their expected consequences. Behavior that is rewarded tends to be repeated and vice versa. Therefore in order to change behavior it is necessary to change the conditions that cause it (Skinner, 1979). In the principle of extinction, behavior will stop eventually if it is not rewarded (Lovell, 1980).

In the Gestalt Field theory learning is the process of gauging or changing insights, outlooks, expectations or thought patterns. According to the Gestalt filed perspective, behavior is not just a product of external stimuli but rather arises from the individual reason to interpret stimuli. The school has proved influential in the management of change whereas some writers use them in tandem.

The group dynamics school, this school has the longest history (Schein, 1969) as it originated with the work of Kurt Lewin. This group emphasizes on organizational change through team work groups rather than individuals (Bernstein, 1969) According to Lewin (1947a, 1947 b) people in organization work in groups, individual behavior must be seen, modified or changed in light of the groups prevailing practices and norms. Lewin (1947 a, 1947 b) postulated that group behavior is an intricate set of symbolic interactions and from that not only affected

group structures but also modify individual behavior. Therefore he agrees that individual behavior is a fraction of the group environment. The open systems school, is composed of a number of inter connected sub systems. Any change in one part of the system will have an impact on other parts of the system and its normal performance (Scott, 1987). The open system approach is based on describing and evaluating the sub-system in order to determine how they need to be changed so as to improve the overall functioning of the organization. Organizations are open to interact with the external environment and are also open internally. The various sub-systems interact with each other.

## **2.2 Strategic change**

Change is usually triggered by a threat or opportunity which is of sufficient magnitude that the organizational members can't ignore it? (Van de Venn & Poole, 1995). Strategic change is defined as a difference in the form, quantity or state over time in organizational alignment with its environment (Rajagopalan & Spreitzer, 1997). Strategic change not only decides what to change, how and when to change specific elements of the organizations strategic orientation (Worley; Hitchin & Ross, 1996). This change may be driven by dramatic change in the environment, declining organizational performance or both.

According to Hoerfers & Schendel (1978) Strategic change is also defined as change in the context of the organization's strategy as elaborated by its scope, resources, deployment, competitive advantage and synergy. Strategic change could also be affected by the state of the organization and its external environment. For instance organizations will adopt new strategies' in the face of financial distress for purposes of being even in the critical situation. Most recently there has been a shift of emphasis, away from the behavioral explicit, to an exploration of ways in which organizations perceive, interpret and understand strategic change.

Many of the change programs arise from management issues such as culture change, empowerment and technological changes. Change initiatives are driven by the need by organizations to reposition themselves in the face of changing competitive conditions. Change processes involve radical transitions within the organization that

encompass strategy, structure, system, process; culture (Balogun, 2001). Organization will experience different levels of transition. Gradual change represents a fairly stable slightly linear variation in the environment. Continuous change represents both steady and incremental shifts in the environment over time. Cost cutting, elimination of waste, reduction of efforts, streamlining internal processes, minimizing variation applying external best practices are key tactics (Hummer, 1990)

### **2.3 Approaches to strategic change management**

The first great test of competence that organization's face in their change effect is the identification of the change path to follow (Drucker; 1954). Strategic change is an ongoing process which must concentrate on assuming a good fit between the environment and the organization, where it needs to take into account competitors, customers and the external environment including technology, politics, economy and social factors (Rajpal; 2007). The strategic approach has three distinct processes namely: what business are we in? What are the key issues? How best can we compete? (Cohen & Cyert; 1973). Strategic planning process entails the following process, formulation of goals, analysis of the environment, assigning quantitative values to the goals, micro process strategy formulation, gap analysis, strategic search, selecting portfolio of strategic alternatives, implementing the strategic program, measurements, feedback and control. These steps should not be seen as an instant process of strategic change but a continuous ongoing process (Ansoff; 1969).

### **2.4 Change management models**

Kurt Lewin proposed step models which are commonly referred to as Unfreeze, change and Freeze. The Unfreeze stage is probably one of the most important stages to understand. This stage is about getting ready to change, it involves getting to the point of understanding change is necessary and getting ready to move from the current comfort zone. The unfreeze stage is about getting motivated for change and weighing the pro's and con's and deciding what action needs to be taken.

The change process stage is transitional. Transition is the inner journey or movement that is made in reaction to a change. This stage occurs as we take the changes that are needed. The freeze stage is whereby people are moving towards a new way of being.it

is usually the hardest period, as people are unsure and fearful. Support is of great importance here and can be in the form of Training, coaching and accepting mistakes as part of the process. It helps to communicate a clear picture of the desired change and its benefits to the people so as to not lose sight of where they are going. The freeze stage is about establishing stability once change has been made. Change is acceptable and becomes the new norm. People form new relationship and become comfortable with their routines. It is at this stage that managers can have a great influence thus leading to positive performance.

There are many theories on how to implement strategic change, many of them originate from leadership and change (Kotter, 1995). Kotter outlined eight steps namely: Create Urgency, this is whereby there is the development of sense of urgency and need for change. This helps in getting things moving. Urgency can build and feed on it and many people grasping the need for it. it identifies threats and develops scenarios about what could happen in the future. Form a powerful coalition; convince people that change is necessary. It takes strong leadership and visible support of people within the organization by bringing influential people together whose power cover areas such as job titles, expertise and political importance.

Create vision for change, links concepts of great ideas and solutions floating around. A clear vision helps, people grasp early and remember. Detecting values that are central to change is an effective tool and practice the vision of speech offered. Communicate the vision, do this frequently and powerfully and embed it within the organization. Talk often about the change agenda and apply the vision to all aspects of operation. Management should lead by example. Remove obstacles this can empower people. Hiring of change leaders is as effective as identifying leaders within the organization. Reorganize and lead people for the change effort. Look for super fire projects that can be implemented and reward staff members who meet the expectations.

Build on the change, Kotter (1995) efforts that change fast become victory and is derived too early. Real change runs deep. Quick wins are only the beginning of what needs to be done to achieve the long term change. Anchor for change, is corporate culture. Make organizational changes stick and become part of the organization.

Corporate culture determines what needs to be done; it ingrains the value behind the vision and incorporates the same in the day to day activities of the organization. Create short term wins, nothing motivates more than success. Assess the staff performance and results within a short time frame, without criticizing and negative remarks as this do not lead to them meeting their progress.

Temporary aspects of change are used as a means of breaking down the complex process of organizational change into manageable portions such as, conception for need for change which maybe in response to external or internal pressures or may be through a belief in need of change to meet future competitive demand (Dawson, 1984).he further states that change can be seen as a process of organizational transition where strategic decisions are made. Operations of new practices and procedures refer to the period when following implementation of change, new organization arguments and systems of operations begin to emerge.it is the period in which the relatively stabilized system of operation emerge comprising of new patterns of relations and new forms of working practice(Dawson, 1984).

Quinn (1986) argues that integrating of processes is incremental not processual. This involves patterns of change through creating awareness and commitment incrementally, amplifying the understanding of awareness, changing symbols and building credibility, Legitimizing new view points and making tactful shifts and partial solutions (Quinn, 1986). He further states that change progress should be solidified incrementally through creation of pockets of commitment by empowering champions and continuing the dynamics by eroding consensus.

A learning organization is an organization that has developed continuous capacity to adapt and change (Robbins, 2003). All organization learn whether consciously or sub consciously as it is a fundamental requirement for their sustained existence. A learning organization is an ideal to strive towards rather than a realistic description of structured activity, which draws organizational behavior concepts such as quality management organizational culture, boundary less organizations, functional conflict and transformational leadership.



## **2.5 Challenges of implementing change programmes**

The biggest single challenge facing managers today is globalization, and how to achieve sustainability in a world of dwindling natural resources and increasing environmental pollution, how to manage an increasingly diverse workforce and at a time leaders are considered less trustworthy and how to manage ethically (Burnes, 2003)

Slow adoption to modern technology is one of the key factors in the challenges of implementing change programmes. Mismanagement of resources is another challenge in the implementation of change programmes; resistance to change due to the unknown, another equally important factor is failure to adhere to rules and regulations, culture, stakeholder politics, teamwork and leadership are some of the factors that can influence the outcome of any change programme.

According to Ansoff and McDonnell (1990) Resistance to change is a multi-faceted phenomenon which introduces delays, additional costs and instability in a change process. Resistance can either be behavioral or systematic. Behavioral resistance is exhibited by individuals, managers or groups. Because of parochial self-interests, misunderstanding and lack of trust, differences in assessment, or low tolerance to change. Systematic resistance originates from passive incompetence's in the managerial capacity to carry out the change. Management requires planning and developing the required capabilities by integrating management development into the change process and stretching the implementation period as long as possible.

Rowe et al.,(1994) noted that Organizational culture is the total sum of shared values, attitudes, beliefs, norms, rituals, expectations and assumptions of people in an organization. Thompson and Strickland(1993), argues that there must be a fit between strategy, structure, systems, staff, skills, shared values, values, styles for change management process to be successful. Thomson (1997) argues that organizational culture and values held by managers and other employees within the organization are key influences on strategies of change and are therefore the central driving force for considerations in strategy creation and change

### **2.5.1. Political Management, mobilization support and legitimacy**

Stakeholders support is essential for a change programs due their different interests and power, achieving universal support is a challenge and politics sets in. According to Moore (1992) strategic change management process in the public sector starts by looking towards politics for three reasons, it is in this realm that managers must search to discover what purposes are deemed publicly valuable, political institutions grant public managers resources they need to accomplish their operational purposes., lastly public managers are accountable to politics and law both theoretically and practically. Managers use organizational politics as tactics to use power to influence goals and change to further their interests.

### **2.5.2. Teamwork**

Complexities of most processes are usually beyond the control of any one individual. The only way to tackle such problems is by use of teamwork. Building of effective team work is not an easy matter Team approach to change implementation removes artificial organizational barriers and encourages openness. Teams share common goals and help to focus energy by emphasizing self-control on part of the participants

### **2.5.3. Leadership**

Management of change is closely linked to the role of strategic leadership. Leadership is the process of influencing an organization in its efforts towards achieving an aim or goal, a leader influences and is not necessarily someone at the top of an organization. Rowe et al., argues that the team approach to change implementation removes artificial organizational barriers and encourages openness. Teams share common goals and help to focus energy by emphasizing self-control on the part of participants. Teams that are cohesive, that interact cooperatively, with members possessing compatible personality characteristics and that are operating under mild to moderate pressure appear to be most effective.

## **CHAPTER THREE**

### **RESEARCH METHODOLOGY**

#### **3.1 Introduction**

This section describes the proposed study design, data collection procedures or techniques, data collection instruments and its relevance and how the collected data was organized and analyzed.

#### **3.2 Research Design**

The research was conducted through the case study method at City Council of Nairobi. Case study is a form of qualitative analysis when a study is carried out in an organization and gives a detailed investigation of a single subject. Through this method the researcher is able to obtain in-depth knowledge of challenges faced by City council of Nairobi in implementing change management programs. It also facilitates an intensive study of a particular unit.

#### **3.3 Data Collection**

In this case study, primary source of information was used in the collection of data. Primary data was collected through an interview guide. Questions were divided in parts namely: Part A, Part B, Part C and Part D. Use of a standardized interview guide allowed for comparison of results among the respondents. The target population was the employees of City Council of Nairobi 16 departments namely: Administration, City Planning, City Engineer, Public health, Audit, Environment, City Education, Inspectorate, Social services and Housing, Human resources, Investigations and Analysis, City Treasurer, Procurement, Housing Development, Legal and ICT.

The interview guide was submitted to the various departments after providing a letter of introduction from the School of Business, University of Nairobi and a letter from the Human Resource Department City Council of Nairobi, authorizing the researcher to carry out the research and a covering note requesting the respondents to participate in the research in order to get the data required for the study. This was done with the help of research assistants and the researcher who was available to clarify the question that were not clear to the respondents and made prior arrangement and assured the respondents of high degree of confidentiality and anonymity

### **3.4 Data Analysis**

Content analysis was used to analyze the respondent's views on the challenges of implementing change management programs at City Council of Nairobi. Advantage of using content analysis is that it allows grouping of collected data into various groups for easier analysis which is a continuous process. Main purpose of content analysis was to study existing information in order to determine factors that explain a specific phenomenon. Content is defined by Creswell (2003) as a technique of making inference by systematically and objectively identifying specific characteristics of messages and to use the same approach to relate to trend. On receiving the questionnaire from the respondents, the data was checked to ensure completeness, consistency, accuracy and uniformity. The data was then be coded and tabulated to facilitate data analysis through content analysis.

## **CHAPTER FOUR**

### **DATA ANALYSIS AND INTERPRETATION OF RESULTS**

#### **4.1 Introduction**

This chapter details the findings and interpretation of the results in light of the study and with respect to the objective of the study. The study was designed with the aim of establishing the challenges of implementing change programs at City Council of Nairobi. The study involved collection of primary data through the use of an interview guide which was administered through personal interviews. The research targeted the 16 departments at City Council of Nairobi namely: Administration, City Planning, City Engineer, Public health, Audit, Environment, City Education, Inspectorate, Social services and Housing, Human resources, Investigations and Analysis, City Treasurer, Procurement, Housing Development, Legal and ICT.

#### **4.2 Research findings**

This section represents the general information about the City Council of Nairobi. This includes the employee's demography and number of years with the organization, communications of objectives, whether or not the council embraces counter response measures as one of their strategies based on the challenges, and current counter response measures activities. Considering the demographic characteristics of the respondents, the study established that a majority of the employees were male; the findings can be generalized on the male respondents.

A majority of the departments had same number of respondents: particularly, Administration, Audit, City Inspectorate, City Treasurer, Human Resource and Investigations and Information Analysis which had four respondents each. City Planning and City Engineer department had 3 respondents each. The other

respondents were from Education, Health, Legal affairs and Public health departments. The implication on the study was that varied responses from the different departments adequately explored all the expected responses from the entire Council.

Regarding the designations, the researcher found that the respondents had different managerial designations at the high levels. The implication on the research is that the respondents were evenly distributed and therefore a variety of the responses were obtained. Regarding the number of years in position, results show that a majority had been in the firm for 10 years and above, other had also been in the council for 3 to 6 years, this implies that the majority of the respondent had enough experience to give acceptable responses to the study questions. In relation to the education level, the results showed that a majority of the respondents had attained University level education implying that majority of the respondents had adequate skills to respond to the questions asked in the study.

#### **4.2.1 Communication of Objectives and the role of the managers in change process**

The interview guide sought responses on the role of the managers in change programme process. From the responses received from the interviewees, it was clear that the corporate objectives were entrenched in the strategic plan of the organization where each departmental head had clearly defined objectives that were specific, measurable, achievable realistic and had specific targets. The researcher established that there was use of every available vehicle possible to communicate the vision and mission statement through employee bulletins, employee meetings, memos, newspapers, formal and informal interaction. In addition having a guiding coalition role on the behavior expected from employee nothing undermines the communication

of change programmes than that which seems inconsistent with the vision. Careful monitoring of senior management behavior and interaction was a good idea so as to be able to identify and address inconsistencies among words and deeds.

The researcher found out that the change management empowering programs involved getting rid of obstacles, changing systems or structures that undermine the change vision and encouraging risk taking and non-traditional ideas, activities and actions. The managements know that ruining a transformation without serious attention to short term wins is extremely risky. The Council's plan for visible improvements in performance or wins also creates the wins. In addition the people who make the wins should be visibly rewarded and recognized. Consolidating gains and producing more change programs credibly changes all systems, structures and policies that do not fit into the transformation vision. People who implement the change vision should be promoted or hired and the system be re-invigorated with new projects, themes and changes agents.

Moreover, the study inquired on the challenges involved in implementing change programmes at City Council of Nairobi. The respondents cited that it involved the implementation of organization strategy through the application of the management process to obtain the desired results. Particularly, change program process included designing the organization's structure, allocating resources, developing information technology and decision process, and managing human resources, including such areas as the reward system, approaches to leadership, and staffing.

All the departmental objectives were congruent with the overall council objectives. The staff members are also constantly reminded of their objectives during meetings carried out between managers and other staff members to review their performance

during and over a certain specific period of time. The study also indicates that there is awareness and involvement as the counter response measures strategy was being embraced by each of the respondents. HODs were involved in formulation and implementation of the strategy.

Making the necessary moves to establish positions in different businesses and achieve an appropriate amount and kind of diversification. A key part of corporate strategy is making decisions on how many, what types, and which specific lines of business the council should be in. This may involve deciding to increase or decrease the amount and breadth of diversification. It may involve closing out some strategies (lines of business), adding others, and/or changing emphasis among strategies.

The council managers initiated actions to boost the combined performance of the businesses the council had diversified into: This involved vigorously pursuing rapid-growth strategies in the most promising areas keeping the other core operations and service delivery businesses healthy, initiating turnaround efforts in weak-performing strategies with a promise, and dropping strategies that are no longer attractive or don't fit into the corporation's overall plans. They also involved supplying financial, managerial, and other resources, or acquiring and/or merging other companies with an existing core missions in pursuing ways to capture valuable cross-business strategic fits and turn them into competitive advantages especially transferring and sharing related technology, procurement leverage, operating facilities, distribution channels, and/or customers. Moreover, the council managers also are in forefront in establishing investment priorities and moving more corporate resources into the most attractive strategies.



Regarding the change programme empowerment practices in CCN, the researcher established that have a wealth of skills necessary for their jobs and that their work is meaningful to them. The respondent neither agreed nor disagreed with the statements that they had control over the aspects of the job that they are accountable, that their work gives them ability to contribute to the success of the organization, that their impact on what happened in their department was large. The respondents also neither agreed nor disagreed with the statements that their supervisors encouraged team work and delegated authority, that they had significant autonomy in determining how they did their job, that their position allowed career growth and development. In addition, the respondent neither agreed nor disagreed that they had significant opportunity for freedom and independence in doing their jobs; these were represented by mean scores of three. The respondents stated that they disagreed to some extent with the statement that there is a clear system of handling employee discontent and that they normally get sufficient resource to do their jobs.

#### **4.2.2 Change programs and strategy implementation process**

The study further looked at the various challenges facing implementation of the change programs adopted by the City Council of Nairobi for effective operations and service delivery. There were various reasons cited such as ineffectiveness, lack of direct control and use of the firm's resources, mechanisms such as organizational structure, poor information systems, ineffectual leadership styles, slow assignment of key managers, unplanned budgeting, little or less employee rewards, and weak control systems. The responsibility of implementing the change programs was under the Chief Executive Officer and Senior management docket.

The respondents were asked to choose only ten (10) out of the twelve (12) factors that they felt responded to the challenges involved in implementing change programmes in their Council for effective operations and service delivery, majority of respondents identified gaps in organization structure and rapid change in Technology as the factors hindered implementation of the change process. Need to concentrate on Core Activities , need to reduce operational cost and need to free resources for other purposes was also cited as an impediment to implementing change programmes.

The respondents further felt that the factors that moderately responded to challenges of implementing change programmes was the choice of what to strategy the council needs to embrace to improve institutional focus, ease of activity control through adoption of new technology, need to improve efficiency, and need to reduce risks in operations and service delivery

Some respondents did not consider management style and availability of human resource skills as important challenge factors that deter implementation of change programmes, respondents did not consider Government Policy as an important factor to be considered at all. With regard to other factors that respond to challenges of implementing change programmes at the council, the study revealed that most of the respondents considered choice of external service strategy consultants as an important factor. The various attributes of the strategy consultants which were considered as important include on change programs professionalism, competence, quality of flexibility. The council therefore needs to improve on technology and services quality so as to highly access world class services.

#### **4.2.3 How challenges of change programs affect the implementation process of various areas in the council**

The study looked at how the change program process affect the implementation process of various key areas in the council. On structure, the study revealed that structure provides overall framework for strategy implementation, it is not in itself sufficient to ensure successful execution. Within the organizational structure, individuals, groups and units are the mechanisms of organizational action, and the effectiveness of their actions is a major determinant of successful implementation. In this context, two basic factors encourage or discourage effective action-leadership and culture.

Seeking to establish how change management process challenges affect the implementation process on Culture, the respondents cited that culture is a set of important assumptions (often unstated) that members of an organization share in common. These shared assumptions (beliefs and values) among members of an organization set a pattern for activities, opinions and actions within that firm.

On the area of Technology, the study revealed that most departments at City Council of Nairobi had not fully computerized their operations and service delivery function thus affecting its revenue base. Furthermore, change program process challenges were seen to affect leadership in that without the right leadership; employees remained skeptical of the vision for strategy and distrust of management team management likewise was frustrated and stymied by employee resistance. One major task of the Management was to implement strategy which entailed overcoming resistance.

Most respondents did not term Legal/Regulatory factors as a change program process challenge at CCN since CCN derives its legal mandate from the Local Government Act (Cap 265) of the laws of Kenya amongst other acts of parliament that augment its diverse core functions and priorities. These priorities are contained in various policy and planning documents such as the national development plans, poverty reduction strategy paper and Economic Recovery Strategy (ERS) for wealth and employment creation in the medium term and Kenya's vision 2030.

The study revealed that CCN faced competition in the industry from private owned firms such as estate developers who create estates and hence private owned services such as garbage collection, provision of water and sewerage services. These in turn led to loss of revenue to CCN. The study found that CCN change management process was also affected by Customer needs and preferences. Most respondents cited that strategy sets up leaders to struggle between managing the business and addressing the needs of the people. Typically, it is the people side that loses out. But if leaders don't establish an effective balance between business and people priorities they can destabilize the organizational culture and erode trust, generating fear and skepticism among employees at a time when a loyal, productive, and enthusiastic workforce is essential for success. The various implications of the challenges in implementing change programmes has led to poor provision of services rendered loss of revenue and lack of public trust especially on the timely delivery of services.

#### **4.2.4 Basic requirements of the council for effective implementation of change programs in enhancing service delivery .**

In seeking to understand the councils basic requirements for effective implementation of change programs for efficient operations and service delivery , the researcher

established that in order for the council to effectively achieve effective change programs process for effective operations and service delivery, financial requirements are as important as Physical and Structural facilities whereas the respondents felt that there are other additional requirements necessary for effective change programs

The researcher further established that the councils effective change program had a well-designed vision that allowed for free ideological movement and interaction of staffs. Moreover, the researcher wanted to find out whether there was any particular area frequently outsourced by the councils in effective strategy implementation. The findings therefore indicated that Information Technology is currently being outsourced by the council to a very great extent closely followed by training activities Facility management and policy management were found to be moderately outsourced as one way of improving the efficiency change programs of the councils formulated strategies.

Human resource (HR) services are outsourced to a small extent. The study revealed that HR counter response measures had great future potential as a key management strategy in the organizations, this enabled the council to reduce its high wage bill and improve management of payroll for its employees. The researcher further found that operations and service delivery were not outsourced at all. The council ensured that the activities were performed at optimal level. The respondents were confident that counter response measures had the capacity to increase the organizations effectiveness and efficiency.

## **CHAPTER FIVE**

### **SUMMARY, CONCLUSIONS AND RECOMMENDATIONS**

#### **5.1 Introduction**

This chapter presents the findings of the research, explores the implications of the findings, draws conclusions and prescribes recommendations. The researcher documented the research findings as received from the respondents. The documentation was necessary to support the findings and recommendations as stated. These are the facts from research on which the interpretation were based.

#### **5.2 Summary**

The summary of research findings were based on the study analysis on the challenges of implementing change programs at City Council of Nairobi. The study looked at the following areas; assessing the influence of organizational structure on operations and service delivery, assessing the influence of stakeholders in operations and service delivery, finding out the extent to which motivation influences change programs, the role of computerization in operations and service delivery, the extent to which audit will play a part in change process and to determine the influence of corporate governance on operations and service delivery.

The study dwelt on the various challenges facing the implementation of change programs adopted by the councils for effective programs. There were various reasons cited, such as ineffective direct control of the firm's resources, mechanisms such as an overcrowded organizational structure who had duplicated departments and duties and responsibilities,, poor information systems, ineffectual leadership styles, slow assignment of key managers, unplanned budgeting, little or less employee rewards,

and weak control systems. The responsibilities of the implementation of programs were left to the Chief executive and the senior management teams.

Within the organizational structure, individuals, groups and units are the mechanisms of organizational action, and the effectiveness of their actions was a major determinant of successful implementation. In this context, two basic factors encourage or discourage effective implementation, action-leadership and culture. On how strategy challenge impediments on change programs affect the implementation process on Culture, the respondents cited that culture was set of important assumptions (often unstated) that members of an organization share in common. These shared assumptions (beliefs and values) among members of an organization set a pattern for activities, opinions and actions within that firm.

On the area of Technology, the study revealed that most departments of the council had not computerized its challenge impediments on effective implementation of change programs Further, strategy challenge impediments on change programs operations was seen to affect leadership in that without the right leadership; employees remained skeptical of the vision for strategy and distrustful of management. The management likewise was frustrated and stymied by employee resistance. One major task of the Manager was to implement strategy which entailed overcoming resistance.

Moreover, majority of respondents identified gaps in organization structure and rapid change in Technology as the factors that highly respond to changes in change implementation process Need to concentrate on Core Activities, need to reduce operational cost and need to free resources for other purposes was also cited. The respondents further felt that the factors that moderately responded to the challenges of

the choice of what strategy the councils follows includes need to improve institutional focus, ease of activity control through adoption of new technology, need to improve efficiency, and need to reduce risks in challenge impediments on change programs

Some respondents did not consider management style and availability of human resource skills as important challenge factors that determines strategy implementation process services. All respondents did not consider Government Policy as an important factor to be considered at all. With regard to other factor responding to change management challenge and strategy implementation process at the councils , the study revealed that most of the respondents considered choice of external service strategy consultants as an important factor. The various attributes of the strategy consultants which were considered as important includes professionalism, competence, quality of service, contract term, credibility, cost and flexibility. The study also revealed that some respondents did not consider certain factors as important while selecting the external strategy consultants.

These were: size of the strategy consultants, qualification of the strategy consultants and strategy consultants' flexibility. Majority of the respondent felt that it was not cost effective to handle some activities services internally as the required skills were lacking and hiring them would cost more that delegating them to a third party. The councils therefore needs to improve on technology and services quality so as to highly access world class services.

Most respondents did not term Legal/Regulatory factors as a strategy implementation challenge at City Council, since councils derive their legal mandate from the Local Government Act (Cap 265) of the laws of Kenya amongst other acts of parliament that augment its diverse core functions and priorities. These priorities are contained



in various policy and planning documents such as the national development plans, poverty reduction strategy paper and Economic Recovery Strategy (ERS) for wealth and employment creation in the medium term and Kenya's vision 2030.

The study revealed that city councils faced competition in the industry from private owned firm's hence private owned services such as garbage collection, provision of water and sewerage services. These in turn led to loss of challenge impediments on change programs. The study found that City councils strategy implementation was also affected by Customer needs and preferences. Most respondents cited that strategy sets up leaders to struggle between managing the business and addressing the needs of the people. Typically, it is the people side that loses out.

But if leaders don't establish an effective balance between business and people priorities they can destabilize the organizational culture and erode trust, generating fear and skepticism among employees at a time when a loyal, productive, and enthusiastic workforce is essential for success. The study revealed that there were various implications of the challenges on the councils's strategy implementation process. This had led to poor provision of services, loss of challenge impediments on change management programs and lack of public trust especially on the timely delivery of services.

### **5.3 Conclusion**

The study concludes that there were various challenge impediments on change programs. These included Structure, culture, technology, leadership, resistance to change, legal/Regulatory factors, competition in the industry, customer needs and preferences, labor market conditions and substitute products/services. The study

concludes that the council had in a way been able to amend its strategy implementation process as per the challenges. This was through application of all management functions such as planning, controlling, organizing, motivating, leading, directing, integrating, communicating, and innovation to the implementation process.

The change programs discussed in the analysis and City Council of Nairobi takes Lewins three step model is a planned approach to the change management model is evident in the role of management at City Council of Nairobi. From the study it is also evident that change in the organization has preceded the growth strategy, this explains why the Council has undergone structured change within a short time frame. Challenges of implementing the change programs are evident in the organization and resistance to change and change of structures. From the study change processes like technology and information management are not well taken care of as part of the change programme process.

#### **5.4 Recommendations**

The study recommends that in order for City Council to be able to effectively implement their change programs, there is need to have an organized organizational structure, improved information systems, better leadership styles, timely assignment of key managers, effective budgeting and offer rewards, and control systems.

The researcher recommends that City Council of Nairobi put more emphasis in training their staff to manage the operations in professional way. Only qualified and competent employees need to be recruited and the recruitment policy be followed. The Internal Audit department in the City Council should be given the independence

it deserves. An audit committee should be formed which should work independently. Management should always act on the audit reports

City council need to motivate their employees through participation in decision making, innovation and empowerment. Working environment need to be improved as a way of getting employees motivated. Effective communication needs to be in place as a way of management. City council is required to practice corporate governance through establishing guidelines as management tolls of operations managers should also try eradicating corruption in order to improve operations and service delivery.

Study found that resistance to change by employees has hindered implementation of the City Council of Nairobi strategies. As the organization prepared to embark on strategic planning, resistance to change by employees may impede the process, there is need for the Councils management team to take a more proactive approach to managing change within the organization. Currently Change programs practices involves the management in setting goals, clarifying desired outcomes, providing feedback, giving rewards for desired performance and taking action when goals are not met. The focus of these change programme practices are on performance driving cultural changes.

The findings found out that the City Council of Nairobi management had not formulated and documented a change programs plan but had prepared a documented annual change plan. Annual planning has an operational focus and is concerned primarily with concrete goal setting and scheduling of specific tasks to meet the goals. The Councils management's team can build up on their experience through long term strategic change planning, environment scanning, goal setting and performance evaluation so as to develop a practical strategic plan. There is need for a structured

planning process. Based on the study findings it is recognized that the process of designing any changes may not be accepted by all and that implementation of change must be a continuous process and should be motivated so that the objectives of the change are met

### **5.5 Limitations of the study**

Respondents assumed that they were being investigated and thus unwilling to fill in the questionnaires and the researcher convinced them that the information they were to give was to be used only for academic purposes. The research met with various challenges when conducting the research that included the fact that the council employees ordinarily do not want to give information due to client confidentiality. In addition, some of the interviewees would not find the subject to be of interest. Additionally, some respondents would not want to give the information as they considered it of competitive importance. The respondents being normally very busy people may not have found a lot of time to be interviewed. Since the research was conducted via open-ended interviews, a large amount of time was needed to collect information from the respondents. Time limitation made it impractical to include more respondents in the study. This study was also limited by other factors in that some respondents may have been biased or dishonest in their answers.

More respondents would have been essential to increase the representation of the council's team in this study and allowed for better check of consistency of the information given. However, the researcher did look for contradictions in the information given and no inconsistency were found. A limitation for the purpose of this research was regarded as a factor that was present and contributed to the researcher getting either inadequate information or responses or if otherwise the

response given would have been totally different from what the researcher expected. The main limitations of this study were most of the respondents were busy throughout and had to continuously be reminded and even persuaded to provide the required information. Further some respondents decided to withhold information which they considered sensitive and classified. This reduced the probability of reaching a more conclusive study. However, conclusions were made with this response rate.

### **5.6 Suggestions for further research**

Effective counter respond measures on challenge impediments on change management programs, research areas is widely embraced in the developing countries such a Kenya. In Kenya, it has gained acceptance mainly in the private organizations, however government organizations are also incorporating it as a key management strategy though at a sluggish pace. Given that this study only covered challenges that affect Implementation of change programmes at City Council of Nairobi, for effective challenge impediments on change programs, studies need to be done on challenge impediments on change management program for all Local Authorities. There is therefore room for a similar study to cover the entire council's effective strategy implementation in the major towns in Kenya. This is timely, given the today's rapid technology advances and the increased emerging of competition on organizations in the country.

The researcher suggest further research on revenue management since revenue can be collected to maximum level but be mismanaged due to other factor that the study did not consider

### **5.7 Implication of the study on Theory, Policy and Practice.**

The City Council of Nairobi has no clearly defined change management programs. Most of the change programmes at the Council are on emergent basis, since they are not planned but are reacting to threats. The Policy statement of the City Council of Nairobi is that of service delivery to the residents of Nairobi, which is enshrined in its Strategic Plan and vision mission statement which guides it.

The Council has embraced the Kurt Lewin's three step model, whereby the unfreeze stage is about getting ready to change , this is where the Council needs to move from its current comfort zone and getting motivated for change by weighing its pros and cons and deciding on what actions to take. Lewin's model has been useful to the Council as it has helped them embrace change and also to incorporate the change within the organization.

The City Council need to embrace the Change Kaleidoscope way in running its day to day activities by getting to use the eight steps used in the kaleidoscope change framework by getting to find out if the employees of City Council of Nairobi feel the change taking place within it. Change kaleidoscope was to be used to codify the wide range of contextual features and implementation options that may require consideration during change. The change practices that need to be looked at are: Time-How quickly is the change needed? Is the organization in crisis or is it concerned with its long term strategic development. Scope- what degree of change is needed? Does the change affect the whole organization or only part of it? Preservation- what organizational assets, characteristics and practices need to be maintained and protected during the change process? Diversity- Are the different

staff, professionals, groups and divisions within the organization relatively homogeneous or more diverse in terms of value, norms and attitudes.

Capability-what is the level of organizational, managerial and personal capability to implement change? Is there need to improve this capability before change process can be started. Capacity- How much resources can the organization invest in the proposed change in terms of cash, people and time. Readinesses for change- How ready for change are the employees within the organization? Are they both aware of the need for change and motivated to deliver the changes? Power- Where is the power vested within the organization? How much latitude of discretion does the unit needing to change and the change leader possess?

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**APPENDIX I**  
**INTERVIEW GUIDE**

**Instructions to be answered by employees in all 16 departments**

**Background of information**

- 1) **Name ( Optional)**
  
- 2) **State your gender : Male or Female**
  
- 3) **What is your highest academic qualification: Masters, degree, A 'levels, A 'levels or specify any other**
  
- 4) **Your position at City Council of Nairobi**
  
- 5) **How long have you worked at City Council of Nairobi**

**Change management programs at City Council of Nairobi**

- 1) **Are you aware of any change that the organization has been undertaking?**
  
- 2) **If answer is yes, which changes are you aware of?**
  
- 3) **In your own view, what has necessitated the changes? Explain**
  
- 4) **Do you think that the changes are impacting positively or negatively for the organization? Explain**

- 5) **Is there any aspect that needed change that was not exhaustively exhausted?**
  
- 6) **In your own words please explain what are the factors that accelerated change and what are the factors that reduced the speed of change?**
  
- 7) **What are the major successes of the change?**
  
- 8) **What role does communication play in the role of change management in the organization?**
  
- 9) **What is the role of human resource department on the effectiveness of implementing change management programs in the organization?**
  
- 10) **What initiatives are taken by management in creating and sustaining a climate which motivates employees when implementing change management programs in the organization?**
  
- 11) **What is the model/style of change management programs at city council of Nairobi?**
  
- 12) **What are the change management programs at city council of Nairobi?**
  
- 13) **In your own view have you experienced a shutdown or delay in implementing change as a form of resistance to the programme being implemented?**

**14) In your own view, do you think that resistance to change is a useful tool and how is it impacting (negatively/positively) to the organization?**

**15) What are the factors leading to success or failure of the change management programs in the organization?**

**16) What new technology has been adopted by the organization in the last 10 years?**

**17) How can you rate the organization in terms of modernization?**

**18) Did you get formal training while implementing change management programs in your organization?**

#### **Implementation of change**

**1) Did the organization anticipate the change it is undergoing and how was the change carried out?**

**2) Did the organization consider aligning the change in line with the corporate culture, vision, mission statements and goals of the organization?**

- 3) Was there any consideration that change will be accepted or possibility of resistance?
- 4) What was done to ensure acceptability of the change among its various stakeholders and minimizing possibility of resistance?
- 5) What was done to ensure that change is institutionalized?
- 6) Was change communicated to staff? if yes, how was it done?
- 7) Did top management support the change process?
- 8) Was the vision mission statement well-articulated and understood by the staff?
- 9) Were you part of the change implementation process in your organization? If yes, what role did you play?


#### **Challenges of change**

- 1) What are the major challenges in implementing change in your own opinion?
- 2) Are staff members involved in planning and implementing change?

- 3) **What challenges is management expecting to experience in implementing change and adapting the same in line with the new constitution?**
  
- 4) **What challenges have you not responded to?**
  
- 5) **What results have you observed after the change programs were implemented?**
  
- 6) **What are your suggestions and recommendations?**


**THANK YOU FOR YOUR RESPONSES**

**APPENDIX 11: INTRODUCTORY LETTER FROM CITY COUNCIL OF  
NAIROBI**



**CITY COUNCIL OF NAIROBI**

TOWN CLERK  
TELEGRAM: "MUNICIPALITY" NAIROBI  
TELEPHONE: 224282  
EXT 2381



CITY HALL  
P. O. BOX 30075  
NAIROBI  
KENYA

Ref: HRM/CCN/HRM/TB/HR/SWM /2011

**DEPARTMENT OF HUMAN RESOURCES MANAGEMENT**

Date: CCN/HRM/TB/HR/SWM  
2nd September 2011

JOYCE BAYART  
P.O. Box 20075 - 00100

**RE: RESEARCH.**

Reference is hereby made to your application letter dated 1st Sept, 2011 on the above subject;

The City Council of Nairobi has approved your request subject to the following;

1. The period of attachment will be one (1) months with effect from 2nd September 2011 to 2nd October 2011.
2. You will be attached to all sixteen departments in the Council
3. You are expected to adhere to the rules and regulations pertaining to your attachment.
4. That during your study there will be no costs devolving on the Council.
5. That you undertake to indemnify the Council against any claim that may arise from your research.
6. You are expected to be decently dressed at all times.
7. You are required to submit a **Copy of the final research document** within one weeks/months after completion.
8. You are expected to pay research fees of ksh. KSL

By a copy of this letter The Heads of Dept. is /are requested to accord you the necessary assistance.

Please report to the Chief Administrative Officer(s) in the sixteen departments for your research.

**CITY COUNCIL OF NAIROBI**

*Alice Kahuthu*


**ALICE KAHUTHU**

Sign: **FOR: DIRECTOR HUMAN RESOURCE MANAGEMENT.**

DIRECTOR  
HUMAN RESOURCES MANAGEMENT



**APPENDIX III: INTRODUCTORY LETTER FROM UNIVERSITY OF  
NAIROBI**

  
**UNIVERSITY OF NAIROBI**  
**SCHOOL OF BUSINESS**  
**MBA PROGRAM - LOWER KABETE CAMPUS**

---

Telephone: 020-2059162  
Telegrams: "Varsity", Nairobi  
Telex: 22095 Varsity

P.O. Box 30197  
Nairobi, Kenya

DATE.....

**TO WHOM IT MAY CONCERN**


The bearer of this letter Joyce Boyani  
Registration No: D61/70037/2007

is a Master of Business Administration (MBA) student of the University of Nairobi.

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

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

Thank you.

  
**DR. W.N. IRAKI**  
CO-ORDINATOR, MBA PROGRAM

**UNIVERSITY OF NAIROBI**  
**SCHOOL OF BUSINESS**  
**MBA OFFICE**  
**P. O. Box 30197**  
**NAIROBI**

**UNIVERSITY OF NAIROBI**  
**SCHOOL OF BUSINESS**  
**MBA OFFICE**  
**P. O. Box 30197**  
**NAIROBI**

**APPENDIX 1V:INTRODUCTORY LETTER FROM RESEARCH STUDENT**

**5<sup>th</sup> September, 2011**

Dear Respondents,

I am a Postgraduate student at Nairobi University, pursuing a Masters degree in Strategic Management. As part of partial fulfillment for the degree, I am conducting a research study on: **CHALLENGES OF IMPLEMENTING CHANGE PROGRAMMES: A CASE STUDY OF THE CITY COUNCIL OF NAIROBI.**

For this reason I would appreciate if you would kindly spare a few minutes of your time for me to ask you a few questions in regard to challenges of implementing change programmes at City Council of Nairobi.

The information from this interview will be treated with confidentiality and in no instance will your name be mentioned in this research. In addition, the information will not be used for any other purpose other than for this research. Your assistance in facilitating the same will be highly appreciated.

Thanks in advance.

Yours Faithfully

**Joyce Boyani.....Supervisor.....**

**APPENDIX V:PROPOSAL CORRECTION FORM**

## APPENDIX VI LIST OF DEPARTMENTS SURVEYED

Departments of the city council of Nairobi and the Heads of Departments

Administration.....Town clerk

City treasurer.....City Treasurer

City planning.....Director, City planning

City engineers.....City Engineer

Public health.....Medical officer of Health

Environment.....Director of environment

City inspectorate.....Director of City Inspectorate

Social services & housing.....Director Social Services & Housing

Legal affairs.....Director of Legal Affairs

ICT.....Director of ICT

Audit.....Director of Internal Audit

Human resource management.....Director Human Resource Management

Investigations & information analysis. Director Investigations & Information Analysis

City education .....Director City Education

Housing development department.....Director Housing Development Department

**Source: Researcher (2011)**

**CHALLENGES OF IMPLEMENTING CHANGE PROGRAMMES AT CITY  
COUNCIL OF NAIROBI**

**OBWAYA JOYCE BOYANI**

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

**AUGUST 2011**

**DECLARATION**

I declare that this is my Original work and has not been presented in any other University or College for Examination or Academic purposes.

**Signature:..... Date:.....**

**BOYANI JOYCE OBWAYA**

**D61/70037/2007**

**SUPERVISOR'S DECLARATION**

This project has been submitted for examination with my approval of the following listed university supervisors.

**Signature:.....Date.....**

**DR .ZACK AWINO, PHD**

**SENIOR LECTURER**

**DEPARTMENT OF BUSINESS ADMINISTRATION**

**SCHOOL OF BUSINESS, UNIVERSITY OF NAIROBI**

## **DEDICATION**

This thesis report is dedicated to my Late Father Andrew Moturi, my dearest Mother Mary Bochaberi, dear Husband David Naibei, my lovely Children Kyle, Elvis, Kadzo and my Siblings Gladys, Anthony, Ruth and Richard for their inspiration and relentless motivation throughout my study period, God bless them all.

## **ACKNOWLEDGMENTS**

It has been an exciting and instructive period of study at the University of Nairobi and I feel privileged to have had this opportunity to carry out this study as a demonstration of knowledge gained during the period of study for my master's degree. This research project has been accomplished with the encouragement, support and contribution from a number of people whom I am deeply indebted to. First of all am indebted to the all-mighty GOD for his grace and for seeing me through this program every step of the way and for being with me throughout the study period. To my supervisors, Dr. Zack Awino and Dr. Maalu from the School of Business University of Nairobi for their guidance, dedication and their valuable contribution to the previous drafts and ultimately providing guidance and counseling to produce a paper of such magnitude throughout the research project. They gave me great and outstanding ideas that became extremely useful within the academic scope of this research project. I owe great thanks to staff at Am Bank House and Lower kabete offices for their motivation and help in the areas that needed their assistance. I also wish to thank my colleagues and class mates at University of Nairobi for their moral support during the period of study. Finally, I owe special thanks to my family, who have supported me and were patient with me even when my studies quietly ate into the time meant to be spent with them.



## **LIST OF ABBREVIATIONS AND ACRONOYMS**

<b>CCN</b> .....	City Council of Nairobi
<b>MOLG</b> .....	Ministry of Local Government
<b>CBD</b> .....	Central Business District
<b>MBWA</b> .....	Management by walking around
<b>TQM</b> .....	Total quality management
<b>BPR</b> .....	Business process re-engineering
<b>LASDAP</b> .....	Local Authorities Service delivery Action Plan
<b>HOD</b> .....	Heads of Departments
<b>HR</b> .....	Human Resources
<b>ERS</b> .....	Economic Recovery Strategy

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## **ABSTRACT**

Much of the previous research into the change programs has concentrated generally on challenges of change management, management of strategic change and management of change management process. This study therefore sought to fill the existing research gap by carrying out a case study on challenges of implementing change programs at City Council of Nairobi. The main objective of the study was to investigate the challenges experienced by City Council of Nairobi in implementing Change programs. The findings may be a general reflection of what happens in local authorities' country wide. This research was conducted through a case study. The target population of this study was 16 number departments at the City Council of Nairobi. This paper utilized an interview guide in data collection. This study collected primary data using a self-administered interview guide. The response received was analyzed by content analysis. From the findings, the study established that majority of respondents were aware of the change programs being implemented within the City Council of Nairobi. The study further established that most of the respondents were in agreement with the challenges in implementing the change programs in the organization. This study therefore recommends that in order to avoid challenges in implementing change programs within the City Council of Nairobi a review of the organization's strategic plan and the entire organizational structure needs to be revised and a more hands on approach needs to be incorporated within the organization and disseminated to all staff, who also need to be involved in the decision making processes that take place within it..

## CHAPTER ONE

### INTRODUCTION

#### 1.1 Background of the study

Organizations rarely standstill, but are in a more or less constant state of flux where change and adaptations is one part, if the organization has a knock on effect elsewhere.(Cole, 2005).It has become the accepted view that, for the society at large, the magnitude, speed, unpredictability and impact of change are greater than ever before. Although many claim that we are living through a period of unprecedented and unpredictable change, not everyone is affected by the same change. Though change management would not be considered particularly important if products and markets and organizational change were rare, it would be considered even less of an issue, if it were easily merged and success would be guaranteed, there is substantial evidence that this is not the case.

Strategic change management is a systematic approach to achieving a sustainable change in the human and organizational behavior. It involves changing the people in the organization from certain old behavior to some new behavior desired by the organization (Todd, 1999). (Jones, 2004) states that organizational change is the process by which organizations move from their present state to some desired future state so as to increase their effectiveness. Change affects every aspect of life thus taking a proactive approach to change is the only way to take charge of the future either as an individual or as an organization.

Change management entails thoughtful planning and sensitive implementation and above all, consultation with, and involvement of, the people affected by the changes. Change must be realistic, achievable and measurable. A question that needs to be asked is: what do we want to achieve with this change, why, and how will we know that the change has been achieved? Who is affected by this change and how will they react to it? Change management need to be understood and managed in a way that people can cope effectively with it.

Change can be unsettling, thus the manager needs to be a settling influence. Three types of organizational change that has been perceived to be important and have received considerable attention are Introduction of the new technology in the early 1980's, adoption of total quality management (TQM) and application of business process re-engineering (BPR).The microelectronic revolution of the 1980's which saw the rapid expansion of computers and computer based processes into most areas of organizational life, was the subject of great many studies. The move by the European organizations to adopt total quality management began in the mid 1980's, although total quality management was a success to the Japanese companies, whereas the experience in the western companies was that it was difficult to introduce and sustain the same.

Philip Crosby (1979) one of the founders of total quality movement claimed that 90 per cent of the TQM initiatives by American organizations failed. In the United Kingdom and other European countries the failure rate was 80 per cent. Business process re-engineering was hailed as the biggest business innovation (Mill, 1994:26) though less well documented than either new technology or TQM, (Wastell et al ) (1994:37) concluded that the business process re-engineering have typically achieved much less than they promised. Therefore even with these three types well established initiatives there is no guarantee for success. This is perhaps why managers consistently identify the difficulty of managing change as one of the key obstacles to the increased competitiveness of their organizations (Hanson, 1993; industrial society, 1997; Worrall and Cooper, 1997).Change management can either be reactive, in which case the management is responding to changes in the macro environment/(some change is external) or proactive, in which management is initiating change in order to achieve a desired goal(source of change is internal) Change management can be coordinated on a continuous basis, on a regular schedule, or when deemed necessary on a programme by programme basis (Lewin, 1947).

### **1.1.1 Concept of change management**

Organizations face challenges that are from their external environment. Environment's which organizations operate in are not static but continuously changing (Rue and Byar, 1992). This study will concentrate on challenges of implementing change programmes at City Council of Nairobi. Organizational

environment has been changing since the 1970's when the world experienced great changes in the petroleum price thus organization's had to consider how to reconfigure themselves to take in these external events into account (Stones; Freeman and Culbert, 2003). In the 1980's change shifted from local to global, thus market competitions were intensified across the world. In the 1990's technology revolutionized the way we think about organizations. Failure to spot change trends and conditions and to effectively manage them leads to a serious strategic problem characterized by maladjustments of the organizational outputs and demands of its internal environment (Thompson, 1997).

Change management is not a distinct discipline with rigid and clearly defined boundaries. Theory and practice of change management draws on a number of social science disciplines and traditions. The tasks are further complicated by the fact that the social sciences are inter woven, to challenge this, is to range wide enough to capture the theoretical foundations of change management, without straying so far into its relates disciplines that clarity and understanding suffer.

### **1.1.2 City Council of Nairobi**

The City Council of Nairobi is among the 275 Local Authorities in Kenya. It is governed by Cap 265, the Local Government Act,. In the Act, the City Council of Nairobi is classified as a municipal council. The act of parliament is yet to be amended to adopt the word 'city' among its classifications of the local authorities. In Kenya today there are only three cities recognized by the office of Deputy Prime Minister, Ministry of Local Government. They are the City Council of Nairobi, Mombasa City and Kisumu City. Other classifications of the local authorities include municipal councils (for example Machakos, Nyeri), County Councils (for example Nyamira, Makueni), Town Councils (for example Tala-Kangundo, Oyugis). Nairobi 'The place of cold water' owes its beginning to the exploitation of the East African territories by the British. With the railway reaching Nairobi in 1898, the colonial administration seat shifted from Machakos to Nairobi. This was facilitated by the availability of means of transport from Nairobi to Mombasa and the rest of the interior (including the later called white highlands). The rate at which Nairobi was growing as an urban area called for formation of a municipal committee.

In 1900 Sir Arthur Harding published the Nairobi municipal regulations and defined the Township as the area comprised within a radius of one mile and a half from the then present office of H. M. Sub minister in Ukambani'. The regulations covered committee meeting conduct, methods of lighting, policing and cleaning. The first Town Clerk was Captain E. L. Sanderson, other white Town Clerk who followed



were Sir Henry Belfield, Walter, Williams, Ridont, and Sir Edward Northey among others. The first African Councillors to serve in the municipal were Muchuhi Gikonyo and Khamisi in 1946. The first African Town Clerk was appointed in 1967. Since then 17 Town Clerks have managed the Council to date. The Council mandate is to provide and manage basic social and physical infrastructure services to the residents of Nairobi. These services include basic education, housing, health, water and sewerage, refuse and garbage collection, planning and urban planning and development, urban public transport and fire services among others.

There is no clearly designed change management approach in the City Council of Nairobi. Being under the office of Deputy Prime Minister, Ministry of Local Government, it has influences of the Molg, the office of the President, the office of the Prime Minister, Ministry of Finance and the Directorate of Personnel Management. Each of these branches issue advice, directives and instructions to the City Council of Nairobi on various areas of change programmes.

Change programs under performance contracting are coordinated from the office of the Prime Minister, Reforms Secretariat. The secretariat gives advice on financial, non-financial, operational and dynamic aspects of council's performance contract.

Directorate of Personnel Management gives directives and advice on the growth and development of officers with the framework of public service. Ministry of Finance also issues directives on procurement, fund spending, funds revenues and general public funds management. This affects the other government agencies including the City Council of Nairobi. It is at rare occasions that the council will have independent planned changes. This is because it operates under the umbrella of the Molg. Operating capital expenditure of the council has to be approved by minister Molg and the minister for finance (as instructed by parliament).

Most of the change management approaches at the council level are on emergent basis. They are not planned but are reactive to a threat which is in force and instructions from above. But it should be noted that normally change management approach in the council are a more or less a process. Bullock and batter (1985) approach has some application in the council. The management creates awareness of need for change after receiving instructions from the external influencers. The instructions are tailor made for council through planning for actions to be undertaken and how best to implement the changes as per the action plan.

Kanter et al (1992) Ten (10) commandments approach has also been used in the institutionalization of changes. The separate commandments are implemented one by one without following any order as the management and internal change agents so feel. Use of emergent change management approaches has also been in use. Due to the nature of some changes, the council is unable to plan for changes. The council reacts to such changes when they occur to reduce their effects or completely done away with them. But it should be noted that there is no defined change management policy in the council to guide on the approach. This means that the management consisting of councilors and chief officers are the ones who sometimes give direction through the council's resolutions. Any significant transformation creates people issues. New leaders will be asked to step up, jobs will be changed, new skills and capabilities must be developed and employees will be uncertain and resistant. In dealing with these issues on a reactive, case-by-case basis puts speed, morale and results at risk.

A formal approach for managing change begins with the leadership team and then engaging key stakeholders and leaders should be developed early and adopted often as change moves through the organization. This demands as much data collection and analysis, planning and implementation discipline as does a redesign of strategy, systems or processes. The change management approach should be fully integrated into program design and decision making both informing and enabling strategic directions. It should be based on a realistic assessment of the organization's history, readiness and capacity to change. The change management practices adopted by city council of Nairobi are; the introduction of Performance Contracting, Performance appraisal system, Rapid results initiative among many more.

Due to ever changing business environment especially with the influence of the government, many awareness and understanding practices have been put in place most of which were initiated in year 2003 by the NARC government and the current coalition government. The council has had its chief officers sensitized on government reforms which are transmitted to the council. Several induction courses have been conducted on them at the Kenya institute of administration. All other council's officers at one point in time have been sensitized on the council's changes and

management especially on performance contract, performance appraisal system, corruption eradication, ISO and the 6 key results areas in the current strategic plan. In-house training has been carried by training consultants on junior and senior officers.

Council's posters, newsletters and internal communications have been popular in the creation of awareness and understanding of change programmes at the council. Posters are displayed at strategic points in all the departments where the employees as well as visitors to the council can easily read and understand them. The council's introduction of 'The city council of Nairobi annual news report' publication has made many people be aware council of the significant changes and the change programmes being implemented. The council holds public awareness week annually. It uses the LASDAP's public forums to create awareness and understanding of the change and change management in the city council of Nairobi. For the change and change programs to be meaningful and successful in the council, it had to start from the top. The councilors and the chief officers who are policy makers had to initiate change through the council's resolution. Policies were developed and adopted by the members of the council and the chief officers were entrusted with the implementation process. This was the start point of institutionalizing change programs.

The councilors and the chief officers have undergone several trainings on change leadership. Seminars for top and middle management officers have taken place in various locations here the participants were taught to be key instruments of change and change programs. They were to lead the change process from the front but not back. Exchange programs have been conducted; some councilors and chief officers have travelled out of the country to Japan, USA, Britain and South Africa to have firsthand information on change programs and they have seen it work during the visits to the above mentioned countries. On coming back management team was formed to spearhead the chances headed by the City Mayor and the Town Clerk.

The adoption of employment of the chief executive officer on contract has been a practice to enhance the change leadership in the change programs. The former Town

Clerk initiated a regular and MUST chief officers' meeting on weekly basis. He personally used to chair the meetings which concentrated on the change programs operated by the council. It is composed of all the chief officers, heads of key operational areas like the markets, the city mortuary, the wards and divisional heads, inspectorate CBD group and Pumwani maternity hospital. Changes were initiated, communicated and implemented by the individual members of these work teams. This meant that the Town Clerk had all the updates on the change and change programmes at hand and was also known for his personal interaction and monitoring of the council changes through MBWA (management by walking around).

In his contract period, the city council of Nairobi's lost glory was being regained bit by bit. His successor has followed his footsteps in the change programs, he is known to advocate for change, support and change programs whether his subject likes it or not. It is notable that some officers have been forced by the wave of change and its management to exit from the council. This is because they would not stand it due to their rigidity to changes. In change leadership the chief executive officer of the council, is the chairman of the Reforms Secretariat, which oversees all the reforms or changes in the council. His secretary is a senior able officer, the Assistant Town Clerk, Reforms Secretariat.

## **1.2 Research problem**

In the last decade or so there has been an accelerated organizational change across the globe; these changes whether political, economic, social and technological have not spared Kenya. Many organizations have not managed change properly due to industrial unrests, resistance from staff and so on.

Many studies have been done in Kenya on change management namely: Gichohi (2007) looked at challenges of change at Unga group and concluded that the change process was due to liberalization of the Kenyan economy. Odhiambo (2005) evaluated the problems and practices in the manufacturing sector and concluded that manufacturing companies in Kenya considered implementing Kotters eight stage model. 'Amenya (2001) analyzed management of strategic change at rift valley railways and concluded that there were internal and external factors that necessitated

change at rift valley railways. Kamau. J (2010) study finding showed that management process at Action aid began by setting goals and objectives , study found out that challenge of managing change was due to the restructuring of the organization. Kibaga (2005) looked at strategic change at the insurance industry of Kenya. Most of the studies done have not looked at challenges face by implementing change programs at City Council of Nairobi. There exists a gap between concepts of strategic change management at City Council of Nairobi where previous studies dwelt on change management which therefore seeks to address the Knowledge gap.The study will therefore bridge the gap on the challenges of implementing change management programs at City Council of Nairobi?

### **1.3 Objectives of the study**

The specific objective of the study is

- 1) Establish the change programs ,
- 2) Identify the challenges faced in managing change programmes
- 3) Evaluate the change process in light of the models of change programmes at City Council of Nairobi.

### **1.4 Value of the study**

The findings of the study will have a wide spread implication on the organizations change management and will help revise the existing change management strategies. Study will add value to the existing body of knowledge. The value of the study will be its significance to City Council of Nairobi and other Local authorities on how best to manage and improve change management programs. How useful it is to management and employees of City Council of Nairobi as it will provide an opportunity to gauge their progress, direction and benefits accruing from the change effect. The study will generate literature on implementing change management processes at City Council of Nairobi for top scholars and researchers willing to carry out research in the field of Change Management. The study will also be helpful to City Council of Nairobi assess its levels of change management performance in relation to its peers and other industry players.

## CHAPTER TWO

### LITERATURE REVIEW

#### 2.1 Introduction

This chapter reviews the different perceptions of strategic change by scholars, and the various approaches to strategic change. Change is any planned or unplanned transition from one state to another, such change comes in many forms. Strategic change is long term in nature and affects the entire organization and aims at achieving effectiveness.

According to Burnes(1998) there are three schools of thought that form the central plank on which change management theory stands are: The individual perspective school, Pavlov (1927) that a dog can be taught to salivate at the ringing of the bell, by conditioning the dog to associate to the sound of the bell . This school of thought is split into two camps that are behaviorists and gestalt-field psychologists. According to the behaviorist theory all behavior is learnt, the individual is the recipient of the external and objective data. One of the basic principles of behaviorist is that humble actions are conditioned by their expected consequences. Behavior that is rewarded tends to be repeated and vice versa. Therefore in order to change behavior it is necessary to change the conditions that cause it (Skinner, 1979). In the principle of extinction, behavior will stop eventually if it is not rewarded (Lovell, 1980).

In the Gestalt Field theory learning is the process of gauging or changing insights, outlooks, expectations or thought patterns. According to the Gestalt filed perspective, behavior is not just a product of external stimuli but rather arises from the individual reason to interpret stimuli. The school has proved influential in the management of change whereas some writers use them in tandem.

The group dynamics school, this school has the longest history (Schein, 1969) as it originated with the work of Kurt Lewin. This group emphasizes on organizational change through team work groups rather than individuals (Bernstein, 1969) According to Lewin (1947a, 1947 b) people in organization work in groups, individual behavior must be seen, modified or changed in light of the groups prevailing practices and norms. Lewin (1947 a, 1947 b) postulated that group behavior is an intricate set of symbolic interactions and from that not only affected

group structures but also modify individual behavior. Therefore he agrees that individual behavior is a fraction of the group environment. The open systems school, is composed of a number of inter connected sub systems. Any change in one part of the system will have an impact on other parts of the system and its normal performance (Scott, 1987). The open system approach is based on describing and evaluating the sub-system in order to determine how they need to be changed so as to improve the overall functioning of the organization. Organizations are open to interact with the external environment and are also open internally. The various sub-systems interact with each other.

## **2.2 Strategic change**

Change is usually triggered by a threat or opportunity which is of sufficient magnitude that the organizational members can't ignore it? (Van de Venn & Poole, 1995). Strategic change is defined as a difference in the form, quantity or state over time in organizational alignment with its environment (Rajagopalan & Spreitzer, 1997). Strategic change not only decides what to change, how and when to change specific elements of the organizations strategic orientation (Worley; Hitchin & Ross, 1996). This change may be driven by dramatic change in the environment, declining organizational performance or both.

According to Hoerfers & Schendel (1978) Strategic change is also defined as change in the context of the organization's strategy as elaborated by its scope, resources, deployment, competitive advantage and synergy. Strategic change could also be affected by the state of the organization and its external environment. For instance organizations will adopt new strategies' in the face of financial distress for purposes of being even in the critical situation. Most recently there has been a shift of emphasis, away from the behavioral explicit, to an exploration of ways in which organizations perceive, interpret and understand strategic change.

Many of the change programs arise from management issues such as culture change, empowerment and technological changes. Change initiatives are driven by the need by organizations to reposition themselves in the face of changing competitive conditions. Change processes involve radical transitions within the organization that

encompass strategy, structure, system, process; culture (Balogun, 2001). Organization will experience different levels of transition. Gradual change represents a fairly stable slightly linear variation in the environment. Continuous change represents both steady and incremental shifts in the environment over time. Cost cutting, elimination of waste, reduction of efforts, streamlining internal processes, minimizing variation applying external best practices are key tactics (Hummer, 1990)

### **2.3 Approaches to strategic change management**

The first great test of competence that organization's face in their change effect is the identification of the change path to follow (Drucker; 1954). Strategic change is an ongoing process which must concentrate on assuming a good fit between the environment and the organization, where it needs to take into account competitors, customers and the external environment including technology, politics, economy and social factors (Rajpal; 2007). The strategic approach has three distinct processes namely: what business are we in? What are the key issues? How best can we compete? (Cohen & Cyert; 1973). Strategic planning process entails the following process, formulation of goals, analysis of the environment, assigning quantitative values to the goals, micro process strategy formulation, gap analysis, strategic search, selecting portfolio of strategic alternatives, implementing the strategic program, measurements, feedback and control. These steps should not be seen as an instant process of strategic change but a continuous ongoing process (Ansoff; 1969).

### **2.4 Change management models**

Kurt Lewin proposed step models which are commonly referred to as Unfreeze, change and Freeze. The Unfreeze stage is probably one of the most important stages to understand. This stage is about getting ready to change, it involves getting to the point of understanding change is necessary and getting ready to move from the current comfort zone. The unfreeze stage is about getting motivated for change and weighing the pro's and con's and deciding what action needs to be taken.

The change process stage is transitional. Transition is the inner journey or movement that is made in reaction to a change. This stage occurs as we take the changes that are needed. The freeze stage is whereby people are moving towards a new way of being.it



is usually the hardest period, as people are unsure and fearful. Support is of great importance here and can be in the form of Training, coaching and accepting mistakes as part of the process. It helps to communicate a clear picture of the desired change and its benefits to the people so as to not lose sight of where they are going. The freeze stage is about establishing stability once change has been made. Change is acceptable and becomes the new norm. People form new relationship and become comfortable with their routines. It is at this stage that managers can have a great influence thus leading to positive performance.

There are many theories on how to implement strategic change, many of them originate from leadership and change (Kotter, 1995). Kotter outlined eight steps namely: Create Urgency, this is whereby there is the development of sense of urgency and need for change. This helps in getting things moving. Urgency can build and feed on it and many people grasping the need for it. It identifies threats and develops scenarios about what could happen in the future. Form a powerful coalition; convince people that change is necessary. It takes strong leadership and visible support of people within the organization by bringing influential people together whose power cover areas such as job titles, expertise and political importance.

Create vision for change, links concepts of great ideas and solutions floating around. A clear vision helps, people grasp early and remember. Detecting values that are central to change is an effective tool and practice the vision of speech offered. Communicate the vision, do this frequently and powerfully and embed it within the organization. Talk often about the change agenda and apply the vision to all aspects of operation. Management should lead by example. Remove obstacles this can empower people. Hiring of change leaders is as effective as identifying leaders within the organization. Reorganize and lead people for the change effort. Look for super fire projects that can be implemented and reward staff members who meet the expectations.

Build on the change, Kotter (1995) efforts that change fast become victory and is derived too early. Real change runs deep. Quick wins are only the beginning of what needs to be done to achieve the long term change. Anchor for change, is corporate culture. Make organizational changes stick and become part of the organization.

Corporate culture determines what needs to be done; it ingrains the value behind the vision and incorporates the same in the day to day activities of the organization. Create short term wins, nothing motivates more than success. Assess the staff performance and results within a short time frame, without criticizing and negative remarks as this do not lead to them meeting their progress.

Temporary aspects of change are used as a means of breaking down the complex process of organizational change into manageable portions such as, conception for need for change which maybe in response to external or internal pressures or may be through a belief in need of change to meet future competitive demand (Dawson, 1984).he further states that change can be seen as a process of organizational transition where strategic decisions are made. Operations of new practices and procedures refer to the period when following implementation of change, new organization arguments and systems of operations begin to emerge.it is the period in which the relatively stabilized system of operation emerge comprising of new patterns of relations and new forms of working practice(Dawson, 1984).

Quinn (1986) argues that integrating of processes is incremental not processual. This involves patterns of change through creating awareness and commitment incrementally, amplifying the understanding of awareness, changing symbols and building credibility, Legitimizing new view points and making tactful shifts and partial solutions (Quinn, 1986). He further states that change progress should be solidified incrementally through creation of pockets of commitment by empowering champions and continuing the dynamics by eroding consensus.

A learning organization is an organization that has developed continuous capacity to adapt and change (Robbins, 2003). All organization learn whether consciously or sub consciously as it is a fundamental requirement for their sustained existence. A learning organization is an ideal to strive towards rather than a realistic description of structured activity, which draws organizational behavior concepts such as quality management organizational culture, boundary less organizations, functional conflict and transformational leadership.

## **2.5 Challenges of implementing change programmes**

The biggest single challenge facing managers today is globalization, and how to achieve sustainability in a world of dwindling natural resources and increasing environmental pollution, how to manage an increasingly diverse workforce and at a time leaders are considered less trustworthy and how to manage ethically (Burnes, 2003)

Slow adoption to modern technology is one of the key factors in the challenges of implementing change programmes. Mismanagement of resources is another challenge in the implementation of change programmes; resistance to change due to the unknown, another equally important factor is failure to adhere to rules and regulations, culture, stakeholder politics, teamwork and leadership are some of the factors that can influence the outcome of any change programme.

According to Ansoff and McDonnell (1990) Resistance to change is a multi-faceted phenomenon which introduces delays, additional costs and instability in a change process. Resistance can either be behavioral or systematic. Behavioral resistance is exhibited by individuals, managers or groups. Because of parochial self-interests, misunderstanding and lack of trust, differences in assessment, or low tolerance to change. Systematic resistance originates from passive incompetence's in the managerial capacity to carry out the change. Management requires planning and developing the required capabilities by integrating management development into the change process and stretching the implementation period as long as possible.

Rowe et al.,(1994) noted that Organizational culture is the total sum of shared values, attitudes, beliefs, norms, rituals, expectations and assumptions of people in an organization. Thompson and Strickland(1993), argues that there must be a fit between strategy, structure, systems, staff, skills, shared values, values, styles for change management process to be successful. Thomson (1997) argues that organizational culture and values held by managers and other employees within the organization are key influences on strategies of change and are therefore the central driving force for considerations in strategy creation and change

### **2.5.1. Political Management, mobilization support and legitimacy**

Stakeholders support is essential for a change programs due their different interests and power, achieving universal support is a challenge and politics sets in. According to Moore (1992) strategic change management process in the public sector starts by looking towards politics for three reasons, it is in this realm that managers must search to discover what purposes are deemed publicly valuable, political institutions grant public managers resources they need to accomplish their operational purposes., lastly public managers are accountable to politics and law both theoretically and practically. Managers use organizational politics as tactics to use power to influence goals and change to further their interests.

### **2.5.2. Teamwork**

Complexities of most processes are usually beyond the control of any one individual. The only way to tackle such problems is by use of teamwork. Building of effective team work is not an easy matter Team approach to change implementation removes artificial organizational barriers and encourages openness. Teams share common goals and help to focus energy by emphasizing self-control on part of the participants

### **2.5.3. Leadership**

Management of change is closely linked to the role of strategic leadership. Leadership is the process of influencing an organization in its efforts towards achieving an aim or goal, a leader influences and is not necessarily someone at the top of an organization. Rowe et al., argues that the team approach to change implementation removes artificial organizational barriers and encourages openness. Teams share common goals and help to focus energy by emphasizing self-control on the part of participants. Teams that are cohesive, that interact cooperatively, with members possessing compatible personality characteristics and that are operating under mild to moderate pressure appear to be most effective.

## **CHAPTER THREE**

### **RESEARCH METHODOLOGY**

#### **3.1 Introduction**

This section describes the proposed study design, data collection procedures or techniques, data collection instruments and its relevance and how the collected data was organized and analyzed.

#### **3.2 Research Design**

The research was conducted through the case study method at City Council of Nairobi. Case study is a form of qualitative analysis when a study is carried out in an organization and gives a detailed investigation of a single subject. Through this method the researcher is able to obtain in-depth knowledge of challenges faced by City council of Nairobi in implementing change management programs. It also facilitates an intensive study of a particular unit.

#### **3.3 Data Collection**

In this case study, primary source of information was used in the collection of data. Primary data was collected through an interview guide. Questions were divided in parts namely: Part A, Part B, Part C and Part D. Use of a standardized interview guide allowed for comparison of results among the respondents. The target population was the employees of City Council of Nairobi 16 departments namely: Administration, City Planning, City Engineer, Public health, Audit, Environment, City Education, Inspectorate, Social services and Housing, Human resources, Investigations and Analysis, City Treasurer, Procurement, Housing Development, Legal and ICT.

The interview guide was submitted to the various departments after providing a letter of introduction from the School of Business, University of Nairobi and a letter from the Human Resource Department City Council of Nairobi, authorizing the researcher to carry out the research and a covering note requesting the respondents to participate in the research in order to get the data required for the study. This was done with the help of research assistants and the researcher who was available to clarify the question that were not clear to the respondents and made prior arrangement and assured the respondents of high degree of confidentiality and anonymity

### **3.4 Data Analysis**

Content analysis was used to analyze the respondent's views on the challenges of implementing change management programs at City Council of Nairobi. Advantage of using content analysis is that it allows grouping of collected data into various groups for easier analysis which is a continuous process. Main purpose of content analysis was to study existing information in order to determine factors that explain a specific phenomenon. Content is defined by Creswell (2003) as a technique of making inference by systematically and objectively identifying specific characteristics of messages and to use the same approach to relate to trend. On receiving the questionnaire from the respondents, the data was checked to ensure completeness, consistency, accuracy and uniformity. The data was then be coded and tabulated to facilitate data analysis through content analysis.

## **CHAPTER FOUR**

### **DATA ANALYSIS AND INTERPRETATION OF RESULTS**

#### **4.1 Introduction**

This chapter details the findings and interpretation of the results in light of the study and with respect to the objective of the study. The study was designed with the aim of establishing the challenges of implementing change programs at City Council of Nairobi. The study involved collection of primary data through the use of an interview guide which was administered through personal interviews. The research targeted the 16 departments at City Council of Nairobi namely: Administration, City Planning, City Engineer, Public health, Audit, Environment, City Education, Inspectorate, Social services and Housing, Human resources, Investigations and Analysis, City Treasurer, Procurement, Housing Development, Legal and ICT.

#### **4.2 Research findings**

This section represents the general information about the City Council of Nairobi. This includes the employee's demography and number of years with the organization, communications of objectives, whether or not the council embraces counter response measures as one of their strategies based on the challenges, and current counter response measures activities. Considering the demographic characteristics of the respondents, the study established that a majority of the employees were male; the findings can be generalized on the male respondents.

A majority of the departments had same number of respondents: particularly, Administration, Audit, City Inspectorate, City Treasurer, Human Resource and Investigations and Information Analysis which had four respondents each. City Planning and City Engineer department had 3 respondents each. The other

respondents were from Education, Health, Legal affairs and Public health departments. The implication on the study was that varied responses from the different departments adequately explored all the expected responses from the entire Council.

Regarding the designations, the researcher found that the respondents had different managerial designations at the high levels. The implication on the research is that the respondents were evenly distributed and therefore a variety of the responses were obtained. Regarding the number of years in position, results show that a majority had been in the firm for 10 years and above, other had also been in the council for 3 to 6 years, this implies that the majority of the respondent had enough experience to give acceptable responses to the study questions. In relation to the education level, the results showed that a majority of the respondents had attained University level education implying that majority of the respondents had adequate skills to respond to the questions asked in the study.

#### **4.2.1 Communication of Objectives and the role of the managers in change process**

The interview guide sought responses on the role of the managers in change programme process. From the responses received from the interviewees, it was clear that the corporate objectives were entrenched in the strategic plan of the organization where each departmental head had clearly defined objectives that were specific, measurable, achievable realistic and had specific targets. The researcher established that there was use of every available vehicle possible to communicate the vision and mission statement through employee bulletins, employee meetings, memos, newspapers, formal and informal interaction. In addition having a guiding coalition role on the behavior expected from employee nothing undermines the communication



of change programmes than that which seems inconsistent with the vision. Careful monitoring of senior management behavior and interaction was a good idea so as to be able to identify and address inconsistencies among words and deeds.

The researcher found out that the change management empowering programs involved getting rid of obstacles, changing systems or structures that undermine the change vision and encouraging risk taking and non-traditional ideas, activities and actions. The managements know that ruining a transformation without serious attention to short term wins is extremely risky. The Council's plan for visible improvements in performance or wins also creates the wins. In addition the people who make the wins should be visibly rewarded and recognized. Consolidating gains and producing more change programs credibly changes all systems, structures and policies that do not fit into the transformation vision. People who implement the change vision should be promoted or hired and the system be re-invigorated with new projects, themes and changes agents.

Moreover, the study inquired on the challenges involved in implementing change programmes at City Council of Nairobi. The respondents cited that it involved the implementation of organization strategy through the application of the management process to obtain the desired results. Particularly, change program process included designing the organization's structure, allocating resources, developing information technology and decision process, and managing human resources, including such areas as the reward system, approaches to leadership, and staffing.

All the departmental objectives were congruent with the overall council objectives. The staff members are also constantly reminded of their objectives during meetings carried out between managers and other staff members to review their performance

during and over a certain specific period of time. The study also indicates that there is awareness and involvement as the counter response measures strategy was being embraced by each of the respondents. HODs were involved in formulation and implementation of the strategy.

Making the necessary moves to establish positions in different businesses and achieve an appropriate amount and kind of diversification. A key part of corporate strategy is making decisions on how many, what types, and which specific lines of business the council should be in. This may involve deciding to increase or decrease the amount and breadth of diversification. It may involve closing out some strategies (lines of business), adding others, and/or changing emphasis among strategies.

The council managers initiated actions to boost the combined performance of the businesses the council had diversified into: This involved vigorously pursuing rapid-growth strategies in the most promising areas keeping the other core operations and service delivery businesses healthy, initiating turnaround efforts in weak-performing strategies with a promise, and dropping strategies that are no longer attractive or don't fit into the corporation's overall plans. They also involved supplying financial, managerial, and other resources, or acquiring and/or merging other companies with an existing core missions in pursuing ways to capture valuable cross-business strategic fits and turn them into competitive advantages especially transferring and sharing related technology, procurement leverage, operating facilities, distribution channels, and/or customers. Moreover, the council managers also are in forefront in establishing investment priorities and moving more corporate resources into the most attractive strategies.

Regarding the change programme empowerment practices in CCN, the researcher established that have a wealth of skills necessary for their jobs and that their work is meaningful to them. The respondent neither agreed nor disagreed with the statements that they had control over the aspects of the job that they are accountable, that their work gives them ability to contribute to the success of the organization, that their impact on what happened in their department was large. The respondents also neither agreed nor disagreed with the statements that their supervisors encouraged team work and delegated authority, that they had significant autonomy in determining how they did their job, that their position allowed career growth and development. In addition, the respondent neither agreed nor disagreed that they had significant opportunity for freedom and independence in doing their jobs; these were represented by mean scores of three. The respondents stated that they disagreed to some extent with the statement that there is a clear system of handling employee discontent and that they normally get sufficient resource to do their jobs.

#### **4.2.2 Change programs and strategy implementation process**

The study further looked at the various challenges facing implementation of the change programs adopted by the City Council of Nairobi for effective operations and service delivery. There were various reasons cited such as ineffectiveness, lack of direct control and use of the firm's resources, mechanisms such as organizational structure, poor information systems, ineffectual leadership styles, slow assignment of key managers, unplanned budgeting, little or less employee rewards, and weak control systems. The responsibility of implementing the change programs was under the Chief Executive Officer and Senior management docket.

The respondents were asked to choose only ten (10) out of the twelve (12) factors that they felt responded to the challenges involved in implementing change programmes in their Council for effective operations and service delivery, majority of respondents identified gaps in organization structure and rapid change in Technology as the factors hindered implementation of the change process. Need to concentrate on Core Activities , need to reduce operational cost and need to free resources for other purposes was also cited as an impediment to implementing change programmes.

The respondents further felt that the factors that moderately responded to challenges of implementing change programmes was the choice of what to strategy the council needs to embrace to improve institutional focus, ease of activity control through adoption of new technology, need to improve efficiency, and need to reduce risks in operations and service delivery

Some respondents did not consider management style and availability of human resource skills as important challenge factors that deter implementation of change programmes, respondents did not consider Government Policy as an important factor to be considered at all. With regard to other factors that respond to challenges of implementing change programmes at the council, the study revealed that most of the respondents considered choice of external service strategy consultants as an important factor. The various attributes of the strategy consultants which were considered as important include on change programs professionalism, competence, quality of flexibility. The council therefore needs to improve on technology and services quality so as to highly access world class services.

### **4.2.3 How challenges of change programs affect the implementation process of various areas in the council**

The study looked at how the change program process affect the implementation process of various key areas in the council. On structure, the study revealed that structure provides overall framework for strategy implementation, it is not in itself sufficient to ensure successful execution. Within the organizational structure, individuals, groups and units are the mechanisms of organizational action, and the effectiveness of their actions is a major determinant of successful implementation. In this context, two basic factors encourage or discourage effective action-leadership and culture.

Seeking to establish how change management process challenges affect the implementation process on Culture, the respondents cited that culture is a set of important assumptions (often unstated) that members of an organization share in common. These shared assumptions (beliefs and values) among members of an organization set a pattern for activities, opinions and actions within that firm.

On the area of Technology, the study revealed that most departments at City Council of Nairobi had not fully computerized their operations and service delivery function thus affecting its revenue base. Furthermore, change program process challenges were seen to affect leadership in that without the right leadership; employees remained skeptical of the vision for strategy and distrust of management team management likewise was frustrated and stymied by employee resistance. One major task of the Management was to implement strategy which entailed overcoming resistance.

Most respondents did not term Legal/Regulatory factors as a change program process challenge at CCN since CCN derives its legal mandate from the Local Government Act (Cap 265) of the laws of Kenya amongst other acts of parliament that augment its diverse core functions and priorities. These priorities are contained in various policy and planning documents such as the national development plans, poverty reduction strategy paper and Economic Recovery Strategy (ERS) for wealth and employment creation in the medium term and Kenya's vision 2030.

The study revealed that CCN faced competition in the industry from private owned firms such as estate developers who create estates and hence private owned services such as garbage collection, provision of water and sewerage services. These in turn led to loss of revenue to CCN. The study found that CCN change management process was also affected by Customer needs and preferences. Most respondents cited that strategy sets up leaders to struggle between managing the business and addressing the needs of the people. Typically, it is the people side that loses out. But if leaders don't establish an effective balance between business and people priorities they can destabilize the organizational culture and erode trust, generating fear and skepticism among employees at a time when a loyal, productive, and enthusiastic workforce is essential for success. The various implications of the challenges in implementing change programmes has led to poor provision of services rendered loss of revenue and lack of public trust especially on the timely delivery of services.

#### **4.2.4 Basic requirements of the council for effective implementation of change programs in enhancing service delivery .**

In seeking to understand the councils basic requirements for effective implementation of change programs for efficient operations and service delivery , the researcher

established that in order for the council to effectively achieve effective change programs process for effective operations and service delivery, financial requirements are as important as Physical and Structural facilities whereas the respondents felt that there are other additional requirements necessary for effective change programs

The researcher further established that the councils effective change program had a well-designed vision that allowed for free ideological movement and interaction of staffs. Moreover, the researcher wanted to find out whether there was any particular area frequently outsourced by the councils in effective strategy implementation. The findings therefore indicated that Information Technology is currently being outsourced by the council to a very great extent closely followed by training activities Facility management and policy management were found to be moderately outsourced as one way of improving the efficiency change programs of the councils formulated strategies.

Human resource (HR) services are outsourced to a small extent. The study revealed that HR counter response measures had great future potential as a key management strategy in the organizations, this enabled the council to reduce its high wage bill and improve management of payroll for its employees. The researcher further found that operations and service delivery were not outsourced at all. The council ensured that the activities were performed at optimal level. The respondents were confident that counter response measures had the capacity to increase the organizations effectiveness and efficiency.

## **CHAPTER FIVE**

### **SUMMARY, CONCLUSIONS AND RECOMMENDATIONS**

#### **5.1 Introduction**

This chapter presents the findings of the research, explores the implications of the findings, draws conclusions and prescribes recommendations. The researcher documented the research findings as received from the respondents. The documentation was necessary to support the findings and recommendations as stated. These are the facts from research on which the interpretation were based.

#### **5.2 Summary**

The summary of research findings were based on the study analysis on the challenges of implementing change programs at City Council of Nairobi. The study looked at the following areas; assessing the influence of organizational structure on operations and service delivery, assessing the influence of stakeholders in operations and service delivery, finding out the extent to which motivation influences change programs, the role of computerization in operations and service delivery, the extent to which audit will play a part in change process and to determine the influence of corporate governance on operations and service delivery.

The study dwelt on the various challenges facing the implementation of change programs adopted by the councils for effective programs. There were various reasons cited, such as ineffective direct control of the firm's resources, mechanisms such as an overcrowded organizational structure who had duplicated departments and duties and responsibilities,, poor information systems, ineffectual leadership styles, slow assignment of key managers, unplanned budgeting, little or less employee rewards,



and weak control systems. The responsibilities of the implementation of programs were left to the Chief executive and the senior management teams.

Within the organizational structure, individuals, groups and units are the mechanisms of organizational action, and the effectiveness of their actions was a major determinant of successful implementation. In this context, two basic factors encourage or discourage effective implementation, action-leadership and culture. On how strategy challenge impediments on change programs affect the implementation process on Culture, the respondents cited that culture was set of important assumptions (often unstated) that members of an organization share in common. These shared assumptions (beliefs and values) among members of an organization set a pattern for activities, opinions and actions within that firm.

On the area of Technology, the study revealed that most departments of the council had not computerized its challenge impediments on effective implementation of change programs. Further, strategy challenge impediments on change programs operations was seen to affect leadership in that without the right leadership; employees remained skeptical of the vision for strategy and distrustful of management. The management likewise was frustrated and stymied by employee resistance. One major task of the Manager was to implement strategy which entailed overcoming resistance.

Moreover, majority of respondents identified gaps in organization structure and rapid change in Technology as the factors that highly respond to changes in change implementation process. Need to concentrate on Core Activities, need to reduce operational cost and need to free resources for other purposes was also cited. The respondents further felt that the factors that moderately responded to the challenges of

the choice of what strategy the councils follows includes need to improve institutional focus, ease of activity control through adoption of new technology, need to improve efficiency, and need to reduce risks in challenge impediments on change programs

Some respondents did not consider management style and availability of human resource skills as important challenge factors that determines strategy implementation process services. All respondents did not consider Government Policy as an important factor to be considered at all. With regard to other factor responding to change management challenge and strategy implementation process at the councils , the study revealed that most of the respondents considered choice of external service strategy consultants as an important factor. The various attributes of the strategy consultants which were considered as important includes professionalism, competence, quality of service, contract term, credibility, cost and flexibility. The study also revealed that some respondents did not consider certain factors as important while selecting the external strategy consultants.

These were: size of the strategy consultants, qualification of the strategy consultants and strategy consultants' flexibility. Majority of the respondent felt that it was not cost effective to handle some activities services internally as the required skills were lacking and hiring them would cost more that delegating them to a third party. The councils therefore needs to improve on technology and services quality so as to highly access world class services.

Most respondents did not term Legal/Regulatory factors as a strategy implementation challenge at City Council, since councils derive their legal mandate from the Local Government Act (Cap 265) of the laws of Kenya amongst other acts of parliament that augment its diverse core functions and priorities. These priorities are contained

in various policy and planning documents such as the national development plans, poverty reduction strategy paper and Economic Recovery Strategy (ERS) for wealth and employment creation in the medium term and Kenya's vision 2030.

The study revealed that city councils faced competition in the industry from private owned firm's hence private owned services such as garbage collection, provision of water and sewerage services. These in turn led to loss of challenge impediments on change programs. The study found that City councils strategy implementation was also affected by Customer needs and preferences. Most respondents cited that strategy sets up leaders to struggle between managing the business and addressing the needs of the people. Typically, it is the people side that loses out.

But if leaders don't establish an effective balance between business and people priorities they can destabilize the organizational culture and erode trust, generating fear and skepticism among employees at a time when a loyal, productive, and enthusiastic workforce is essential for success. The study revealed that there were various implications of the challenges on the councils's strategy implementation process. This had led to poor provision of services, loss of challenge impediments on change management programs and lack of public trust especially on the timely delivery of services.

### **5.3 Conclusion**

The study concludes that there were various challenge impediments on change programs. These included Structure, culture, technology, leadership, resistance to change, legal/Regulatory factors, competition in the industry, customer needs and preferences, labor market conditions and substitute products/services. The study

concludes that the council had in a way been able to amend its strategy implementation process as per the challenges. This was through application of all management functions such as planning, controlling, organizing, motivating, leading, directing, integrating, communicating, and innovation to the implementation process.

The change programs discussed in the analysis and City Council of Nairobi takes Lewins three step model is a planned approach to the change management model is evident in the role of management at City Council of Nairobi. From the study it is also evident that change in the organization has preceded the growth strategy, this explains why the Council has undergone structured change within a short time frame. Challenges of implementing the change programs are evident in the organization and resistance to change and change of structures. From the study change processes like technology and information management are not well taken care of as part of the change programme process.

#### **5.4 Recommendations**

The study recommends that in order for City Council to be able to effectively implement their change programs, there is need to have an organized organizational structure, improved information systems, better leadership styles, timely assignment of key managers, effective budgeting and offer rewards, and control systems.

The researcher recommends that City Council of Nairobi put more emphasis in training their staff to manage the operations in professional way. Only qualified and competent employees need to be recruited and the recruitment policy be followed. The Internal Audit department in the City Council should be given the independence

it deserves. An audit committee should be formed which should work independently. Management should always act on the audit reports

City council need to motivate their employees through participation in decision making, innovation and empowerment. Working environment need to be improved as a way of getting employees motivated. Effective communication needs to be in place as a way of management. City council is required to practice corporate governance through establishing guidelines as management tolls of operations managers should also try eradicating corruption in order to improve operations and service delivery.

Study found that resistance to change by employees has hindered implementation of the City Council of Nairobi strategies. As the organization prepared to embark on strategic planning, resistance to change by employees may impede the process, there is need for the Councils management team to take a more proactive approach to managing change within the organization. Currently Change programs practices involves the management in setting goals, clarifying desired outcomes, providing feedback, giving rewards for desired performance and taking action when goals are not met. The focus of these change programme practices are on performance driving cultural changes.

The findings found out that the City Council of Nairobi management had not formulated and documented a change programs plan but had prepared a documented annual change plan. Annual planning has an operational focus and is concerned primarily with concrete goal setting and scheduling of specific tasks to meet the goals. The Councils management's team can build up on their experience through long term strategic change planning, environment scanning, goal setting and performance evaluation so as to develop a practical strategic plan. There is need for a structured

planning process. Based on the study findings it is recognized that the process of designing any changes may not be accepted by all and that implementation of change must be a continuous process and should be motivated so that the objectives of the change are met

### **5.5 Limitations of the study**

Respondents assumed that they were being investigated and thus unwilling to fill in the questionnaires and the researcher convinced them that the information they were to give was to be used only for academic purposes. The research met with various challenges when conducting the research that included the fact that the council employees ordinarily do not want to give information due to client confidentiality. In addition, some of the interviewees would not find the subject to be of interest. Additionally, some respondents would not want to give the information as they considered it of competitive importance. The respondents being normally very busy people may not have found a lot of time to be interviewed. Since the research was conducted via open-ended interviews, a large amount of time was needed to collect information from the respondents. Time limitation made it impractical to include more respondents in the study. This study was also limited by other factors in that some respondents may have been biased or dishonest in their answers.

More respondents would have been essential to increase the representation of the council's team in this study and allowed for better check of consistency of the information given. However, the researcher did look for contradictions in the information given and no inconsistency were found. A limitation for the purpose of this research was regarded as a factor that was present and contributed to the researcher getting either inadequate information or responses or if otherwise the

response given would have been totally different from what the researcher expected. The main limitations of this study were most of the respondents were busy throughout and had to continuously be reminded and even persuaded to provide the required information. Further some respondents decided to withhold information which they considered sensitive and classified. This reduced the probability of reaching a more conclusive study. However, conclusions were made with this response rate.

### **5.6 Suggestions for further research**

Effective counter respond measures on challenge impediments on change management programs, research areas is widely embraced in the developing countries such a Kenya. In Kenya, it has gained acceptance mainly in the private organizations, however government organizations are also incorporating it as a key management strategy though at a sluggish pace. Given that this study only covered challenges that affect Implementation of change programmes at City Council of Nairobi, for effective challenge impediments on change programs, studies need to be done on challenge impediments on change management program for all Local Authorities. There is therefore room for a similar study to cover the entire council's effective strategy implementation in the major towns in Kenya. This is timely, given the today's rapid technology advances and the increased emerging of competition on organizations in the country.

The researcher suggest further research on revenue management since revenue can be collected to maximum level but be mismanaged due to other factor that the study did not consider

### **5.7 Implication of the study on Theory, Policy and Practice.**

The City Council of Nairobi has no clearly defined change management programs. Most of the change programmes at the Council are on emergent basis, since they are not planned but are reacting to threats. The Policy statement of the City Council of Nairobi is that of service delivery to the residents of Nairobi, which is enshrined in its Strategic Plan and vision mission statement which guides it.

The Council has embraced the Kurt Lewin's three step model, whereby the unfreeze stage is about getting ready to change , this is where the Council needs to move from its current comfort zone and getting motivated for change by weighing its pros and cons and deciding on what actions to take. Lewin's model has been useful to the Council as it has helped them embrace change and also to incorporate the change within the organization.

The City Council need to embrace the Change Kaleidoscope way in running its day to day activities by getting to use the eight steps used in the kaleidoscope change framework by getting to find out if the employees of City Council of Nairobi feel the change taking place within it. Change kaleidoscope was to be used to codify the wide range of contextual features and implementation options that may require consideration during change. The change practices that need to be looked at are: Time-How quickly is the change needed? Is the organization in crisis or is it concerned with its long term strategic development. Scope- what degree of change is needed? Does the change affect the whole organization or only part of it? Preservation- what organizational assets, characteristics and practices need to be maintained and protected during the change process? Diversity- Are the different



staff, professionals, groups and divisions within the organization relatively homogeneous or more diverse in terms of value, norms and attitudes.

Capability-what is the level of organizational, managerial and personal capability to implement change? Is there need to improve this capability before change process can be started. Capacity- How much resources can the organization invest in the proposed change in terms of cash, people and time. Readinesses for change- How ready for change are the employees within the organization? Are they both aware of the need for change and motivated to deliver the changes? Power- Where is the power vested within the organization? How much latitude of discretion does the unit needing to change and the change leader possess?

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**APPENDIX I**  
**INTERVIEW GUIDE**

**Instructions to be answered by employees in all 16 departments**

**Background of information**

- 1) **Name ( Optional)**
  
- 2) **State your gender : Male or Female**
  
- 3) **What is your highest academic qualification: Masters, degree, A 'levels, A 'levels or specify any other**
  
- 4) **Your position at City Council of Nairobi**
  
- 5) **How long have you worked at City Council of Nairobi**

**Change management programs at City Council of Nairobi**

- 1) **Are you aware of any change that the organization has been undertaking?**
  
- 2) **If answer is yes, which changes are you aware of?**
  
- 3) **In your own view, what has necessitated the changes? Explain**
  
- 4) **Do you think that the changes are impacting positively or negatively for the organization? Explain**

- 5) **Is there any aspect that needed change that was not exhaustively exhausted?**
  
- 6) **In your own words please explain what are the factors that accelerated change and what are the factors that reduced the speed of change?**
  
- 7) **What are the major successes of the change?**
  
- 8) **What role does communication play in the role of change management in the organization?**
  
- 9) **What is the role of human resource department on the effectiveness of implementing change management programs in the organization?**
  
- 10) **What initiatives are taken by management in creating and sustaining a climate which motivates employees when implementing change management programs in the organization?**
  
- 11) **What is the model/style of change management programs at city council of Nairobi?**
  
- 12) **What are the change management programs at city council of Nairobi?**
  
- 13) **In your own view have you experienced a shutdown or delay in implementing change as a form of resistance to the programme being implemented?**

**14) In your own view, do you think that resistance to change is a useful tool and how is it impacting (negatively/positively) to the organization?**

**15) What are the factors leading to success or failure of the change management programs in the organization?**

**16) What new technology has been adopted by the organization in the last 10 years?**

**17) How can you rate the organization in terms of modernization?**

**18) Did you get formal training while implementing change management programs in your organization?**

#### **Implementation of change**

**1) Did the organization anticipate the change it is undergoing and how was the change carried out?**

**2) Did the organization consider aligning the change in line with the corporate culture, vision, mission statements and goals of the organization?**

- 3) **Was there any consideration that change will be accepted or possibility of resistance?**
  
- 4) **What was done to ensure acceptability of the change among its various stakeholders and minimizing possibility of resistance?**
  
- 5) **What was done to ensure that change is institutionalized?**
  
- 6) **Was change communicated to staff? if yes, how was it done?**
  
- 7) **Did top management support the change process?**
  
- 8) **Was the vision mission statement well-articulated and understood by the staff?**
  
- 9) **Were you part of the change implementation process in your organization? If yes, what role did you play?**

#### **Challenges of change**


- 1) **What are the major challenges in implementing change in your own opinion?**
  
- 2) **Are staff members involved in planning and implementing change?**



- 3) **What challenges is management expecting to experience in implementing change and adapting the same in line with the new constitution?**
  
- 4) **What challenges have you not responded to?**
  
- 5) **What results have you observed after the change programs were implemented?**
  
- 6) **What are your suggestions and recommendations?**


**THANK YOU FOR YOUR RESPONSES**

**APPENDIX 11: INTRODUCTORY LETTER FROM CITY COUNCIL OF  
NAIROBI**



**CITY COUNCIL OF NAIROBI**

TOWN CLERK  
TELEGRAM: "MUNICIPALITY" NAIROBI  
TELEPHONE: 224282  
EXT 2381



CITY HALL  
P. O. BOX 30075  
NAIROBI  
KENYA

Ref: HRM/CCN/HRM/TB/HR/SWM /2011

**DEPARTMENT OF HUMAN RESOURCES MANAGEMENT**

Date: CCN/HRM/TB/HR/SWM  
2nd September 2011

JOYCE BAYART  
P.O. Box 20075 - 00100

**RE: RESEARCH.**

Reference is hereby made to your application letter dated 1st Sept, 2011 on the above subject;

The City Council of Nairobi has approved your request subject to the following;

1. The period of attachment will be one (1) months with effect from 2nd September 2011 to 2nd October 2011.
2. You will be attached to all sixteen departments in the Council
3. You are expected to adhere to the rules and regulations pertaining to your attachment.
4. That during your study there will be no costs devolving on the Council.
5. That you undertake to indemnify the Council against any claim that may arise from your research.
6. You are expected to be decently dressed at all times.
7. You are required to submit a **Copy of the final research document** within one weeks/months after completion.
8. You are expected to pay research fees of ksh. KSL

By a copy of this letter The Heads of Dept. is /are requested to accord you the necessary assistance.

Please report to the Chief Administrative Officer(s) in the sixteen departments for your research.

**CITY COUNCIL OF NAIROBI**


*Alice Kahuthu*

**ALICE KAHUTHU**

Sign: **FOR: DIRECTOR HUMAN RESOURCE MANAGEMENT.**

DIRECTOR  
HUMAN RESOURCES MANAGEMENT

**APPENDIX III: INTRODUCTORY LETTER FROM UNIVERSITY OF  
NAIROBI**

  
**UNIVERSITY OF NAIROBI**  
**SCHOOL OF BUSINESS**  
**MBA PROGRAM - LOWER KABETE CAMPUS**

---

Telephone: 020-2059162  
Telegrams: "Varsity", Nairobi  
Telex: 22095 Varsity

P.O. Box 30197  
Nairobi, Kenya

DATE.....

**TO WHOM IT MAY CONCERN**


The bearer of this letter Joyce Boyani  
Registration No: D61/70037/2007

is a Master of Business Administration (MBA) student of the University of Nairobi.

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

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

Thank you.

  
**DR. W.N. IRAKI**  
CO-ORDINATOR, MBA PROGRAM

**UNIVERSITY OF NAIROBI**  
**SCHOOL OF BUSINESS**  
**MBA OFFICE**  
**P. O. Box 30197**  
**NAIROBI**

**UNIVERSITY OF NAIROBI**  
**SCHOOL OF BUSINESS**  
**MBA OFFICE**  
**P. O. Box 30197**  
**NAIROBI**

**APPENDIX 1V:INTRODUCTORY LETTER FROM RESEARCH STUDENT**

**5<sup>th</sup> September, 2011**

Dear Respondents,

I am a Postgraduate student at Nairobi University, pursuing a Masters degree in Strategic Management. As part of partial fulfillment for the degree, I am conducting a research study on: **CHALLENGES OF IMPLEMENTING CHANGE PROGRAMMES: A CASE STUDY OF THE CITY COUNCIL OF NAIROBI.**

For this reason I would appreciate if you would kindly spare a few minutes of your time for me to ask you a few questions in regard to challenges of implementing change programmes at City Council of Nairobi.

The information from this interview will be treated with confidentiality and in no instance will your name be mentioned in this research. In addition, the information will not be used for any other purpose other than for this research. Your assistance in facilitating the same will be highly appreciated.

Thanks in advance.

Yours Faithfully

**Joyce Boyani.....Supervisor.....**

**APPENDIX V:PROPOSAL CORRECTION FORM**

## APPENDIX VI LIST OF DEPARTMENTS SURVEYED

Departments of the city council of Nairobi and the Heads of Departments

Administration.....Town clerk

City treasurer.....City Treasurer

City planning.....Director, City planning

City engineers.....City Engineer

Public health.....Medical officer of Health

Environment.....Director of environment

City inspectorate.....Director of City Inspectorate

Social services & housing.....Director Social Services & Housing

Legal affairs.....Director of Legal Affairs

ICT.....Director of ICT

Audit.....Director of Internal Audit

Human resource management.....Director Human Resource Management

Investigations & information analysis. Director Investigations & Information Analysis

City education .....Director City Education

Housing development department.....Director Housing Development Department

**Source: Researcher (2011)**

**CHALLENGES OF IMPLEMENTING CHANGE PROGRAMMES AT CITY  
COUNCIL OF NAIROBI**

**OBWAYA JOYCE BOYANI**

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

**AUGUST 2011**

**DECLARATION**

I declare that this is my Original work and has not been presented in any other University or College for Examination or Academic purposes.

**Signature:..... Date:.....**

**BOYANI JOYCE OBWAYA**

**D61/70037/2007**

**SUPERVISOR'S DECLARATION**

This project has been submitted for examination with my approval of the following listed university supervisors.

**Signature:.....Date.....**

**DR .ZACK AWINO, PHD**

**SENIOR LECTURER**

**DEPARTMENT OF BUSINESS ADMINISTRATION**

**SCHOOL OF BUSINESS, UNIVERSITY OF NAIROBI**



## **DEDICATION**

This thesis report is dedicated to my Late Father Andrew Moturi, my dearest Mother Mary Bochaberi, dear Husband David Naibei, my lovely Children Kyle, Elvis, Kadzo and my Siblings Gladys, Anthony, Ruth and Richard for their inspiration and relentless motivation throughout my study period, God bless them all.

## **ACKNOWLEDGMENTS**

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## **LIST OF ABBREVIATIONS AND ACRONOYMS**

<b>CCN</b> .....	City Council of Nairobi
<b>MOLG</b> .....	Ministry of Local Government
<b>CBD</b> .....	Central Business District
<b>MBWA</b> .....	Management by walking around
<b>TQM</b> .....	Total quality management
<b>BPR</b> .....	Business process re-engineering
<b>LASDAP</b> .....	Local Authorities Service delivery Action Plan
<b>HOD</b> .....	Heads of Departments
<b>HR</b> .....	Human Resources
<b>ERS</b> .....	Economic Recovery Strategy

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## **ABSTRACT**

Much of the previous research into the change programs has concentrated generally on challenges of change management, management of strategic change and management of change management process. This study therefore sought to fill the existing research gap by carrying out a case study on challenges of implementing change programs at City Council of Nairobi. The main objective of the study was to investigate the challenges experienced by City Council of Nairobi in implementing Change programs. The findings may be a general reflection of what happens in local authorities' country wide. This research was conducted through a case study. The target population of this study was 16 number departments at the City Council of Nairobi. This paper utilized an interview guide in data collection. This study collected primary data using a self-administered interview guide. The response received was analyzed by content analysis. From the findings, the study established that majority of respondents were aware of the change programs being implemented within the City Council of Nairobi. The study further established that most of the respondents were in agreement with the challenges in implementing the change programs in the organization. This study therefore recommends that in order to avoid challenges in implementing change programs within the City Council of Nairobi a review of the organization's strategic plan and the entire organizational structure needs to be revised and a more hands on approach needs to be incorporated within the organization and disseminated to all staff, who also need to be involved in the decision making processes that take place within it..

## CHAPTER ONE

### INTRODUCTION

#### 1.1 Background of the study

Organizations rarely standstill, but are in a more or less constant state of flux where change and adaptations is one part, if the organization has a knock on effect elsewhere.(Cole, 2005).It has become the accepted view that, for the society at large, the magnitude, speed, unpredictability and impact of change are greater than ever before. Although many claim that we are living through a period of unprecedented and unpredictable change, not everyone is affected by the same change. Though change management would not be considered particularly important if products and markets and organizational change were rare, it would be considered even less of an issue, if it were easily merged and success would be guaranteed, there is substantial evidence that this is not the case.

Strategic change management is a systematic approach to achieving a sustainable change in the human and organizational behavior. It involves changing the people in the organization from certain old behavior to some new behavior desired by the organization (Todd, 1999). (Jones, 2004) states that organizational change is the process by which organizations move from their present state to some desired future state so as to increase their effectiveness. Change affects every aspect of life thus taking a proactive approach to change is the only way to take charge of the future either as an individual or as an organization.

Change management entails thoughtful planning and sensitive implementation and above all, consultation with, and involvement of, the people affected by the changes. Change must be realistic, achievable and measurable. A question that needs to be asked is: what do we want to achieve with this change, why, and how will we know that the change has been achieved? Who is affected by this change and how will they react to it? Change management need to be understood and managed in a way that people can cope effectively with it.



Change can be unsettling, thus the manager needs to be a settling influence. Three types of organizational change that has been perceived to be important and have received considerable attention are Introduction of the new technology in the early 1980's, adoption of total quality management (TQM) and application of business process re-engineering (BPR).The microelectronic revolution of the 1980's which saw the rapid expansion of computers and computer based processes into most areas of organizational life, was the subject of great many studies. The move by the European organizations to adopt total quality management began in the mid 1980's, although total quality management was a success to the Japanese companies, whereas the experience in the western companies was that it was difficult to introduce and sustain the same.

Philip Crosby (1979) one of the founders of total quality movement claimed that 90 per cent of the TQM initiatives by American organizations failed. In the United Kingdom and other European countries the failure rate was 80 per cent. Business process re-engineering was hailed as the biggest business innovation (Mill, 1994:26) though less well documented than either new technology or TQM, (Wastell et al ) (1994:37) concluded that the business process re-engineering have typically achieved much less than they promised. Therefore even with these three types well established initiatives there is no guarantee for success. This is perhaps why managers consistently identify the difficulty of managing change as one of the key obstacles to the increased competitiveness of their organizations (Hanson, 1993; industrial society, 1997; Worrall and Cooper, 1997).Change management can either be reactive, in which case the management is responding to changes in the macro environment/(some change is external) or proactive, in which management is initiating change in order to achieve a desired goal(source of change is internal) Change management can be coordinated on a continuous basis, on a regular schedule, or when deemed necessary on a programme by programme basis (Lewin, 1947).

### **1.1.1 Concept of change management**

Organizations face challenges that are from their external environment. Environment's which organizations operate in are not static but continuously changing (Rue and Byar, 1992). This study will concentrate on challenges of implementing change programmes at City Council of Nairobi. Organizational

environment has been changing since the 1970's when the world experienced great changes in the petroleum price thus organization's had to consider how to reconfigure themselves to take in these external events into account (Stones; Freeman and Culbert, 2003). In the 1980's change shifted from local to global, thus market competitions were intensified across the world. In the 1990's technology revolutionized the way we think about organizations. Failure to spot change trends and conditions and to effectively manage them leads to a serious strategic problem characterized by maladjustments of the organizational outputs and demands of its internal environment (Thompson, 1997).

Change management is not a distinct discipline with rigid and clearly defined boundaries. Theory and practice of change management draws on a number of social science disciplines and traditions. The tasks are further complicated by the fact that the social sciences are inter woven, to challenge this, is to range wide enough to capture the theoretical foundations of change management, without straying so far into its relates disciplines that clarity and understanding suffer.

### **1.1.2 City Council of Nairobi**

The City Council of Nairobi is among the 275 Local Authorities in Kenya. It is governed by Cap 265, the Local Government Act,. In the Act, the City Council of Nairobi is classified as a municipal council. The act of parliament is yet to be amended to adopt the word 'city' among its classifications of the local authorities. In Kenya today there are only three cities recognized by the office of Deputy Prime Minister, Ministry of Local Government. They are the City Council of Nairobi, Mombasa City and Kisumu City. Other classifications of the local authorities include municipal councils (for example Machakos, Nyeri), County Councils (for example Nyamira, Makueni), Town Councils (for example Tala-Kangundo, Oyugis). Nairobi 'The place of cold water' owes its beginning to the exploitation of the East African territories by the British. With the railway reaching Nairobi in 1898, the colonial administration seat shifted from Machakos to Nairobi. This was facilitated by the availability of means of transport from Nairobi to Mombasa and the rest of the interior (including the later called white highlands). The rate at which Nairobi was growing as an urban area called for formation of a municipal committee.

In 1900 Sir Arthur Harding published the Nairobi municipal regulations and defined the Township as the area comprised within a radius of one mile and a half from the then present office of H. M. Sub minister in Ukambani'. The regulations covered committee meeting conduct, methods of lighting, policing and cleaning. The first Town Clerk was Captain E. L. Sanderson, other white Town Clerk who followed

were Sir Henry Belfield, Walter, Williams, Ridont, and Sir Edward Northey among others. The first African Councillors to serve in the municipal were Muchuhi Gikonyo and Khamisi in 1946. The first African Town Clerk was appointed in 1967. Since then 17 Town Clerks have managed the Council to date. The Council mandate is to provide and manage basic social and physical infrastructure services to the residents of Nairobi. These services include basic education, housing, health, water and sewerage, refuse and garbage collection, planning and urban planning and development, urban public transport and fire services among others.

There is no clearly designed change management approach in the City Council of Nairobi. Being under the office of Deputy Prime Minister, Ministry of Local Government, it has influences of the Molg, the office of the President, the office of the Prime Minister, Ministry of Finance and the Directorate of Personnel Management. Each of these branches issue advice, directives and instructions to the City Council of Nairobi on various areas of change programmes.

Change programs under performance contracting are coordinated from the office of the Prime Minister, Reforms Secretariat. The secretariat gives advice on financial, non-financial, operational and dynamic aspects of council's performance contract.

Directorate of Personnel Management gives directives and advice on the growth and development of officers with the framework of public service. Ministry of Finance also issues directives on procurement, fund spending, funds revenues and general public funds management. This affects the other government agencies including the City Council of Nairobi. It is at rare occasions that the council will have independent planned changes. This is because it operates under the umbrella of the Molg. Operating capital expenditure of the council has to be approved by minister Molg and the minister for finance (as instructed by parliament).

Most of the change management approaches at the council level are on emergent basis. They are not planned but are reactive to a threat which is in force and instructions from above. But it should be noted that normally change management approach in the council are a more or less a process. Bullock and batter (1985) approach has some application in the council. The management creates awareness of need for change after receiving instructions from the external influencers. The instructions are tailor made for council through planning for actions to be undertaken and how best to implement the changes as per the action plan.

Kanter et al (1992) Ten (10) commandments approach has also been used in the institutionalization of changes. The separate commandments are implemented one by one without following any order as the management and internal change agents so feel. Use of emergent change management approaches has also been in use. Due to the nature of some changes, the council is unable to plan for changes. The council reacts to such changes when they occur to reduce their effects or completely done away with them. But it should be noted that there is no defined change management policy in the council to guide on the approach. This means that the management consisting of councilors and chief officers are the ones who sometimes give direction through the council's resolutions. Any significant transformation creates people issues. New leaders will be asked to step up, jobs will be changed, new skills and capabilities must be developed and employees will be uncertain and resistant. In dealing with these issues on a reactive, case-by-case basis puts speed, morale and results at risk.

A formal approach for managing change begins with the leadership team and then engaging key stakeholders and leaders should be developed early and adopted often as change moves through the organization. This demands as much data collection and analysis, planning and implementation discipline as does a redesign of strategy, systems or processes. The change management approach should be fully integrated into program design and decision making both informing and enabling strategic directions. It should be based on a realistic assessment of the organization's history, readiness and capacity to change. The change management practices adopted by city council of Nairobi are; the introduction of Performance Contracting, Performance appraisal system, Rapid results initiative among many more.

Due to ever changing business environment especially with the influence of the government, many awareness and understanding practices have been put in place most of which were initiated in year 2003 by the NARC government and the current coalition government. The council has had its chief officers sensitized on government reforms which are transmitted to the council. Several induction courses have been conducted on them at the Kenya institute of administration. All other council's officers at one point in time have been sensitized on the council's changes and

management especially on performance contract, performance appraisal system, corruption eradication, ISO and the 6 key results areas in the current strategic plan. In-house training has been carried by training consultants on junior and senior officers.

Council's posters, newsletters and internal communications have been popular in the creation of awareness and understanding of change programmes at the council. Posters are displayed at strategic points in all the departments where the employees as well as visitors to the council can easily read and understand them. The council's introduction of 'The city council of Nairobi annual news report' publication has made many people be aware council of the significant changes and the change programmes being implemented. The council holds public awareness week annually. It uses the LASDAP's public forums to create awareness and understanding of the change and change management in the city council of Nairobi. For the change and change programs to be meaningful and successful in the council, it had to start from the top. The councilors and the chief officers who are policy makers had to initiate change through the council's resolution. Policies were developed and adopted by the members of the council and the chief officers were entrusted with the implementation process. This was the start point of institutionalizing change programs.

The councilors and the chief officers have undergone several trainings on change leadership. Seminars for top and middle management officers have taken place in various locations here the participants were taught to be key instruments of change and change programs. They were to lead the change process from the front but not back. Exchange programs have been conducted; some councilors and chief officers have travelled out of the country to Japan, USA, Britain and South Africa to have firsthand information on change programs and they have seen it work during the visits to the above mentioned countries. On coming back management team was formed to spearhead the changes headed by the City Mayor and the Town Clerk.

The adoption of employment of the chief executive officer on contract has been a practice to enhance the change leadership in the change programs. The former Town

Clerk initiated a regular and MUST chief officers' meeting on weekly basis. He personally used to chair the meetings which concentrated on the change programs operated by the council. It is composed of all the chief officers, heads of key operational areas like the markets, the city mortuary, the wards and divisional heads, inspectorate CBD group and Pumwani maternity hospital. Changes were initiated, communicated and implemented by the individual members of these work teams. This meant that the Town Clerk had all the updates on the change and change programmes at hand and was also known for his personal interaction and monitoring of the council changes through MBWA (management by walking around).

In his contract period, the city council of Nairobi's lost glory was being regained bit by bit. His successor has followed his footsteps in the change programs, he is known to advocate for change, support and change programs whether his subject likes it or not. It is notable that some officers have been forced by the wave of change and its management to exit from the council. This is because they would not stand it due to their rigidity to changes. In change leadership the chief executive officer of the council, is the chairman of the Reforms Secretariat, which oversees all the reforms or changes in the council. His secretary is a senior able officer, the Assistant Town Clerk, Reforms Secretariat.

## **1.2 Research problem**

In the last decade or so there has been an accelerated organizational change across the globe; these changes whether political, economic, social and technological have not spared Kenya. Many organizations have not managed change properly due to industrial unrests, resistance from staff and so on.

Many studies have been done in Kenya on change management namely: Gichohi (2007) looked at challenges of change at Unga group and concluded that the change process was due to liberalization of the Kenyan economy. Odhiambo (2005) evaluated the problems and practices in the manufacturing sector and concluded that manufacturing companies in Kenya considered implementing Kotters eight stage model. 'Amenya (2001) analyzed management of strategic change at rift valley railways and concluded that there were internal and external factors that necessitated

change at rift valley railways. Kamau. J (2010) study finding showed that management process at Action aid began by setting goals and objectives , study found out that challenge of managing change was due to the restructuring of the organization. Kibaga (2005) looked at strategic change at the insurance industry of Kenya. Most of the studies done have not looked at challenges face by implementing change programs at City Council of Nairobi. There exists a gap between concepts of strategic change management at City Council of Nairobi where previous studies dwelt on change management which therefore seeks to address the Knowledge gap.The study will therefore bridge the gap on the challenges of implementing change management programs at City Council of Nairobi?

### **1.3 Objectives of the study**

The specific objective of the study is

- 1) Establish the change programs ,
- 2) Identify the challenges faced in managing change programmes
- 3) Evaluate the change process in light of the models of change programmes at City Council of Nairobi.

### **1.4 Value of the study**

The findings of the study will have a wide spread implication on the organizations change management and will help revise the existing change management strategies. Study will add value to the existing body of knowledge. The value of the study will be its significance to City Council of Nairobi and other Local authorities on how best to manage and improve change management programs. How useful it is to management and employees of City Council of Nairobi as it will provide an opportunity to gauge their progress, direction and benefits accruing from the change effect. The study will generate literature on implementing change management processes at City Council of Nairobi for top scholars and researchers willing to carry out research in the field of Change Management. The study will also be helpful to City Council of Nairobi assess its levels of change management performance in relation to its peers and other industry players.

## CHAPTER TWO

### LITERATURE REVIEW

#### 2.1 Introduction

This chapter reviews the different perceptions of strategic change by scholars, and the various approaches to strategic change. Change is any planned or unplanned transition from one state to another, such change comes in many forms. Strategic change is long term in nature and affects the entire organization and aims at achieving effectiveness.

According to Burnes(1998) there are three schools of thought that form the central plank on which change management theory stands are: The individual perspective school, Pavlov (1927) that a dog can be taught to salivate at the ringing of the bell, by conditioning the dog to associate to the sound of the bell . This school of thought is split into two camps that are behaviorists and gestalt-field psychologists. According to the behaviorist theory all behavior is learnt, the individual is the recipient of the external and objective data. One of the basic principles of behaviorist is that humble actions are conditioned by their expected consequences. Behavior that is rewarded tends to be repeated and vice versa. Therefore in order to change behavior it is necessary to change the conditions that cause it (Skinner, 1979). In the principle of extinction, behavior will stop eventually if it is not rewarded (Lovell, 1980).

In the Gestalt Field theory learning is the process of gauging or changing insights, outlooks, expectations or thought patterns. According to the Gestalt filed perspective, behavior is not just a product of external stimuli but rather arises from the individual reason to interpret stimuli. The school has proved influential in the management of change whereas some writers use them in tandem.

The group dynamics school, this school has the longest history (Schein, 1969) as it originated with the work of Kurt Lewin. This group emphasizes on organizational change through team work groups rather than individuals (Bernstein, 1969) According to Lewin (1947a, 1947 b) people in organization work in groups, individual behavior must be seen, modified or changed in light of the groups prevailing practices and norms. Lewin (1947 a, 1947 b) postulated that group behavior is an intricate set of symbolic interactions and from that not only affected



group structures but also modify individual behavior. Therefore he agrees that individual behavior is a fraction of the group environment. The open systems school, is composed of a number of inter connected sub systems. Any change in one part of the system will have an impact on other parts of the system and its normal performance (Scott, 1987). The open system approach is based on describing and evaluating the sub-system in order to determine how they need to be changed so as to improve the overall functioning of the organization. Organizations are open to interact with the external environment and are also open internally. The various sub-systems interact with each other.

## **2.2 Strategic change**

Change is usually triggered by a threat or opportunity which is of sufficient magnitude that the organizational members can't ignore it? (Van de Venn & Poole, 1995). Strategic change is defined as a difference in the form, quantity or state over time in organizational alignment with its environment (Rajagopalan & Spreitzer, 1997). Strategic change not only decides what to change, how and when to change specific elements of the organizations strategic orientation (Worley; Hitchin & Ross, 1996). This change may be driven by dramatic change in the environment, declining organizational performance or both.

According to Hoerfers & Schendel (1978) Strategic change is also defined as change in the context of the organization's strategy as elaborated by its scope, resources, deployment, competitive advantage and synergy. Strategic change could also be affected by the state of the organization and its external environment. For instance organizations will adopt new strategies' in the face of financial distress for purposes of being even in the critical situation. Most recently there has been a shift of emphasis, away from the behavioral explicit, to an exploration of ways in which organizations perceive, interpret and understand strategic change.

Many of the change programs arise from management issues such as culture change, empowerment and technological changes. Change initiatives are driven by the need by organizations to reposition themselves in the face of changing competitive conditions. Change processes involve radical transitions within the organization that

encompass strategy, structure, system, process; culture (Balogun, 2001). Organization will experience different levels of transition. Gradual change represents a fairly stable slightly linear variation in the environment. Continuous change represents both steady and incremental shifts in the environment over time. Cost cutting, elimination of waste, reduction of efforts, streamlining internal processes, minimizing variation applying external best practices are key tactics (Hummer, 1990)

### **2.3 Approaches to strategic change management**

The first great test of competence that organization's face in their change effect is the identification of the change path to follow (Drucker; 1954). Strategic change is an ongoing process which must concentrate on assuming a good fit between the environment and the organization, where it needs to take into account competitors, customers and the external environment including technology, politics, economy and social factors (Rajpal; 2007). The strategic approach has three distinct processes namely: what business are we in? What are the key issues? How best can we compete? (Cohen & Cyert; 1973). Strategic planning process entails the following process, formulation of goals, analysis of the environment, assigning quantitative values to the goals, micro process strategy formulation, gap analysis, strategic search, selecting portfolio of strategic alternatives, implementing the strategic program, measurements, feedback and control. These steps should not be seen as an instant process of strategic change but a continuous ongoing process (Ansoff; 1969).

### **2.4 Change management models**

Kurt Lewin proposed step models which are commonly referred to as Unfreeze, change and Freeze. The Unfreeze stage is probably one of the most important stages to understand. This stage is about getting ready to change, it involves getting to the point of understanding change is necessary and getting ready to move from the current comfort zone. The unfreeze stage is about getting motivated for change and weighing the pro's and con's and deciding what action needs to be taken.

The change process stage is transitional. Transition is the inner journey or movement that is made in reaction to a change. This stage occurs as we take the changes that are needed. The freeze stage is whereby people are moving towards a new way of being.it

is usually the hardest period, as people are unsure and fearful. Support is of great importance here and can be in the form of Training, coaching and accepting mistakes as part of the process. It helps to communicate a clear picture of the desired change and its benefits to the people so as to not lose sight of where they are going. The freeze stage is about establishing stability once change has been made. Change is acceptable and becomes the new norm. People form new relationship and become comfortable with their routines. It is at this stage that managers can have a great influence thus leading to positive performance.

There are many theories on how to implement strategic change, many of them originate from leadership and change (Kotter, 1995). Kotter outlined eight steps namely: Create Urgency, this is whereby there is the development of sense of urgency and need for change. This helps in getting things moving. Urgency can build and feed on it and many people grasping the need for it. It identifies threats and develops scenarios about what could happen in the future. Form a powerful coalition; convince people that change is necessary. It takes strong leadership and visible support of people within the organization by bringing influential people together whose power cover areas such as job titles, expertise and political importance.

Create vision for change, links concepts of great ideas and solutions floating around. A clear vision helps, people grasp early and remember. Detecting values that are central to change is an effective tool and practice the vision of speech offered. Communicate the vision, do this frequently and powerfully and embed it within the organization. Talk often about the change agenda and apply the vision to all aspects of operation. Management should lead by example. Remove obstacles this can empower people. Hiring of change leaders is as effective as identifying leaders within the organization. Reorganize and lead people for the change effort. Look for super fire projects that can be implemented and reward staff members who meet the expectations.

Build on the change, Kotter (1995) efforts that change fast become victory and is derived too early. Real change runs deep. Quick wins are only the beginning of what needs to be done to achieve the long term change. Anchor for change, is corporate culture. Make organizational changes stick and become part of the organization.

Corporate culture determines what needs to be done; it ingrains the value behind the vision and incorporates the same in the day to day activities of the organization. Create short term wins, nothing motivates more than success. Assess the staff performance and results within a short time frame, without criticizing and negative remarks as this do not lead to them meeting their progress.

Temporary aspects of change are used as a means of breaking down the complex process of organizational change into manageable portions such as, conception for need for change which maybe in response to external or internal pressures or may be through a belief in need of change to meet future competitive demand (Dawson, 1984).he further states that change can be seen as a process of organizational transition where strategic decisions are made. Operations of new practices and procedures refer to the period when following implementation of change, new organization arguments and systems of operations begin to emerge.it is the period in which the relatively stabilized system of operation emerge comprising of new patterns of relations and new forms of working practice(Dawson, 1984).

Quinn (1986) argues that integrating of processes is incremental not processual. This involves patterns of change through creating awareness and commitment incrementally, amplifying the understanding of awareness, changing symbols and building credibility, Legitimizing new view points and making tactful shifts and partial solutions (Quinn, 1986). He further states that change progress should be solidified incrementally through creation of pockets of commitment by empowering champions and continuing the dynamics by eroding consensus.

A learning organization is an organization that has developed continuous capacity to adapt and change (Robbins, 2003). All organization learn whether consciously or sub consciously as it is a fundamental requirement for their sustained existence. A learning organization is an ideal to strive towards rather than a realistic description of structured activity, which draws organizational behavior concepts such as quality management organizational culture, boundary less organizations, functional conflict and transformational leadership.

## **2.5 Challenges of implementing change programmes**

The biggest single challenge facing managers today is globalization, and how to achieve sustainability in a world of dwindling natural resources and increasing environmental pollution, how to manage an increasingly diverse workforce and at a time leaders are considered less trustworthy and how to manage ethically (Burnes, 2003)

Slow adoption to modern technology is one of the key factors in the challenges of implementing change programmes. Mismanagement of resources is another challenge in the implementation of change programmes; resistance to change due to the unknown, another equally important factor is failure to adhere to rules and regulations, culture, stakeholder politics, teamwork and leadership are some of the factors that can influence the outcome of any change programme.

According to Ansoff and McDonnell (1990) Resistance to change is a multi-faceted phenomenon which introduces delays, additional costs and instability in a change process. Resistance can either be behavioral or systematic. Behavioral resistance is exhibited by individuals, managers or groups. Because of parochial self-interests, misunderstanding and lack of trust, differences in assessment, or low tolerance to change. Systematic resistance originates from passive incompetence's in the managerial capacity to carry out the change. Management requires planning and developing the required capabilities by integrating management development into the change process and stretching the implementation period as long as possible.

Rowe et al.,(1994) noted that Organizational culture is the total sum of shared values, attitudes, beliefs, norms, rituals, expectations and assumptions of people in an organization. Thompson and Strickland(1993), argues that there must be a fit between strategy, structure, systems, staff, skills, shared values, values, styles for change management process to be successful. Thomson (1997) argues that organizational culture and values held by managers and other employees within the organization are key influences on strategies of change and are therefore the central driving force for considerations in strategy creation and change

### **2.5.1. Political Management, mobilization support and legitimacy**

Stakeholders support is essential for a change programs due their different interests and power, achieving universal support is a challenge and politics sets in. According to Moore (1992) strategic change management process in the public sector starts by looking towards politics for three reasons, it is in this realm that managers must search to discover what purposes are deemed publicly valuable, political institutions grant public managers resources they need to accomplish their operational purposes., lastly public managers are accountable to politics and law both theoretically and practically. Managers use organizational politics as tactics to use power to influence goals and change to further their interests.

### **2.5.2. Teamwork**

Complexities of most processes are usually beyond the control of any one individual. The only way to tackle such problems is by use of teamwork. Building of effective team work is not an easy matter Team approach to change implementation removes artificial organizational barriers and encourages openness. Teams share common goals and help to focus energy by emphasizing self-control on part of the participants

### **2.5.3. Leadership**

Management of change is closely linked to the role of strategic leadership. Leadership is the process of influencing an organization in its efforts towards achieving an aim or goal, a leader influences and is not necessarily someone at the top of an organization. Rowe et al., argues that the team approach to change implementation removes artificial organizational barriers and encourages openness. Teams share common goals and help to focus energy by emphasizing self-control on the part of participants. Teams that are cohesive, that interact cooperatively, with members possessing compatible personality characteristics and that are operating under mild to moderate pressure appear to be most effective.

## **CHAPTER THREE**

### **RESEARCH METHODOLOGY**

#### **3.1 Introduction**

This section describes the proposed study design, data collection procedures or techniques, data collection instruments and its relevance and how the collected data was organized and analyzed.

#### **3.2 Research Design**

The research was conducted through the case study method at City Council of Nairobi. Case study is a form of qualitative analysis when a study is carried out in an organization and gives a detailed investigation of a single subject. Through this method the researcher is able to obtain in-depth knowledge of challenges faced by City council of Nairobi in implementing change management programs. It also facilitates an intensive study of a particular unit.

#### **3.3 Data Collection**

In this case study, primary source of information was used in the collection of data. Primary data was collected through an interview guide. Questions were divided in parts namely: Part A, Part B, Part C and Part D. Use of a standardized interview guide allowed for comparison of results among the respondents. The target population was the employees of City Council of Nairobi 16 departments namely: Administration, City Planning, City Engineer, Public health, Audit, Environment, City Education, Inspectorate, Social services and Housing, Human resources, Investigations and Analysis, City Treasurer, Procurement, Housing Development, Legal and ICT.

The interview guide was submitted to the various departments after providing a letter of introduction from the School of Business, University of Nairobi and a letter from the Human Resource Department City Council of Nairobi, authorizing the researcher to carry out the research and a covering note requesting the respondents to participate in the research in order to get the data required for the study. This was done with the help of research assistants and the researcher who was available to clarify the question that were not clear to the respondents and made prior arrangement and assured the respondents of high degree of confidentiality and anonymity

### **3.4 Data Analysis**

Content analysis was used to analyze the respondent's views on the challenges of implementing change management programs at City Council of Nairobi. Advantage of using content analysis is that it allows grouping of collected data into various groups for easier analysis which is a continuous process. Main purpose of content analysis was to study existing information in order to determine factors that explain a specific phenomenon. Content is defined by Creswell (2003) as a technique of making inference by systematically and objectively identifying specific characteristics of messages and to use the same approach to relate to trend. On receiving the questionnaire from the respondents, the data was checked to ensure completeness, consistency, accuracy and uniformity. The data was then be coded and tabulated to facilitate data analysis through content analysis.



## **CHAPTER FOUR**

### **DATA ANALYSIS AND INTERPRETATION OF RESULTS**

#### **4.1 Introduction**

This chapter details the findings and interpretation of the results in light of the study and with respect to the objective of the study. The study was designed with the aim of establishing the challenges of implementing change programs at City Council of Nairobi. The study involved collection of primary data through the use of an interview guide which was administered through personal interviews. The research targeted the 16 departments at City Council of Nairobi namely: Administration, City Planning, City Engineer, Public health, Audit, Environment, City Education, Inspectorate, Social services and Housing, Human resources, Investigations and Analysis, City Treasurer, Procurement, Housing Development, Legal and ICT.

#### **4.2 Research findings**

This section represents the general information about the City Council of Nairobi. This includes the employee's demography and number of years with the organization, communications of objectives, whether or not the council embraces counter response measures as one of their strategies based on the challenges, and current counter response measures activities. Considering the demographic characteristics of the respondents, the study established that a majority of the employees were male; the findings can be generalized on the male respondents.

A majority of the departments had same number of respondents: particularly, Administration, Audit, City Inspectorate, City Treasurer, Human Resource and Investigations and Information Analysis which had four respondents each. City Planning and City Engineer department had 3 respondents each. The other

respondents were from Education, Health, Legal affairs and Public health departments. The implication on the study was that varied responses from the different departments adequately explored all the expected responses from the entire Council.

Regarding the designations, the researcher found that the respondents had different managerial designations at the high levels. The implication on the research is that the respondents were evenly distributed and therefore a variety of the responses were obtained. Regarding the number of years in position, results show that a majority had been in the firm for 10 years and above, other had also been in the council for 3 to 6 years, this implies that the majority of the respondent had enough experience to give acceptable responses to the study questions. In relation to the education level, the results showed that a majority of the respondents had attained University level education implying that majority of the respondents had adequate skills to respond to the questions asked in the study.

#### **4.2.1 Communication of Objectives and the role of the managers in change process**

The interview guide sought responses on the role of the managers in change programme process. From the responses received from the interviewees, it was clear that the corporate objectives were entrenched in the strategic plan of the organization where each departmental head had clearly defined objectives that were specific, measurable, achievable realistic and had specific targets. The researcher established that there was use of every available vehicle possible to communicate the vision and mission statement through employee bulletins, employee meetings, memos, newspapers, formal and informal interaction. In addition having a guiding coalition role on the behavior expected from employee nothing undermines the communication

of change programmes than that which seems inconsistent with the vision. Careful monitoring of senior management behavior and interaction was a good idea so as to be able to identify and address inconsistencies among words and deeds.

The researcher found out that the change management empowering programs involved getting rid of obstacles, changing systems or structures that undermine the change vision and encouraging risk taking and non-traditional ideas, activities and actions. The managements know that ruining a transformation without serious attention to short term wins is extremely risky. The Council's plan for visible improvements in performance or wins also creates the wins. In addition the people who make the wins should be visibly rewarded and recognized. Consolidating gains and producing more change programs credibly changes all systems, structures and policies that do not fit into the transformation vision. People who implement the change vision should be promoted or hired and the system be re-invigorated with new projects, themes and changes agents.

Moreover, the study inquired on the challenges involved in implementing change programmes at City Council of Nairobi. The respondents cited that it involved the implementation of organization strategy through the application of the management process to obtain the desired results. Particularly, change program process included designing the organization's structure, allocating resources, developing information technology and decision process, and managing human resources, including such areas as the reward system, approaches to leadership, and staffing.

All the departmental objectives were congruent with the overall council objectives. The staff members are also constantly reminded of their objectives during meetings carried out between managers and other staff members to review their performance

during and over a certain specific period of time. The study also indicates that there is awareness and involvement as the counter response measures strategy was being embraced by each of the respondents. HODs were involved in formulation and implementation of the strategy.

Making the necessary moves to establish positions in different businesses and achieve an appropriate amount and kind of diversification. A key part of corporate strategy is making decisions on how many, what types, and which specific lines of business the council should be in. This may involve deciding to increase or decrease the amount and breadth of diversification. It may involve closing out some strategies (lines of business), adding others, and/or changing emphasis among strategies.

The council managers initiated actions to boost the combined performance of the businesses the council had diversified into: This involved vigorously pursuing rapid-growth strategies in the most promising areas keeping the other core operations and service delivery businesses healthy, initiating turnaround efforts in weak-performing strategies with a promise, and dropping strategies that are no longer attractive or don't fit into the corporation's overall plans. They also involved supplying financial, managerial, and other resources, or acquiring and/or merging other companies with an existing core missions in pursuing ways to capture valuable cross-business strategic fits and turn them into competitive advantages especially transferring and sharing related technology, procurement leverage, operating facilities, distribution channels, and/or customers. Moreover, the council managers also are in forefront in establishing investment priorities and moving more corporate resources into the most attractive strategies.

Regarding the change programme empowerment practices in CCN, the researcher established that have a wealth of skills necessary for their jobs and that their work is meaningful to them. The respondent neither agreed nor disagreed with the statements that they had control over the aspects of the job that they are accountable, that their work gives them ability to contribute to the success of the organization, that their impact on what happened in their department was large. The respondents also neither agreed nor disagreed with the statements that their supervisors encouraged team work and delegated authority, that they had significant autonomy in determining how they did their job, that their position allowed career growth and development. In addition, the respondent neither agreed nor disagreed that they had significant opportunity for freedom and independence in doing their jobs; these were represented by mean scores of three. The respondents stated that they disagreed to some extent with the statement that there is a clear system of handling employee discontent and that they normally get sufficient resource to do their jobs.

#### **4.2.2 Change programs and strategy implementation process**

The study further looked at the various challenges facing implementation of the change programs adopted by the City Council of Nairobi for effective operations and service delivery. There were various reasons cited such as ineffectiveness, lack of direct control and use of the firm's resources, mechanisms such as organizational structure, poor information systems, ineffectual leadership styles, slow assignment of key managers, unplanned budgeting, little or less employee rewards, and weak control systems. The responsibility of implementing the change programs was under the Chief Executive Officer and Senior management docket.

The respondents were asked to choose only ten (10) out of the twelve (12) factors that they felt responded to the challenges involved in implementing change programmes in their Council for effective operations and service delivery, majority of respondents identified gaps in organization structure and rapid change in Technology as the factors hindered implementation of the change process. Need to concentrate on Core Activities , need to reduce operational cost and need to free resources for other purposes was also cited as an impediment to implementing change programmes.

The respondents further felt that the factors that moderately responded to challenges of implementing change programmes was the choice of what to strategy the council needs to embrace to improve institutional focus, ease of activity control through adoption of new technology, need to improve efficiency, and need to reduce risks in operations and service delivery

Some respondents did not consider management style and availability of human resource skills as important challenge factors that deter implementation of change programmes, respondents did not consider Government Policy as an important factor to be considered at all. With regard to other factors that respond to challenges of implementing change programmes at the council, the study revealed that most of the respondents considered choice of external service strategy consultants as an important factor. The various attributes of the strategy consultants which were considered as important include on change programs professionalism, competence, quality of flexibility. The council therefore needs to improve on technology and services quality so as to highly access world class services.

#### **4.2.3 How challenges of change programs affect the implementation process of various areas in the council**

The study looked at how the change program process affect the implementation process of various key areas in the council. On structure, the study revealed that structure provides overall framework for strategy implementation, it is not in itself sufficient to ensure successful execution. Within the organizational structure, individuals, groups and units are the mechanisms of organizational action, and the effectiveness of their actions is a major determinant of successful implementation. In this context, two basic factors encourage or discourage effective action-leadership and culture.

Seeking to establish how change management process challenges affect the implementation process on Culture, the respondents cited that culture is a set of important assumptions (often unstated) that members of an organization share in common. These shared assumptions (beliefs and values) among members of an organization set a pattern for activities, opinions and actions within that firm.

On the area of Technology, the study revealed that most departments at City Council of Nairobi had not fully computerized their operations and service delivery function thus affecting its revenue base. Furthermore, change program process challenges were seen to affect leadership in that without the right leadership; employees remained skeptical of the vision for strategy and distrust of management team management likewise was frustrated and stymied by employee resistance. One major task of the Management was to implement strategy which entailed overcoming resistance.

Most respondents did not term Legal/Regulatory factors as a change program process challenge at CCN since CCN derives its legal mandate from the Local Government Act (Cap 265) of the laws of Kenya amongst other acts of parliament that augment its diverse core functions and priorities. These priorities are contained in various policy and planning documents such as the national development plans, poverty reduction strategy paper and Economic Recovery Strategy (ERS) for wealth and employment creation in the medium term and Kenya's vision 2030.

The study revealed that CCN faced competition in the industry from private owned firms such as estate developers who create estates and hence private owned services such as garbage collection, provision of water and sewerage services. These in turn led to loss of revenue to CCN. The study found that CCN change management process was also affected by Customer needs and preferences. Most respondents cited that strategy sets up leaders to struggle between managing the business and addressing the needs of the people. Typically, it is the people side that loses out. But if leaders don't establish an effective balance between business and people priorities they can destabilize the organizational culture and erode trust, generating fear and skepticism among employees at a time when a loyal, productive, and enthusiastic workforce is essential for success. The various implications of the challenges in implementing change programmes has led to poor provision of services rendered loss of revenue and lack of public trust especially on the timely delivery of services.

#### **4.2.4 Basic requirements of the council for effective implementation of change programs in enhancing service delivery .**

In seeking to understand the councils basic requirements for effective implementation of change programs for efficient operations and service delivery , the researcher



established that in order for the council to effectively achieve effective change programs process for effective operations and service delivery, financial requirements are as important as Physical and Structural facilities whereas the respondents felt that there are other additional requirements necessary for effective change programs

The researcher further established that the councils effective change program had a well-designed vision that allowed for free ideological movement and interaction of staffs. Moreover, the researcher wanted to find out whether there was any particular area frequently outsourced by the councils in effective strategy implementation. The findings therefore indicated that Information Technology is currently being outsourced by the council to a very great extent closely followed by training activities Facility management and policy management were found to be moderately outsourced as one way of improving the efficiency change programs of the councils formulated strategies.

Human resource (HR) services are outsourced to a small extent. The study revealed that HR counter response measures had great future potential as a key management strategy in the organizations, this enabled the council to reduce its high wage bill and improve management of payroll for its employees. The researcher further found that operations and service delivery were not outsourced at all. The council ensured that the activities were performed at optimal level. The respondents were confident that counter response measures had the capacity to increase the organizations effectiveness and efficiency.

## **CHAPTER FIVE**

### **SUMMARY, CONCLUSIONS AND RECOMMENDATIONS**

#### **5.1 Introduction**

This chapter presents the findings of the research, explores the implications of the findings, draws conclusions and prescribes recommendations. The researcher documented the research findings as received from the respondents. The documentation was necessary to support the findings and recommendations as stated. These are the facts from research on which the interpretation were based.

#### **5.2 Summary**

The summary of research findings were based on the study analysis on the challenges of implementing change programs at City Council of Nairobi. The study looked at the following areas; assessing the influence of organizational structure on operations and service delivery, assessing the influence of stakeholders in operations and service delivery, finding out the extent to which motivation influences change programs, the role of computerization in operations and service delivery, the extent to which audit will play a part in change process and to determine the influence of corporate governance on operations and service delivery.

The study dwelt on the various challenges facing the implementation of change programs adopted by the councils for effective programs. There were various reasons cited, such as ineffective direct control of the firm's resources, mechanisms such as an overcrowded organizational structure who had duplicated departments and duties and responsibilities,, poor information systems, ineffectual leadership styles, slow assignment of key managers, unplanned budgeting, little or less employee rewards,

and weak control systems. The responsibilities of the implementation of programs were left to the Chief executive and the senior management teams.

Within the organizational structure, individuals, groups and units are the mechanisms of organizational action, and the effectiveness of their actions was a major determinant of successful implementation. In this context, two basic factors encourage or discourage effective implementation, action-leadership and culture. On how strategy challenge impediments on change programs affect the implementation process on Culture, the respondents cited that culture was set of important assumptions (often unstated) that members of an organization share in common. These shared assumptions (beliefs and values) among members of an organization set a pattern for activities, opinions and actions within that firm.

On the area of Technology, the study revealed that most departments of the council had not computerized its challenge impediments on effective implementation of change programs. Further, strategy challenge impediments on change programs operations was seen to affect leadership in that without the right leadership; employees remained skeptical of the vision for strategy and distrustful of management. The management likewise was frustrated and stymied by employee resistance. One major task of the Manager was to implement strategy which entailed overcoming resistance.

Moreover, majority of respondents identified gaps in organization structure and rapid change in Technology as the factors that highly respond to changes in change implementation process. Need to concentrate on Core Activities, need to reduce operational cost and need to free resources for other purposes was also cited. The respondents further felt that the factors that moderately responded to the challenges of

the choice of what strategy the councils follows includes need to improve institutional focus, ease of activity control through adoption of new technology, need to improve efficiency, and need to reduce risks in challenge impediments on change programs

Some respondents did not consider management style and availability of human resource skills as important challenge factors that determines strategy implementation process services. All respondents did not consider Government Policy as an important factor to be considered at all. With regard to other factor responding to change management challenge and strategy implementation process at the councils , the study revealed that most of the respondents considered choice of external service strategy consultants as an important factor. The various attributes of the strategy consultants which were considered as important includes professionalism, competence, quality of service, contract term, credibility, cost and flexibility. The study also revealed that some respondents did not consider certain factors as important while selecting the external strategy consultants.

These were: size of the strategy consultants, qualification of the strategy consultants and strategy consultants' flexibility. Majority of the respondent felt that it was not cost effective to handle some activities services internally as the required skills were lacking and hiring them would cost more that delegating them to a third party. The councils therefore needs to improve on technology and services quality so as to highly access world class services.

Most respondents did not term Legal/Regulatory factors as a strategy implementation challenge at City Council, since councils derive their legal mandate from the Local Government Act (Cap 265) of the laws of Kenya amongst other acts of parliament that augment its diverse core functions and priorities. These priorities are contained

in various policy and planning documents such as the national development plans, poverty reduction strategy paper and Economic Recovery Strategy (ERS) for wealth and employment creation in the medium term and Kenya's vision 2030.

The study revealed that city councils faced competition in the industry from private owned firm's hence private owned services such as garbage collection, provision of water and sewerage services. These in turn led to loss of challenge impediments on change programs. The study found that City councils strategy implementation was also affected by Customer needs and preferences. Most respondents cited that strategy sets up leaders to struggle between managing the business and addressing the needs of the people. Typically, it is the people side that loses out.

But if leaders don't establish an effective balance between business and people priorities they can destabilize the organizational culture and erode trust, generating fear and skepticism among employees at a time when a loyal, productive, and enthusiastic workforce is essential for success. The study revealed that there were various implications of the challenges on the councils's strategy implementation process. This had led to poor provision of services, loss of challenge impediments on change management programs and lack of public trust especially on the timely delivery of services.

### **5.3 Conclusion**

The study concludes that there were various challenge impediments on change programs. These included Structure, culture, technology, leadership, resistance to change, legal/Regulatory factors, competition in the industry, customer needs and preferences, labor market conditions and substitute products/services. The study

concludes that the council had in a way been able to amend its strategy implementation process as per the challenges. This was through application of all management functions such as planning, controlling, organizing, motivating, leading, directing, integrating, communicating, and innovation to the implementation process.

The change programs discussed in the analysis and City Council of Nairobi takes Lewins three step model is a planned approach to the change management model is evident in the role of management at City Council of Nairobi. From the study it is also evident that change in the organization has preceded the growth strategy, this explains why the Council has undergone structured change within a short time frame. Challenges of implementing the change programs are evident in the organization and resistance to change and change of structures. From the study change processes like technology and information management are not well taken care of as part of the change programme process.

#### **5.4 Recommendations**

The study recommends that in order for City Council to be able to effectively implement their change programs, there is need to have an organized organizational structure, improved information systems, better leadership styles, timely assignment of key managers, effective budgeting and offer rewards, and control systems.

The researcher recommends that City Council of Nairobi put more emphasis in training their staff to manage the operations in professional way. Only qualified and competent employees need to be recruited and the recruitment policy be followed. The Internal Audit department in the City Council should be given the independence

it deserves. An audit committee should be formed which should work independently. Management should always act on the audit reports

City council need to motivate their employees through participation in decision making, innovation and empowerment. Working environment need to be improved as a way of getting employees motivated. Effective communication needs to be in place as a way of management. City council is required to practice corporate governance through establishing guidelines as management tolls of operations managers should also try eradicating corruption in order to improve operations and service delivery.

Study found that resistance to change by employees has hindered implementation of the City Council of Nairobi strategies. As the organization prepared to embark on strategic planning, resistance to change by employees may impede the process, there is need for the Councils management team to take a more proactive approach to managing change within the organization. Currently Change programs practices involves the management in setting goals, clarifying desired outcomes, providing feedback, giving rewards for desired performance and taking action when goals are not met. The focus of these change programme practices are on performance driving cultural changes.

The findings found out that the City Council of Nairobi management had not formulated and documented a change programs plan but had prepared a documented annual change plan. Annual planning has an operational focus and is concerned primarily with concrete goal setting and scheduling of specific tasks to meet the goals. The Councils management's team can build up on their experience through long term strategic change planning, environment scanning, goal setting and performance evaluation so as to develop a practical strategic plan. There is need for a structured

planning process. Based on the study findings it is recognized that the process of designing any changes may not be accepted by all and that implementation of change must be a continuous process and should be motivated so that the objectives of the change are met

### **5.5 Limitations of the study**

Respondents assumed that they were being investigated and thus unwilling to fill in the questionnaires and the researcher convinced them that the information they were to give was to be used only for academic purposes. The research met with various challenges when conducting the research that included the fact that the council employees ordinarily do not want to give information due to client confidentiality. In addition, some of the interviewees would not find the subject to be of interest. Additionally, some respondents would not want to give the information as they considered it of competitive importance. The respondents being normally very busy people may not have found a lot of time to be interviewed. Since the research was conducted via open-ended interviews, a large amount of time was needed to collect information from the respondents. Time limitation made it impractical to include more respondents in the study. This study was also limited by other factors in that some respondents may have been biased or dishonest in their answers.

More respondents would have been essential to increase the representation of the council's team in this study and allowed for better check of consistency of the information given. However, the researcher did look for contradictions in the information given and no inconsistency were found. A limitation for the purpose of this research was regarded as a factor that was present and contributed to the researcher getting either inadequate information or responses or if otherwise the



response given would have been totally different from what the researcher expected. The main limitations of this study were most of the respondents were busy throughout and had to continuously be reminded and even persuaded to provide the required information. Further some respondents decided to withhold information which they considered sensitive and classified. This reduced the probability of reaching a more conclusive study. However, conclusions were made with this response rate.

### **5.6 Suggestions for further research**

Effective counter respond measures on challenge impediments on change management programs, research areas is widely embraced in the developing countries such a Kenya. In Kenya, it has gained acceptance mainly in the private organizations, however government organizations are also incorporating it as a key management strategy though at a sluggish pace. Given that this study only covered challenges that affect Implementation of change programmes at City Council of Nairobi, for effective challenge impediments on change programs, studies need to be done on challenge impediments on change management program for all Local Authorities. There is therefore room for a similar study to cover the entire council's effective strategy implementation in the major towns in Kenya. This is timely, given the today's rapid technology advances and the increased emerging of competition on organizations in the country.

The researcher suggest further research on revenue management since revenue can be collected to maximum level but be mismanaged due to other factor that the study did not consider

### **5.7 Implication of the study on Theory, Policy and Practice.**

The City Council of Nairobi has no clearly defined change management programs. Most of the change programmes at the Council are on emergent basis, since they are not planned but are reacting to threats. The Policy statement of the City Council of Nairobi is that of service delivery to the residents of Nairobi, which is enshrined in its Strategic Plan and vision mission statement which guides it.

The Council has embraced the Kurt Lewin's three step model, whereby the unfreeze stage is about getting ready to change , this is where the Council needs to move from its current comfort zone and getting motivated for change by weighing its pros and cons and deciding on what actions to take. Lewin's model has been useful to the Council as it has helped them embrace change and also to incorporate the change within the organization.

The City Council need to embrace the Change Kaleidoscope way in running its day to day activities by getting to use the eight steps used in the kaleidoscope change framework by getting to find out if the employees of City Council of Nairobi feel the change taking place within it. Change kaleidoscope was to be used to codify the wide range of contextual features and implementation options that may require consideration during change. The change practices that need to be looked at are: Time-How quickly is the change needed? Is the organization in crisis or is it concerned with its long term strategic development. Scope- what degree of change is needed? Does the change affect the whole organization or only part of it? Preservation- what organizational assets, characteristics and practices need to be maintained and protected during the change process? Diversity- Are the different

staff, professionals, groups and divisions within the organization relatively homogeneous or more diverse in terms of value, norms and attitudes.

Capability-what is the level of organizational, managerial and personal capability to implement change? Is there need to improve this capability before change process can be started. Capacity- How much resources can the organization invest in the proposed change in terms of cash, people and time. Readinesses for change- How ready for change are the employees within the organization? Are they both aware of the need for change and motivated to deliver the changes? Power- Where is the power vested within the organization? How much latitude of discretion does the unit needing to change and the change leader possess?

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**APPENDIX I**  
**INTERVIEW GUIDE**

**Instructions to be answered by employees in all 16 departments**

**Background of information**

- 1) **Name ( Optional)**
  
- 2) **State your gender : Male or Female**
  
- 3) **What is your highest academic qualification: Masters, degree, A 'levels, A 'levels or specify any other**
  
- 4) **Your position at City Council of Nairobi**
  
- 5) **How long have you worked at City Council of Nairobi**

**Change management programs at City Council of Nairobi**

- 1) **Are you aware of any change that the organization has been undertaking?**
  
- 2) **If answer is yes, which changes are you aware of?**
  
- 3) **In your own view, what has necessitated the changes? Explain**
  
- 4) **Do you think that the changes are impacting positively or negatively for the organization? Explain**

- 5) **Is there any aspect that needed change that was not exhaustively exhausted?**
  
- 6) **In your own words please explain what are the factors that accelerated change and what are the factors that reduced the speed of change?**
  
- 7) **What are the major successes of the change?**
  
- 8) **What role does communication play in the role of change management in the organization?**
  
- 9) **What is the role of human resource department on the effectiveness of implementing change management programs in the organization?**
  
- 10) **What initiatives are taken by management in creating and sustaining a climate which motivates employees when implementing change management programs in the organization?**
  
- 11) **What is the model/style of change management programs at city council of Nairobi?**
  
- 12) **What are the change management programs at city council of Nairobi?**
  
- 13) **In your own view have you experienced a shutdown or delay in implementing change as a form of resistance to the programme being implemented?**



**14) In your own view, do you think that resistance to change is a useful tool and how is it impacting (negatively/positively) to the organization?**

**15) What are the factors leading to success or failure of the change management programs in the organization?**

**16) What new technology has been adopted by the organization in the last 10 years?**

**17) How can you rate the organization in terms of modernization?**

**18) Did you get formal training while implementing change management programs in your organization?**

#### **Implementation of change**

**1) Did the organization anticipate the change it is undergoing and how was the change carried out?**

**2) Did the organization consider aligning the change in line with the corporate culture, vision, mission statements and goals of the organization?**

- 3) Was there any consideration that change will be accepted or possibility of resistance?
- 4) What was done to ensure acceptability of the change among its various stakeholders and minimizing possibility of resistance?
- 5) What was done to ensure that change is institutionalized?
- 6) Was change communicated to staff? if yes, how was it done?
- 7) Did top management support the change process?
- 8) Was the vision mission statement well-articulated and understood by the staff?
- 9) Were you part of the change implementation process in your organization? If yes, what role did you play?


#### **Challenges of change**

- 1) What are the major challenges in implementing change in your own opinion?
- 2) Are staff members involved in planning and implementing change?

- 3) **What challenges is management expecting to experience in implementing change and adapting the same in line with the new constitution?**
  
- 4) **What challenges have you not responded to?**
  
- 5) **What results have you observed after the change programs were implemented?**
  
- 6) **What are your suggestions and recommendations?**


**THANK YOU FOR YOUR RESPONSES**

**APPENDIX 11: INTRODUCTORY LETTER FROM CITY COUNCIL OF  
NAIROBI**



**CITY COUNCIL OF NAIROBI**

TOWN CLERK  
TELEGRAM: "MUNICIPALITY" NAIROBI  
TELEPHONE: 224282  
EXT 2381



CITY HALL  
P. O. BOX 30075  
NAIROBI  
KENYA

Ref: HRM/CCN/HRM/TB/HR/SWM /2011

**DEPARTMENT OF HUMAN RESOURCES MANAGEMENT**

Date: CCN/HRM/TB/HR/SWM  
2nd September 2011

JOYCE BAYART  
P.O. Box 20075 - 00100

**RE: RESEARCH.**

Reference is hereby made to your application letter dated 1st Sept, 2011 on the above subject;

The City Council of Nairobi has approved your request subject to the following;

1. The period of attachment will be one (1) months with effect from 2nd September 2011 to 2nd October 2011.
2. You will be attached to all sixteen departments in the Council
3. You are expected to adhere to the rules and regulations pertaining to your attachment.
4. That during your study there will be no costs devolving on the Council.
5. That you undertake to indemnify the Council against any claim that may arise from your research.
6. You are expected to be decently dressed at all times.
7. You are required to submit a **Copy of the final research document** within one weeks/months after completion.
8. You are expected to pay research fees of ksh. KSL

By a copy of this letter The Heads of Dept. is /are requested to accord you the necessary assistance.

Please report to the Chief Administrative Officer(s) in the sixteen departments for your research.

**CITY COUNCIL OF NAIROBI**


*Alice Kahuthu*

**ALICE KAHUTHU**

Sign: **FOR: DIRECTOR HUMAN RESOURCE MANAGEMENT.**

DIRECTOR  
HUMAN RESOURCES MANAGEMENT

**APPENDIX III: INTRODUCTORY LETTER FROM UNIVERSITY OF  
NAIROBI**

  
**UNIVERSITY OF NAIROBI**  
**SCHOOL OF BUSINESS**  
**MBA PROGRAM - LOWER KABETE CAMPUS**

---

Telephone: 020-2059162  
Telegrams: "Varsity", Nairobi  
Telex: 22095 Varsity

P.O. Box 30197  
Nairobi, Kenya

DATE.....

**TO WHOM IT MAY CONCERN**


The bearer of this letter Joyce Boyani  
Registration No: D61/70037/2007

is a Master of Business Administration (MBA) student of the University of Nairobi.

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

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

Thank you.

  
**DR. W.N. IRAKI**  
CO-ORDINATOR, MBA PROGRAM

**UNIVERSITY OF NAIROBI**  
**SCHOOL OF BUSINESS**  
**MBA OFFICE**  
**P. O. Box 30197**  
**NAIROBI**

**UNIVERSITY OF NAIROBI**  
**SCHOOL OF BUSINESS**  
**MBA OFFICE**  
**P. O. Box 30197**  
**NAIROBI**

**APPENDIX 1V:INTRODUCTORY LETTER FROM RESEARCH STUDENT**

**5<sup>th</sup> September, 2011**

Dear Respondents,

I am a Postgraduate student at Nairobi University, pursuing a Masters degree in Strategic Management. As part of partial fulfillment for the degree, I am conducting a research study on: **CHALLENGES OF IMPLEMENTING CHANGE PROGRAMMES: A CASE STUDY OF THE CITY COUNCIL OF NAIROBI.**

For this reason I would appreciate if you would kindly spare a few minutes of your time for me to ask you a few questions in regard to challenges of implementing change programmes at City Council of Nairobi.

The information from this interview will be treated with confidentiality and in no instance will your name be mentioned in this research. In addition, the information will not be used for any other purpose other than for this research. Your assistance in facilitating the same will be highly appreciated.

Thanks in advance.

Yours Faithfully

**Joyce Boyani.....Supervisor.....**

**APPENDIX V:PROPOSAL CORRECTION FORM**

## APPENDIX VI LIST OF DEPARTMENTS SURVEYED

Departments of the city council of Nairobi and the Heads of Departments

Administration.....Town clerk

City treasurer.....City Treasurer

City planning.....Director, City planning

City engineers.....City Engineer

Public health.....Medical officer of Health

Environment.....Director of environment

City inspectorate.....Director of City Inspectorate

Social services & housing.....Director Social Services & Housing

Legal affairs.....Director of Legal Affairs

ICT.....Director of ICT

Audit.....Director of Internal Audit

Human resource management.....Director Human Resource Management

Investigations & information analysis. Director Investigations & Information Analysis

City education .....Director City Education

Housing development department.....Director Housing Development Department

**Source: Researcher (2011)**



**CHALLENGES OF IMPLEMENTING CHANGE PROGRAMMES AT CITY  
COUNCIL OF NAIROBI**

**OBWAYA JOYCE BOYANI**

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

**AUGUST 2011**

**DECLARATION**

I declare that this is my Original work and has not been presented in any other University or College for Examination or Academic purposes.

**Signature:..... Date:.....**

**BOYANI JOYCE OBWAYA**

**D61/70037/2007**

**SUPERVISOR'S DECLARATION**

This project has been submitted for examination with my approval of the following listed university supervisors.

**Signature:.....Date.....**

**DR .ZACK AWINO, PHD**

**SENIOR LECTURER**

**DEPARTMENT OF BUSINESS ADMINISTRATION**

**SCHOOL OF BUSINESS, UNIVERSITY OF NAIROBI**

## **DEDICATION**

This thesis report is dedicated to my Late Father Andrew Moturi, my dearest Mother Mary Bochaberi, dear Husband David Naibei, my lovely Children Kyle, Elvis, Kadzo and my Siblings Gladys, Anthony, Ruth and Richard for their inspiration and relentless motivation throughout my study period, God bless them all.

## **ACKNOWLEDGMENTS**

It has been an exciting and instructive period of study at the University of Nairobi and I feel privileged to have had this opportunity to carry out this study as a demonstration of knowledge gained during the period of study for my master's degree. This research project has been accomplished with the encouragement, support and contribution from a number of people whom I am deeply indebted to. First of all am indebted to the all-mighty GOD for his grace and for seeing me through this program every step of the way and for being with me throughout the study period. To my supervisors, Dr. Zack Awino and Dr. Maalu from the School of Business University of Nairobi for their guidance, dedication and their valuable contribution to the previous drafts and ultimately providing guidance and counseling to produce a paper of such magnitude throughout the research project. They gave me great and outstanding ideas that became extremely useful within the academic scope of this research project. I owe great thanks to staff at Am Bank House and Lower kabete offices for their motivation and help in the areas that needed their assistance. I also wish to thank my colleagues and class mates at University of Nairobi for their moral support during the period of study. Finally, I owe special thanks to my family, who have supported me and were patient with me even when my studies quietly ate into the time meant to be spent with them.

## **LIST OF ABBREVIATIONS AND ACRONYMS**

<b>CCN</b> .....	City Council of Nairobi
<b>MOLG</b> .....	Ministry of Local Government
<b>CBD</b> .....	Central Business District
<b>MBWA</b> .....	Management by walking around
<b>TQM</b> .....	Total quality management
<b>BPR</b> .....	Business process re-engineering
<b>LASDAP</b> .....	Local Authorities Service delivery Action Plan
<b>HOD</b> .....	Heads of Departments
<b>HR</b> .....	Human Resources
<b>ERS</b> .....	Economic Recovery Strategy

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## **ABSTRACT**

Much of the previous research into the change programs has concentrated generally on challenges of change management, management of strategic change and management of change management process. This study therefore sought to fill the existing research gap by carrying out a case study on challenges of implementing change programs at City Council of Nairobi. The main objective of the study was to investigate the challenges experienced by City Council of Nairobi in implementing Change programs. The findings may be a general reflection of what happens in local authorities' country wide. This research was conducted through a case study. The target population of this study was 16 number departments at the City Council of Nairobi. This paper utilized an interview guide in data collection. This study collected primary data using a self-administered interview guide. The response received was analyzed by content analysis. From the findings, the study established that majority of respondents were aware of the change programs being implemented within the City Council of Nairobi. The study further established that most of the respondents were in agreement with the challenges in implementing the change programs in the organization. This study therefore recommends that in order to avoid challenges in implementing change programs within the City Council of Nairobi a review of the organization's strategic plan and the entire organizational structure needs to be revised and a more hands on approach needs to be incorporated within the organization and disseminated to all staff, who also need to be involved in the decision making processes that take place within it..

## CHAPTER ONE

### INTRODUCTION

#### 1.1 Background of the study

Organizations rarely standstill, but are in a more or less constant state of flux where change and adaptations is one part, if the organization has a knock on effect elsewhere.(Cole, 2005).It has become the accepted view that, for the society at large, the magnitude, speed, unpredictability and impact of change are greater than ever before. Although many claim that we are living through a period of unprecedented and unpredictable change, not everyone is affected by the same change. Though change management would not be considered particularly important if products and markets and organizational change were rare, it would be considered even less of an issue, if it were easily merged and success would be guaranteed, there is substantial evidence that this is not the case.

Strategic change management is a systematic approach to achieving a sustainable change in the human and organizational behavior. It involves changing the people in the organization from certain old behavior to some new behavior desired by the organization (Todd, 1999). (Jones, 2004) states that organizational change is the process by which organizations move from their present state to some desired future state so as to increase their effectiveness. Change affects every aspect of life thus taking a proactive approach to change is the only way to take charge of the future either as an individual or as an organization.

Change management entails thoughtful planning and sensitive implementation and above all, consultation with, and involvement of, the people affected by the changes. Change must be realistic, achievable and measurable. A question that needs to be asked is: what do we want to achieve with this change, why, and how will we know that the change has been achieved? Who is affected by this change and how will they react to it? Change management need to be understood and managed in a way that people can cope effectively with it.

Change can be unsettling, thus the manager needs to be a settling influence. Three types of organizational change that has been perceived to be important and have received considerable attention are Introduction of the new technology in the early 1980's, adoption of total quality management (TQM) and application of business process re-engineering (BPR).The microelectronic revolution of the 1980's which saw the rapid expansion of computers and computer based processes into most areas of organizational life, was the subject of great many studies. The move by the European organizations to adopt total quality management began in the mid 1980's, although total quality management was a success to the Japanese companies, whereas the experience in the western companies was that it was difficult to introduce and sustain the same.

Philip Crosby (1979) one of the founders of total quality movement claimed that 90 per cent of the TQM initiatives by American organizations failed. In the United Kingdom and other European countries the failure rate was 80 per cent. Business process re-engineering was hailed as the biggest business innovation (Mill, 1994:26) though less well documented than either new technology or TQM, (Wastell et al ) (1994:37) concluded that the business process re-engineering have typically achieved much less than they promised. Therefore even with these three types well established initiatives there is no guarantee for success. This is perhaps why managers consistently identify the difficulty of managing change as one of the key obstacles to the increased competitiveness of their organizations (Hanson, 1993; industrial society, 1997; Worrall and Cooper, 1997).Change management can either be reactive, in which case the management is responding to changes in the macro environment/(some change is external) or proactive, in which management is initiating change in order to achieve a desired goal(source of change is internal) Change management can be coordinated on a continuous basis, on a regular schedule, or when deemed necessary on a programme by programme basis (Lewin, 1947).

### **1.1.1 Concept of change management**

Organizations face challenges that are from their external environment. Environment's which organizations operate in are not static but continuously changing (Rue and Byar, 1992). This study will concentrate on challenges of implementing change programmes at City Council of Nairobi. Organizational

environment has been changing since the 1970's when the world experienced great changes in the petroleum price thus organization's had to consider how to reconfigure themselves to take in these external events into account (Stones; Freeman and Culbert, 2003). In the 1980's change shifted from local to global, thus market competitions were intensified across the world. In the 1990's technology revolutionized the way we think about organizations. Failure to spot change trends and conditions and to effectively manage them leads to a serious strategic problem characterized by maladjustments of the organizational outputs and demands of its internal environment (Thompson, 1997).

Change management is not a distinct discipline with rigid and clearly defined boundaries. Theory and practice of change management draws on a number of social science disciplines and traditions. The tasks are further complicated by the fact that the social sciences are inter woven, to challenge this, is to range wide enough to capture the theoretical foundations of change management, without straying so far into its relates disciplines that clarity and understanding suffer.

### **1.1.2 City Council of Nairobi**

The City Council of Nairobi is among the 275 Local Authorities in Kenya. It is governed by Cap 265, the Local Government Act,. In the Act, the City Council of Nairobi is classified as a municipal council. The act of parliament is yet to be amended to adopt the word 'city' among its classifications of the local authorities. In Kenya today there are only three cities recognized by the office of Deputy Prime Minister, Ministry of Local Government. They are the City Council of Nairobi, Mombasa City and Kisumu City. Other classifications of the local authorities include municipal councils (for example Machakos, Nyeri), County Councils (for example Nyamira, Makueni), Town Councils (for example Tala-Kangundo, Oyugis). Nairobi 'The place of cold water' owes its beginning to the exploitation of the East African territories by the British. With the railway reaching Nairobi in 1898, the colonial administration seat shifted from Machakos to Nairobi. This was facilitated by the availability of means of transport from Nairobi to Mombasa and the rest of the interior (including the later called white highlands). The rate at which Nairobi was growing as an urban area called for formation of a municipal committee.

In 1900 Sir Arthur Harding published the Nairobi municipal regulations and defined the Township as the area comprised within a radius of one mile and a half from the then present office of H. M. Sub minister in Ukambani'. The regulations covered committee meeting conduct, methods of lighting, policing and cleaning. The first Town Clerk was Captain E. L. Sanderson, other white Town Clerk who followed

were Sir Henry Belfield, Walter, Williams, Ridont, and Sir Edward Northey among others. The first African Councillors to serve in the municipal were Muchuhi Gikonyo and Khamisi in 1946. The first African Town Clerk was appointed in 1967. Since then 17 Town Clerks have managed the Council to date. The Council mandate is to provide and manage basic social and physical infrastructure services to the residents of Nairobi. These services include basic education, housing, health, water and sewerage, refuse and garbage collection, planning and urban planning and development, urban public transport and fire services among others.

There is no clearly designed change management approach in the City Council of Nairobi. Being under the office of Deputy Prime Minister, Ministry of Local Government, it has influences of the Molg, the office of the President, the office of the Prime Minister, Ministry of Finance and the Directorate of Personnel Management. Each of these branches issue advice, directives and instructions to the City Council of Nairobi on various areas of change programmes.

Change programs under performance contracting are coordinated from the office of the Prime Minister, Reforms Secretariat. The secretariat gives advice on financial, non-financial, operational and dynamic aspects of council's performance contract.

Directorate of Personnel Management gives directives and advice on the growth and development of officers with the framework of public service. Ministry of Finance also issues directives on procurement, fund spending, funds revenues and general public funds management. This affects the other government agencies including the City Council of Nairobi. It is at rare occasions that the council will have independent planned changes. This is because it operates under the umbrella of the Molg. Operating capital expenditure of the council has to be approved by minister Molg and the minister for finance (as instructed by parliament).

Most of the change management approaches at the council level are on emergent basis. They are not planned but are reactive to a threat which is in force and instructions from above. But it should be noted that normally change management approach in the council are a more or less a process. Bullock and batter (1985) approach has some application in the council. The management creates awareness of need for change after receiving instructions from the external influencers. The instructions are tailor made for council through planning for actions to be undertaken and how best to implement the changes as per the action plan.

Kanter et al (1992) Ten (10) commandments approach has also been used in the institutionalization of changes. The separate commandments are implemented one by one without following any order as the management and internal change agents so feel. Use of emergent change management approaches has also been in use. Due to the nature of some changes, the council is unable to plan for changes. The council reacts to such changes when they occur to reduce their effects or completely done away with them. But it should be noted that there is no defined change management policy in the council to guide on the approach. This means that the management consisting of councilors and chief officers are the ones who sometimes give direction through the council's resolutions. Any significant transformation creates people issues. New leaders will be asked to step up, jobs will be changed, new skills and capabilities must be developed and employees will be uncertain and resistant. In dealing with these issues on a reactive, case-by-case basis puts speed, morale and results at risk.

A formal approach for managing change begins with the leadership team and then engaging key stakeholders and leaders should be developed early and adopted often as change moves through the organization. This demands as much data collection and analysis, planning and implementation discipline as does a redesign of strategy, systems or processes. The change management approach should be fully integrated into program design and decision making both informing and enabling strategic directions. It should be based on a realistic assessment of the organization's history, readiness and capacity to change. The change management practices adopted by city council of Nairobi are; the introduction of Performance Contracting, Performance appraisal system, Rapid results initiative among many more.

Due to ever changing business environment especially with the influence of the government, many awareness and understanding practices have been put in place most of which were initiated in year 2003 by the NARC government and the current coalition government. The council has had its chief officers sensitized on government reforms which are transmitted to the council. Several induction courses have been conducted on them at the Kenya institute of administration. All other council's officers at one point in time have been sensitized on the council's changes and

management especially on performance contract, performance appraisal system, corruption eradication, ISO and the 6 key results areas in the current strategic plan. In-house training has been carried by training consultants on junior and senior officers.

Council's posters, newsletters and internal communications have been popular in the creation of awareness and understanding of change programmes at the council. Posters are displayed at strategic points in all the departments where the employees as well as visitors to the council can easily read and understand them. The council's introduction of 'The city council of Nairobi annual news report' publication has made many people be aware council of the significant changes and the change programmes being implemented. The council holds public awareness week annually. It uses the LASDAP's public forums to create awareness and understanding of the change and change management in the city council of Nairobi. For the change and change programs to be meaningful and successful in the council, it had to start from the top. The councilors and the chief officers who are policy makers had to initiate change through the council's resolution. Policies were developed and adopted by the members of the council and the chief officers were entrusted with the implementation process. This was the start point of institutionalizing change programs.

The councilors and the chief officers have undergone several trainings on change leadership. Seminars for top and middle management officers have taken place in various locations here the participants were taught to be key instruments of change and change programs. They were to lead the change process from the front but not back. Exchange programs have been conducted; some councilors and chief officers have travelled out of the country to Japan, USA, Britain and South Africa to have firsthand information on change programs and they have seen it work during the visits to the above mentioned countries. On coming back management team was formed to spearhead the changes headed by the City Mayor and the Town Clerk.

The adoption of employment of the chief executive officer on contract has been a practice to enhance the change leadership in the change programs. The former Town

Clerk initiated a regular and MUST chief officers' meeting on weekly basis. He personally used to chair the meetings which concentrated on the change programs operated by the council. It is composed of all the chief officers, heads of key operational areas like the markets, the city mortuary, the wards and divisional heads, inspectorate CBD group and Pumwani maternity hospital. Changes were initiated, communicated and implemented by the individual members of these work teams. This meant that the Town Clerk had all the updates on the change and change programmes at hand and was also known for his personal interaction and monitoring of the council changes through MBWA (management by walking around).

In his contract period, the city council of Nairobi's lost glory was being regained bit by bit. His successor has followed his footsteps in the change programs, he is known to advocate for change, support and change programs whether his subject likes it or not. It is notable that some officers have been forced by the wave of change and its management to exit from the council. This is because they would not stand it due to their rigidity to changes. In change leadership the chief executive officer of the council, is the chairman of the Reforms Secretariat, which oversees all the reforms or changes in the council. His secretary is a senior able officer, the Assistant Town Clerk, Reforms Secretariat.

## **1.2 Research problem**

In the last decade or so there has been an accelerated organizational change across the globe; these changes whether political, economic, social and technological have not spared Kenya. Many organizations have not managed change properly due to industrial unrests, resistance from staff and so on.

Many studies have been done in Kenya on change management namely: Gichohi (2007) looked at challenges of change at Unga group and concluded that the change process was due to liberazation of the Kenyan economy. Odhiambo (2005) evaluated the problems and practices in the manufacturing sector and concluded that manufacturing companies in Kenya considered implementing Kotters eight stage model. 'Amenya (2001) analyzed management of strategic change at rift valley railways and concluded that there were internal and external factors that necessitated



change at rift valley railways. Kamau. J (2010) study finding showed that management process at Action aid began by setting goals and objectives , study found out that challenge of managing change was due to the restructuring of the organization. Kibaga (2005) looked at strategic change at the insurance industry of Kenya. Most of the studies done have not looked at challenges face by implementing change programs at City Council of Nairobi. There exists a gap between concepts of strategic change management at City Council of Nairobi where previous studies dwelt on change management which therefore seeks to address the Knowledge gap.The study will therefore bridge the gap on the challenges of implementing change management programs at City Council of Nairobi?

### **1.3 Objectives of the study**

The specific objective of the study is

- 1) Establish the change programs ,
- 2) Identify the challenges faced in managing change programmes
- 3) Evaluate the change process in light of the models of change programmes at City Council of Nairobi.

### **1.4 Value of the study**

The findings of the study will have a wide spread implication on the organizations change management and will help revise the existing change management strategies. Study will add value to the existing body of knowledge. The value of the study will be its significance to City Council of Nairobi and other Local authorities on how best to manage and improve change management programs. How useful it is to management and employees of City Council of Nairobi as it will provide an opportunity to gauge their progress, direction and benefits accruing from the change effect. The study will generate literature on implementing change management processes at City Council of Nairobi for top scholars and researchers willing to carry out research in the field of Change Management. The study will also be helpful to City Council of Nairobi assess its levels of change management performance in relation to its peers and other industry players.

## CHAPTER TWO

### LITERATURE REVIEW

#### 2.1 Introduction

This chapter reviews the different perceptions of strategic change by scholars, and the various approaches to strategic change. Change is any planned or unplanned transition from one state to another, such change comes in many forms. Strategic change is long term in nature and affects the entire organization and aims at achieving effectiveness.

According to Burnes(1998) there are three schools of thought that form the central plank on which change management theory stands are: The individual perspective school, Pavlov (1927) that a dog can be taught to salivate at the ringing of the bell, by conditioning the dog to associate to the sound of the bell . This school of thought is split into two camps that are behaviorists and gestalt-field psychologists. According to the behaviorist theory all behavior is learnt, the individual is the recipient of the external and objective data. One of the basic principles of behaviorist is that humble actions are conditioned by their expected consequences. Behavior that is rewarded tends to be repeated and vice versa. Therefore in order to change behavior it is necessary to change the conditions that cause it (Skinner, 1979). In the principle of extinction, behavior will stop eventually if it is not rewarded (Lovell, 1980).

In the Gestalt Field theory learning is the process of gauging or changing insights, outlooks, expectations or thought patterns. According to the Gestalt filed perspective, behavior is not just a product of external stimuli but rather arises from the individual reason to interpret stimuli. The school has proved influential in the management of change whereas some writers use them in tandem.

The group dynamics school, this school has the longest history (Schein, 1969) as it originated with the work of Kurt Lewin. This group emphasizes on organizational change through team work groups rather than individuals (Bernstein, 1969) According to Lewin (1947a, 1947 b) people in organization work in groups, individual behavior must be seen, modified or changed in light of the groups prevailing practices and norms. Lewin (1947 a, 1947 b) postulated that group behavior is an intricate set of symbolic interactions and from that not only affected

group structures but also modify individual behavior. Therefore he agrees that individual behavior is a fraction of the group environment. The open systems school, is composed of a number of inter connected sub systems. Any change in one part of the system will have an impact on other parts of the system and its normal performance (Scott, 1987). The open system approach is based on describing and evaluating the sub-system in order to determine how they need to be changed so as to improve the overall functioning of the organization. Organizations are open to interact with the external environment and are also open internally. The various sub-systems interact with each other.

## **2.2 Strategic change**

Change is usually triggered by a threat or opportunity which is of sufficient magnitude that the organizational members can't ignore it? (Van de Venn & Poole, 1995). Strategic change is defined as a difference in the form, quantity or state over time in organizational alignment with its environment (Rajagopalan & Spreitzer, 1997). Strategic change not only decides what to change, how and when to change specific elements of the organizations strategic orientation (Worley; Hitchin & Ross, 1996). This change may be driven by dramatic change in the environment, declining organizational performance or both.

According to Hoerfers & Schendel (1978) Strategic change is also defined as change in the context of the organization's strategy as elaborated by its scope, resources, deployment, competitive advantage and synergy. Strategic change could also be affected by the state of the organization and its external environment. For instance organizations will adopt new strategies' in the face of financial distress for purposes of being even in the critical situation. Most recently there has been a shift of emphasis, away from the behavioral explicit, to an exploration of ways in which organizations perceive, interpret and understand strategic change.

Many of the change programs arise from management issues such as culture change, empowerment and technological changes. Change initiatives are driven by the need by organizations to reposition themselves in the face of changing competitive conditions. Change processes involve radical transitions within the organization that

encompass strategy, structure, system, process; culture (Balogun, 2001). Organization will experience different levels of transition. Gradual change represents a fairly stable slightly linear variation in the environment. Continuous change represents both steady and incremental shifts in the environment over time. Cost cutting, elimination of waste, reduction of efforts, streamlining internal processes, minimizing variation applying external best practices are key tactics (Hummer, 1990)

### **2.3 Approaches to strategic change management**

The first great test of competence that organization's face in their change effect is the identification of the change path to follow (Drucker; 1954). Strategic change is an ongoing process which must concentrate on assuming a good fit between the environment and the organization, where it needs to take into account competitors, customers and the external environment including technology, politics, economy and social factors (Rajpal; 2007). The strategic approach has three distinct processes namely: what business are we in? What are the key issues? How best can we compete? (Cohen & Cyert; 1973). Strategic planning process entails the following process, formulation of goals, analysis of the environment, assigning quantitative values to the goals, micro process strategy formulation, gap analysis, strategic search, selecting portfolio of strategic alternatives, implementing the strategic program, measurements, feedback and control. These steps should not be seen as an instant process of strategic change but a continuous ongoing process (Ansoff; 1969).

### **2.4 Change management models**

Kurt Lewin proposed step models which are commonly referred to as Unfreeze, change and Freeze. The Unfreeze stage is probably one of the most important stages to understand. This stage is about getting ready to change, it involves getting to the point of understanding change is necessary and getting ready to move from the current comfort zone. The unfreeze stage is about getting motivated for change and weighing the pro's and con's and deciding what action needs to be taken.

The change process stage is transitional. Transition is the inner journey or movement that is made in reaction to a change. This stage occurs as we take the changes that are needed. The freeze stage is whereby people are moving towards a new way of being.it

is usually the hardest period, as people are unsure and fearful. Support is of great importance here and can be in the form of Training, coaching and accepting mistakes as part of the process. It helps to communicate a clear picture of the desired change and its benefits to the people so as to not lose sight of where they are going. The freeze stage is about establishing stability once change has been made. Change is acceptable and becomes the new norm. People form new relationship and become comfortable with their routines. It is at this stage that managers can have a great influence thus leading to positive performance.

There are many theories on how to implement strategic change, many of them originate from leadership and change (Kotter, 1995). Kotter outlined eight steps namely: Create Urgency, this is whereby there is the development of sense of urgency and need for change. This helps in getting things moving. Urgency can build and feed on it and many people grasping the need for it. It identifies threats and develops scenarios about what could happen in the future. Form a powerful coalition; convince people that change is necessary. It takes strong leadership and visible support of people within the organization by bringing influential people together whose power cover areas such as job titles, expertise and political importance.

Create vision for change, links concepts of great ideas and solutions floating around. A clear vision helps, people grasp early and remember. Detecting values that are central to change is an effective tool and practice the vision of speech offered. Communicate the vision, do this frequently and powerfully and embed it within the organization. Talk often about the change agenda and apply the vision to all aspects of operation. Management should lead by example. Remove obstacles this can empower people. Hiring of change leaders is as effective as identifying leaders within the organization. Reorganize and lead people for the change effort. Look for super fire projects that can be implemented and reward staff members who meet the expectations.

Build on the change, Kotter (1995) efforts that change fast become victory and is derived too early. Real change runs deep. Quick wins are only the beginning of what needs to be done to achieve the long term change. Anchor for change, is corporate culture. Make organizational changes stick and become part of the organization.

Corporate culture determines what needs to be done; it ingrains the value behind the vision and incorporates the same in the day to day activities of the organization. Create short term wins, nothing motivates more than success. Assess the staff performance and results within a short time frame, without criticizing and negative remarks as this do not lead to them meeting their progress.

Temporary aspects of change are used as a means of breaking down the complex process of organizational change into manageable portions such as, conception for need for change which maybe in response to external or internal pressures or may be through a belief in need of change to meet future competitive demand (Dawson, 1984).he further states that change can be seen as a process of organizational transition where strategic decisions are made. Operations of new practices and procedures refer to the period when following implementation of change, new organization arguments and systems of operations begin to emerge.it is the period in which the relatively stabilized system of operation emerge comprising of new patterns of relations and new forms of working practice(Dawson, 1984).

Quinn (1986) argues that integrating of processes is incremental not processual. This involves patterns of change through creating awareness and commitment incrementally, amplifying the understanding of awareness, changing symbols and building credibility, Legitimizing new view points and making tactful shifts and partial solutions (Quinn, 1986). He further states that change progress should be solidified incrementally through creation of pockets of commitment by empowering champions and continuing the dynamics by eroding consensus.

A learning organization is an organization that has developed continuous capacity to adapt and change (Robbins, 2003). All organization learn whether consciously or sub consciously as it is a fundamental requirement for their sustained existence. A learning organization is an ideal to strive towards rather than a realistic description of structured activity, which draws organizational behavior concepts such as quality management organizational culture, boundary less organizations, functional conflict and transformational leadership.

## **2.5 Challenges of implementing change programmes**

The biggest single challenge facing managers today is globalization, and how to achieve sustainability in a world of dwindling natural resources and increasing environmental pollution, how to manage an increasingly diverse workforce and at a time leaders are considered less trustworthy and how to manage ethically (Burnes, 2003)

Slow adoption to modern technology is one of the key factors in the challenges of implementing change programmes. Mismanagement of resources is another challenge in the implementation of change programmes; resistance to change due to the unknown, another equally important factor is failure to adhere to rules and regulations, culture, stakeholder politics, teamwork and leadership are some of the factors that can influence the outcome of any change programme.

According to Ansoff and McDonnell (1990) Resistance to change is a multi-faceted phenomenon which introduces delays, additional costs and instability in a change process. Resistance can either be behavioral or systematic. Behavioral resistance is exhibited by individuals, managers or groups. Because of parochial self-interests, misunderstanding and lack of trust, differences in assessment, or low tolerance to change. Systematic resistance originates from passive incompetence's in the managerial capacity to carry out the change. Management requires planning and developing the required capabilities by integrating management development into the change process and stretching the implementation period as long as possible.

Rowe et al.,(1994) noted that Organizational culture is the total sum of shared values, attitudes, beliefs, norms, rituals, expectations and assumptions of people in an organization. Thompson and Strickland(1993), argues that there must be a fit between strategy, structure, systems, staff, skills, shared values, values, styles for change management process to be successful. Thomson (1997) argues that organizational culture and values held by managers and other employees within the organization are key influences on strategies of change and are therefore the central driving force for considerations in strategy creation and change

### **2.5.1. Political Management, mobilization support and legitimacy**

Stakeholders support is essential for a change programs due their different interests and power, achieving universal support is a challenge and politics sets in. According to Moore (1992) strategic change management process in the public sector starts by looking towards politics for three reasons, it is in this realm that managers must search to discover what purposes are deemed publicly valuable, political institutions grant public managers resources they need to accomplish their operational purposes., lastly public managers are accountable to politics and law both theoretically and practically. Managers use organizational politics as tactics to use power to influence goals and change to further their interests.

### **2.5.2. Teamwork**

Complexities of most processes are usually beyond the control of any one individual. The only way to tackle such problems is by use of teamwork. Building of effective team work is not an easy matter Team approach to change implementation removes artificial organizational barriers and encourages openness. Teams share common goals and help to focus energy by emphasizing self-control on part of the participants

### **2.5.3. Leadership**

Management of change is closely linked to the role of strategic leadership. Leadership is the process of influencing an organization in its efforts towards achieving an aim or goal, a leader influences and is not necessarily someone at the top of an organization. Rowe et al., argues that the team approach to change implementation removes artificial organizational barriers and encourages openness. Teams share common goals and help to focus energy by emphasizing self-control on the part of participants. Teams that are cohesive, that interact cooperatively, with members possessing compatible personality characteristics and that are operating under mild to moderate pressure appear to be most effective.



## **CHAPTER THREE**

### **RESEARCH METHODOLOGY**

#### **3.1 Introduction**

This section describes the proposed study design, data collection procedures or techniques, data collection instruments and its relevance and how the collected data was organized and analyzed.

#### **3.2 Research Design**

The research was conducted through the case study method at City Council of Nairobi. Case study is a form of qualitative analysis when a study is carried out in an organization and gives a detailed investigation of a single subject. Through this method the researcher is able to obtain in-depth knowledge of challenges faced by City council of Nairobi in implementing change management programs. It also facilitates an intensive study of a particular unit.

#### **3.3 Data Collection**

In this case study, primary source of information was used in the collection of data. Primary data was collected through an interview guide. Questions were divided in parts namely: Part A, Part B, Part C and Part D. Use of a standardized interview guide allowed for comparison of results among the respondents. The target population was the employees of City Council of Nairobi 16 departments namely: Administration, City Planning, City Engineer, Public health, Audit, Environment, City Education, Inspectorate, Social services and Housing, Human resources, Investigations and Analysis, City Treasurer, Procurement, Housing Development, Legal and ICT.

The interview guide was submitted to the various departments after providing a letter of introduction from the School of Business, University of Nairobi and a letter from the Human Resource Department City Council of Nairobi, authorizing the researcher to carry out the research and a covering note requesting the respondents to participate in the research in order to get the data required for the study. This was done with the help of research assistants and the researcher who was available to clarify the question that were not clear to the respondents and made prior arrangement and assured the respondents of high degree of confidentiality and anonymity

### **3.4 Data Analysis**

Content analysis was used to analyze the respondent's views on the challenges of implementing change management programs at City Council of Nairobi. Advantage of using content analysis is that it allows grouping of collected data into various groups for easier analysis which is a continuous process. Main purpose of content analysis was to study existing information in order to determine factors that explain a specific phenomenon. Content is defined by Creswell (2003) as a technique of making inference by systematically and objectively identifying specific characteristics of messages and to use the same approach to relate to trend. On receiving the questionnaire from the respondents, the data was checked to ensure completeness, consistency, accuracy and uniformity. The data was then be coded and tabulated to facilitate data analysis through content analysis.

## **CHAPTER FOUR**

### **DATA ANALYSIS AND INTERPRETATION OF RESULTS**

#### **4.1 Introduction**

This chapter details the findings and interpretation of the results in light of the study and with respect to the objective of the study. The study was designed with the aim of establishing the challenges of implementing change programs at City Council of Nairobi. The study involved collection of primary data through the use of an interview guide which was administered through personal interviews. The research targeted the 16 departments at City Council of Nairobi namely: Administration, City Planning, City Engineer, Public health, Audit, Environment, City Education, Inspectorate, Social services and Housing, Human resources, Investigations and Analysis, City Treasurer, Procurement, Housing Development, Legal and ICT.

#### **4.2 Research findings**

This section represents the general information about the City Council of Nairobi. This includes the employee's demography and number of years with the organization, communications of objectives, whether or not the council embraces counter response measures as one of their strategies based on the challenges, and current counter response measures activities. Considering the demographic characteristics of the respondents, the study established that a majority of the employees were male; the findings can be generalized on the male respondents.

A majority of the departments had same number of respondents: particularly, Administration, Audit, City Inspectorate, City Treasurer, Human Resource and Investigations and Information Analysis which had four respondents each. City Planning and City Engineer department had 3 respondents each. The other

respondents were from Education, Health, Legal affairs and Public health departments. The implication on the study was that varied responses from the different departments adequately explored all the expected responses from the entire Council.

Regarding the designations, the researcher found that the respondents had different managerial designations at the high levels. The implication on the research is that the respondents were evenly distributed and therefore a variety of the responses were obtained. Regarding the number of years in position, results show that a majority had been in the firm for 10 years and above, other had also been in the council for 3 to 6 years, this implies that the majority of the respondent had enough experience to give acceptable responses to the study questions. In relation to the education level, the results showed that a majority of the respondents had attained University level education implying that majority of the respondents had adequate skills to respond to the questions asked in the study.

#### **4.2.1 Communication of Objectives and the role of the managers in change process**

The interview guide sought responses on the role of the managers in change programme process. From the responses received from the interviewees, it was clear that the corporate objectives were entrenched in the strategic plan of the organization where each departmental head had clearly defined objectives that were specific, measurable, achievable realistic and had specific targets. The researcher established that there was use of every available vehicle possible to communicate the vision and mission statement through employee bulletins, employee meetings, memos, newspapers, formal and informal interaction. In addition having a guiding coalition role on the behavior expected from employee nothing undermines the communication

of change programmes than that which seems inconsistent with the vision. Careful monitoring of senior management behavior and interaction was a good idea so as to be able to identify and address inconsistencies among words and deeds.

The researcher found out that the change management empowering programs involved getting rid of obstacles, changing systems or structures that undermine the change vision and encouraging risk taking and non-traditional ideas, activities and actions. The managements know that ruining a transformation without serious attention to short term wins is extremely risky. The Council's plan for visible improvements in performance or wins also creates the wins. In addition the people who make the wins should be visibly rewarded and recognized. Consolidating gains and producing more change programs credibly changes all systems, structures and policies that do not fit into the transformation vision. People who implement the change vision should be promoted or hired and the system be re-invigorated with new projects, themes and changes agents.

Moreover, the study inquired on the challenges involved in implementing change programmes at City Council of Nairobi. The respondents cited that it involved the implementation of organization strategy through the application of the management process to obtain the desired results. Particularly, change program process included designing the organization's structure, allocating resources, developing information technology and decision process, and managing human resources, including such areas as the reward system, approaches to leadership, and staffing.

All the departmental objectives were congruent with the overall council objectives. The staff members are also constantly reminded of their objectives during meetings carried out between managers and other staff members to review their performance

during and over a certain specific period of time. The study also indicates that there is awareness and involvement as the counter response measures strategy was being embraced by each of the respondents. HODs were involved in formulation and implementation of the strategy.

Making the necessary moves to establish positions in different businesses and achieve an appropriate amount and kind of diversification. A key part of corporate strategy is making decisions on how many, what types, and which specific lines of business the council should be in. This may involve deciding to increase or decrease the amount and breadth of diversification. It may involve closing out some strategies (lines of business), adding others, and/or changing emphasis among strategies.

The council managers initiated actions to boost the combined performance of the businesses the council had diversified into: This involved vigorously pursuing rapid-growth strategies in the most promising areas keeping the other core operations and service delivery businesses healthy, initiating turnaround efforts in weak-performing strategies with a promise, and dropping strategies that are no longer attractive or don't fit into the corporation's overall plans. They also involved supplying financial, managerial, and other resources, or acquiring and/or merging other companies with an existing core missions in pursuing ways to capture valuable cross-business strategic fits and turn them into competitive advantages especially transferring and sharing related technology, procurement leverage, operating facilities, distribution channels, and/or customers. Moreover, the council managers also are in forefront in establishing investment priorities and moving more corporate resources into the most attractive strategies.

Regarding the change programme empowerment practices in CCN, the researcher established that have a wealth of skills necessary for their jobs and that their work is meaningful to them. The respondent neither agreed nor disagreed with the statements that they had control over the aspects of the job that they are accountable, that their work gives them ability to contribute to the success of the organization, that their impact on what happened in their department was large. The respondents also neither agreed nor disagreed with the statements that their supervisors encouraged team work and delegated authority, that they had significant autonomy in determining how they did their job, that their position allowed career growth and development. In addition, the respondent neither agreed nor disagreed that they had significant opportunity for freedom and independence in doing their jobs; these were represented by mean scores of three. The respondents stated that they disagreed to some extent with the statement that there is a clear system of handling employee discontent and that they normally get sufficient resource to do their jobs.

#### **4.2.2 Change programs and strategy implementation process**

The study further looked at the various challenges facing implementation of the change programs adopted by the City Council of Nairobi for effective operations and service delivery. There were various reasons cited such as ineffectiveness, lack of direct control and use of the firm's resources, mechanisms such as organizational structure, poor information systems, ineffectual leadership styles, slow assignment of key managers, unplanned budgeting, little or less employee rewards, and weak control systems. The responsibility of implementing the change programs was under the Chief Executive Officer and Senior management docket.

The respondents were asked to choose only ten (10) out of the twelve (12) factors that they felt responded to the challenges involved in implementing change programmes in their Council for effective operations and service delivery, majority of respondents identified gaps in organization structure and rapid change in Technology as the factors hindered implementation of the change process. Need to concentrate on Core Activities , need to reduce operational cost and need to free resources for other purposes was also cited as an impediment to implementing change programmes.

The respondents further felt that the factors that moderately responded to challenges of implementing change programmes was the choice of what to strategy the council needs to embrace to improve institutional focus, ease of activity control through adoption of new technology, need to improve efficiency, and need to reduce risks in operations and service delivery

Some respondents did not consider management style and availability of human resource skills as important challenge factors that deter implementation of change programmes, respondents did not consider Government Policy as an important factor to be considered at all. With regard to other factors that respond to challenges of implementing change programmes at the council, the study revealed that most of the respondents considered choice of external service strategy consultants as an important factor. The various attributes of the strategy consultants which were considered as important include on change programs professionalism, competence, quality of flexibility. The council therefore needs to improve on technology and services quality so as to highly access world class services.



### **4.2.3 How challenges of change programs affect the implementation process of various areas in the council**

The study looked at how the change program process affect the implementation process of various key areas in the council. On structure, the study revealed that structure provides overall framework for strategy implementation, it is not in itself sufficient to ensure successful execution. Within the organizational structure, individuals, groups and units are the mechanisms of organizational action, and the effectiveness of their actions is a major determinant of successful implementation. In this context, two basic factors encourage or discourage effective action-leadership and culture.

Seeking to establish how change management process challenges affect the implementation process on Culture, the respondents cited that culture is a set of important assumptions (often unstated) that members of an organization share in common. These shared assumptions (beliefs and values) among members of an organization set a pattern for activities, opinions and actions within that firm.

On the area of Technology, the study revealed that most departments at City Council of Nairobi had not fully computerized their operations and service delivery function thus affecting its revenue base. Furthermore, change program process challenges were seen to affect leadership in that without the right leadership; employees remained skeptical of the vision for strategy and distrust of management team management likewise was frustrated and stymied by employee resistance. One major task of the Management was to implement strategy which entailed overcoming resistance.

Most respondents did not term Legal/Regulatory factors as a change program process challenge at CCN since CCN derives its legal mandate from the Local Government Act (Cap 265) of the laws of Kenya amongst other acts of parliament that augment its diverse core functions and priorities. These priorities are contained in various policy and planning documents such as the national development plans, poverty reduction strategy paper and Economic Recovery Strategy (ERS) for wealth and employment creation in the medium term and Kenya's vision 2030.

The study revealed that CCN faced competition in the industry from private owned firms such as estate developers who create estates and hence private owned services such as garbage collection, provision of water and sewerage services. These in turn led to loss of revenue to CCN. The study found that CCN change management process was also affected by Customer needs and preferences. Most respondents cited that strategy sets up leaders to struggle between managing the business and addressing the needs of the people. Typically, it is the people side that loses out. But if leaders don't establish an effective balance between business and people priorities they can destabilize the organizational culture and erode trust, generating fear and skepticism among employees at a time when a loyal, productive, and enthusiastic workforce is essential for success. The various implications of the challenges in implementing change programmes has led to poor provision of services rendered loss of revenue and lack of public trust especially on the timely delivery of services.

#### **4.2.4 Basic requirements of the council for effective implementation of change programs in enhancing service delivery .**

In seeking to understand the councils basic requirements for effective implementation of change programs for efficient operations and service delivery , the researcher

established that in order for the council to effectively achieve effective change programs process for effective operations and service delivery, financial requirements are as important as Physical and Structural facilities whereas the respondents felt that there are other additional requirements necessary for effective change programs

The researcher further established that the councils effective change program had a well-designed vision that allowed for free ideological movement and interaction of staffs. Moreover, the researcher wanted to find out whether there was any particular area frequently outsourced by the councils in effective strategy implementation. The findings therefore indicated that Information Technology is currently being outsourced by the council to a very great extent closely followed by training activities Facility management and policy management were found to be moderately outsourced as one way of improving the efficiency change programs of the councils formulated strategies.

Human resource (HR) services are outsourced to a small extent. The study revealed that HR counter response measures had great future potential as a key management strategy in the organizations, this enabled the council to reduce its high wage bill and improve management of payroll for its employees. The researcher further found that operations and service delivery were not outsourced at all. The council ensured that the activities were performed at optimal level. The respondents were confident that counter response measures had the capacity to increase the organizations effectiveness and efficiency.

## **CHAPTER FIVE**

### **SUMMARY, CONCLUSIONS AND RECOMMENDATIONS**

#### **5.1 Introduction**

This chapter presents the findings of the research, explores the implications of the findings, draws conclusions and prescribes recommendations. The researcher documented the research findings as received from the respondents. The documentation was necessary to support the findings and recommendations as stated. These are the facts from research on which the interpretation were based.

#### **5.2 Summary**

The summary of research findings were based on the study analysis on the challenges of implementing change programs at City Council of Nairobi. The study looked at the following areas; assessing the influence of organizational structure on operations and service delivery, assessing the influence of stakeholders in operations and service delivery, finding out the extent to which motivation influences change programs, the role of computerization in operations and service delivery, the extent to which audit will play a part in change process and to determine the influence of corporate governance on operations and service delivery.

The study dwelt on the various challenges facing the implementation of change programs adopted by the councils for effective programs. There were various reasons cited, such as ineffective direct control of the firm's resources, mechanisms such as an overcrowded organizational structure who had duplicated departments and duties and responsibilities,, poor information systems, ineffectual leadership styles, slow assignment of key managers, unplanned budgeting, little or less employee rewards,

and weak control systems. The responsibilities of the implementation of programs were left to the Chief executive and the senior management teams.

Within the organizational structure, individuals, groups and units are the mechanisms of organizational action, and the effectiveness of their actions was a major determinant of successful implementation. In this context, two basic factors encourage or discourage effective implementation, action-leadership and culture. On how strategy challenge impediments on change programs affect the implementation process on Culture, the respondents cited that culture was set of important assumptions (often unstated) that members of an organization share in common. These shared assumptions (beliefs and values) among members of an organization set a pattern for activities, opinions and actions within that firm.

On the area of Technology, the study revealed that most departments of the council had not computerized its challenge impediments on effective implementation of change programs. Further, strategy challenge impediments on change programs operations was seen to affect leadership in that without the right leadership; employees remained skeptical of the vision for strategy and distrustful of management. The management likewise was frustrated and stymied by employee resistance. One major task of the Manager was to implement strategy which entailed overcoming resistance.

Moreover, majority of respondents identified gaps in organization structure and rapid change in Technology as the factors that highly respond to changes in change implementation process. Need to concentrate on Core Activities, need to reduce operational cost and need to free resources for other purposes was also cited. The respondents further felt that the factors that moderately responded to the challenges of

the choice of what strategy the councils follows includes need to improve institutional focus, ease of activity control through adoption of new technology, need to improve efficiency, and need to reduce risks in challenge impediments on change programs

Some respondents did not consider management style and availability of human resource skills as important challenge factors that determines strategy implementation process services. All respondents did not consider Government Policy as an important factor to be considered at all. With regard to other factor responding to change management challenge and strategy implementation process at the councils , the study revealed that most of the respondents considered choice of external service strategy consultants as an important factor. The various attributes of the strategy consultants which were considered as important includes professionalism, competence, quality of service, contract term, credibility, cost and flexibility. The study also revealed that some respondents did not consider certain factors as important while selecting the external strategy consultants.

These were: size of the strategy consultants, qualification of the strategy consultants and strategy consultants' flexibility. Majority of the respondent felt that it was not cost effective to handle some activities services internally as the required skills were lacking and hiring them would cost more that delegating them to a third party. The councils therefore needs to improve on technology and services quality so as to highly access world class services.

Most respondents did not term Legal/Regulatory factors as a strategy implementation challenge at City Council, since councils derive their legal mandate from the Local Government Act (Cap 265) of the laws of Kenya amongst other acts of parliament that augment its diverse core functions and priorities. These priorities are contained

in various policy and planning documents such as the national development plans, poverty reduction strategy paper and Economic Recovery Strategy (ERS) for wealth and employment creation in the medium term and Kenya's vision 2030.

The study revealed that city councils faced competition in the industry from private owned firm's hence private owned services such as garbage collection, provision of water and sewerage services. These in turn led to loss of challenge impediments on change programs. The study found that City councils strategy implementation was also affected by Customer needs and preferences. Most respondents cited that strategy sets up leaders to struggle between managing the business and addressing the needs of the people. Typically, it is the people side that loses out.

But if leaders don't establish an effective balance between business and people priorities they can destabilize the organizational culture and erode trust, generating fear and skepticism among employees at a time when a loyal, productive, and enthusiastic workforce is essential for success. The study revealed that there were various implications of the challenges on the councils's strategy implementation process. This had led to poor provision of services, loss of challenge impediments on change management programs and lack of public trust especially on the timely delivery of services.

### **5.3 Conclusion**

The study concludes that there were various challenge impediments on change programs. These included Structure, culture, technology, leadership, resistance to change, legal/Regulatory factors, competition in the industry, customer needs and preferences, labor market conditions and substitute products/services. The study

concludes that the council had in a way been able to amend its strategy implementation process as per the challenges. This was through application of all management functions such as planning, controlling, organizing, motivating, leading, directing, integrating, communicating, and innovation to the implementation process.

The change programs discussed in the analysis and City Council of Nairobi takes Lewins three step model is a planned approach to the change management model is evident in the role of management at City Council of Nairobi. From the study it is also evident that change in the organization has preceded the growth strategy, this explains why the Council has undergone structured change within a short time frame. Challenges of implementing the change programs are evident in the organization and resistance to change and change of structures. From the study change processes like technology and information management are not well taken care of as part of the change programme process.

#### **5.4 Recommendations**

The study recommends that in order for City Council to be able to effectively implement their change programs, there is need to have an organized organizational structure, improved information systems, better leadership styles, timely assignment of key managers, effective budgeting and offer rewards, and control systems.

The researcher recommends that City Council of Nairobi put more emphasis in training their staff to manage the operations in professional way. Only qualified and competent employees need to be recruited and the recruitment policy be followed. The Internal Audit department in the City Council should be given the independence



it deserves. An audit committee should be formed which should work independently. Management should always act on the audit reports

City council need to motivate their employees through participation in decision making, innovation and empowerment. Working environment need to be improved as a way of getting employees motivated. Effective communication needs to be in place as a way of management. City council is required to practice corporate governance through establishing guidelines as management tolls of operations managers should also try eradicating corruption in order to improve operations and service delivery.

Study found that resistance to change by employees has hindered implementation of the City Council of Nairobi strategies. As the organization prepared to embark on strategic planning, resistance to change by employees may impede the process, there is need for the Councils management team to take a more proactive approach to managing change within the organization. Currently Change programs practices involves the management in setting goals, clarifying desired outcomes, providing feedback, giving rewards for desired performance and taking action when goals are not met. The focus of these change programme practices are on performance driving cultural changes.

The findings found out that the City Council of Nairobi management had not formulated and documented a change programs plan but had prepared a documented annual change plan. Annual planning has an operational focus and is concerned primarily with concrete goal setting and scheduling of specific tasks to meet the goals. The Councils management's team can build up on their experience through long term strategic change planning, environment scanning, goal setting and performance evaluation so as to develop a practical strategic plan. There is need for a structured

planning process. Based on the study findings it is recognized that the process of designing any changes may not be accepted by all and that implementation of change must be a continuous process and should be motivated so that the objectives of the change are met

### **5.5 Limitations of the study**

Respondents assumed that they were being investigated and thus unwilling to fill in the questionnaires and the researcher convinced them that the information they were to give was to be used only for academic purposes. The research met with various challenges when conducting the research that included the fact that the council employees ordinarily do not want to give information due to client confidentiality. In addition, some of the interviewees would not find the subject to be of interest. Additionally, some respondents would not want to give the information as they considered it of competitive importance. The respondents being normally very busy people may not have found a lot of time to be interviewed. Since the research was conducted via open-ended interviews, a large amount of time was needed to collect information from the respondents. Time limitation made it impractical to include more respondents in the study. This study was also limited by other factors in that some respondents may have been biased or dishonest in their answers.

More respondents would have been essential to increase the representation of the council's team in this study and allowed for better check of consistency of the information given. However, the researcher did look for contradictions in the information given and no inconsistency were found. A limitation for the purpose of this research was regarded as a factor that was present and contributed to the researcher getting either inadequate information or responses or if otherwise the

response given would have been totally different from what the researcher expected. The main limitations of this study were most of the respondents were busy throughout and had to continuously be reminded and even persuaded to provide the required information. Further some respondents decided to withhold information which they considered sensitive and classified. This reduced the probability of reaching a more conclusive study. However, conclusions were made with this response rate.

### **5.6 Suggestions for further research**

Effective counter respond measures on challenge impediments on change management programs, research areas is widely embraced in the developing countries such a Kenya. In Kenya, it has gained acceptance mainly in the private organizations, however government organizations are also incorporating it as a key management strategy though at a sluggish pace. Given that this study only covered challenges that affect Implementation of change programmes at City Council of Nairobi, for effective challenge impediments on change programs, studies need to be done on challenge impediments on change management program for all Local Authorities. There is therefore room for a similar study to cover the entire council's effective strategy implementation in the major towns in Kenya. This is timely, given the today's rapid technology advances and the increased emerging of competition on organizations in the country.

The researcher suggest further research on revenue management since revenue can be collected to maximum level but be mismanaged due to other factor that the study did not consider

### **5.7 Implication of the study on Theory, Policy and Practice.**

The City Council of Nairobi has no clearly defined change management programs. Most of the change programmes at the Council are on emergent basis, since they are not planned but are reacting to threats. The Policy statement of the City Council of Nairobi is that of service delivery to the residents of Nairobi, which is enshrined in its Strategic Plan and vision mission statement which guides it.

The Council has embraced the Kurt Lewin's three step model, whereby the unfreeze stage is about getting ready to change , this is where the Council needs to move from its current comfort zone and getting motivated for change by weighing its pros and cons and deciding on what actions to take. Lewin's model has been useful to the Council as it has helped them embrace change and also to incorporate the change within the organization.

The City Council need to embrace the Change Kaleidoscope way in running its day to day activities by getting to use the eight steps used in the kaleidoscope change framework by getting to find out if the employees of City Council of Nairobi feel the change taking place within it. Change kaleidoscope was to be used to codify the wide range of contextual features and implementation options that may require consideration during change. The change practices that need to be looked at are: Time-How quickly is the change needed? Is the organization in crisis or is it concerned with its long term strategic development. Scope- what degree of change is needed? Does the change affect the whole organization or only part of it? Preservation- what organizational assets, characteristics and practices need to be maintained and protected during the change process? Diversity- Are the different

staff, professionals, groups and divisions within the organization relatively homogeneous or more diverse in terms of value, norms and attitudes.

Capability-what is the level of organizational, managerial and personal capability to implement change? Is there need to improve this capability before change process can be started. Capacity- How much resources can the organization invest in the proposed change in terms of cash, people and time. Readinesses for change- How ready for change are the employees within the organization? Are they both aware of the need for change and motivated to deliver the changes? Power- Where is the power vested within the organization? How much latitude of discretion does the unit needing to change and the change leader possess?

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**APPENDIX I**  
**INTERVIEW GUIDE**

**Instructions to be answered by employees in all 16 departments**

**Background of information**

- 1) **Name ( Optional)**
  
- 2) **State your gender : Male or Female**
  
- 3) **What is your highest academic qualification: Masters, degree, A 'levels, A 'levels or specify any other**
  
- 4) **Your position at City Council of Nairobi**
  
- 5) **How long have you worked at City Council of Nairobi**

**Change management programs at City Council of Nairobi**

- 1) **Are you aware of any change that the organization has been undertaking?**
  
- 2) **If answer is yes, which changes are you aware of?**
  
- 3) **In your own view, what has necessitated the changes? Explain**
  
- 4) **Do you think that the changes are impacting positively or negatively for the organization? Explain**

- 5) **Is there any aspect that needed change that was not exhaustively exhausted?**
  
- 6) **In your own words please explain what are the factors that accelerated change and what are the factors that reduced the speed of change?**
  
- 7) **What are the major successes of the change?**
  
- 8) **What role does communication play in the role of change management in the organization?**
  
- 9) **What is the role of human resource department on the effectiveness of implementing change management programs in the organization?**
  
- 10) **What initiatives are taken by management in creating and sustaining a climate which motivates employees when implementing change management programs in the organization?**
  
- 11) **What is the model/style of change management programs at city council of Nairobi?**
  
- 12) **What are the change management programs at city council of Nairobi?**
  
- 13) **In your own view have you experienced a shutdown or delay in implementing change as a form of resistance to the programme being implemented?**

**14) In your own view, do you think that resistance to change is a useful tool and how is it impacting (negatively/positively) to the organization?**

**15) What are the factors leading to success or failure of the change management programs in the organization?**

**16) What new technology has been adopted by the organization in the last 10 years?**

**17) How can you rate the organization in terms of modernization?**

**18) Did you get formal training while implementing change management programs in your organization?**

#### **Implementation of change**

**1) Did the organization anticipate the change it is undergoing and how was the change carried out?**

**2) Did the organization consider aligning the change in line with the corporate culture, vision, mission statements and goals of the organization?**

- 3) Was there any consideration that change will be accepted or possibility of resistance?
- 4) What was done to ensure acceptability of the change among its various stakeholders and minimizing possibility of resistance?
- 5) What was done to ensure that change is institutionalized?
- 6) Was change communicated to staff? if yes, how was it done?
- 7) Did top management support the change process?
- 8) Was the vision mission statement well-articulated and understood by the staff?
- 9) Were you part of the change implementation process in your organization? If yes, what role did you play?


#### **Challenges of change**

- 1) What are the major challenges in implementing change in your own opinion?
- 2) Are staff members involved in planning and implementing change?

- 3) **What challenges is management expecting to experience in implementing change and adapting the same in line with the new constitution?**
  
- 4) **What challenges have you not responded to?**
  
- 5) **What results have you observed after the change programs were implemented?**
  
- 6) **What are your suggestions and recommendations?**


**THANK YOU FOR YOUR RESPONSES**

**APPENDIX 11: INTRODUCTORY LETTER FROM CITY COUNCIL OF  
NAIROBI**



**CITY COUNCIL OF NAIROBI**

TOWN CLERK  
TELEGRAM: "MUNICIPALITY" NAIROBI  
TELEPHONE: 224282  
EXT 2381



CITY HALL  
P. O. BOX 30075  
NAIROBI  
KENYA

Ref: HRM/CCM/HRM/TB/HR/SWM /2011

**DEPARTMENT OF HUMAN RESOURCES MANAGEMENT**

Date: CCM/HRM/TB/HR/SWM  
2nd September 2011

JOYCE BAYART  
P.O. Box 20075 - 00100

**RE: RESEARCH.**

Reference is hereby made to your application letter dated 1st Sept, 2011 on the above subject;

The City Council of Nairobi has approved your request subject to the following;

1. The period of attachment will be one (1) months with effect from 2nd September 2011 to 2nd October 2011.
2. You will be attached to all sixteen departments in the Council
3. You are expected to adhere to the rules and regulations pertaining to your attachment.
4. That during your study there will be no costs devolving on the Council.
5. That you undertake to indemnify the Council against any claim that may arise from your research.
6. You are expected to be decently dressed at all times.
7. You are required to submit a **Copy of the final research document** within one weeks/months after completion.
8. You are expected to pay research fees of ksh. KSL

By a copy of this letter The Heads of Dept. is /are requested to accord you the necessary assistance.

Please report to the Chief Administrative Officer(s) in the sixteen departments for your research.

**CITY COUNCIL OF NAIROBI**


*Alice Kahuthu*

**ALICE KAHUTHU**

Sign: **FOR: DIRECTOR HUMAN RESOURCE MANAGEMENT.**

DIRECTOR  
HUMAN RESOURCES MANAGEMENT

**APPENDIX III: INTRODUCTORY LETTER FROM UNIVERSITY OF  
NAIROBI**

  
**UNIVERSITY OF NAIROBI**  
**SCHOOL OF BUSINESS**  
**MBA PROGRAM - LOWER KABETE CAMPUS**

---

Telephone: 020-2059162  
Telegrams: "Varsity", Nairobi  
Telex: 22095 Varsity

P.O. Box 30197  
Nairobi, Kenya

DATE.....

**TO WHOM IT MAY CONCERN**


The bearer of this letter Joyce Boyani  
Registration No: D61/70037/2007

is a Master of Business Administration (MBA) student of the University of Nairobi.

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

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

Thank you.

  
**DR. W.N. IRAKI**  
CO-ORDINATOR, MBA PROGRAM

**UNIVERSITY OF NAIROBI**  
**SCHOOL OF BUSINESS**  
**MBA OFFICE**  
**P. O. Box 30197**  
**NAIROBI**

**UNIVERSITY OF NAIROBI**  
**SCHOOL OF BUSINESS**  
**MBA OFFICE**  
**P. O. Box 30197**  
**NAIROBI**

**APPENDIX 1V:INTRODUCTORY LETTER FROM RESEARCH STUDENT**

**5<sup>th</sup> September, 2011**

Dear Respondents,

I am a Postgraduate student at Nairobi University, pursuing a Masters degree in Strategic Management. As part of partial fulfillment for the degree, I am conducting a research study on: **CHALLENGES OF IMPLEMENTING CHANGE PROGRAMMES: A CASE STUDY OF THE CITY COUNCIL OF NAIROBI.**

For this reason I would appreciate if you would kindly spare a few minutes of your time for me to ask you a few questions in regard to challenges of implementing change programmes at City Council of Nairobi.

The information from this interview will be treated with confidentiality and in no instance will your name be mentioned in this research. In addition, the information will not be used for any other purpose other than for this research. Your assistance in facilitating the same will be highly appreciated.

Thanks in advance.

Yours Faithfully

**Joyce Boyani.....Supervisor.....**



**APPENDIX V:PROPOSAL CORRECTION FORM**

## APPENDIX VI LIST OF DEPARTMENTS SURVEYED

Departments of the city council of Nairobi and the Heads of Departments

Administration.....Town clerk

City treasurer.....City Treasurer

City planning.....Director, City planning

City engineers.....City Engineer

Public health.....Medical officer of Health

Environment.....Director of environment

City inspectorate.....Director of City Inspectorate

Social services & housing.....Director Social Services & Housing

Legal affairs.....Director of Legal Affairs

ICT.....Director of ICT

Audit.....Director of Internal Audit

Human resource management.....Director Human Resource Management

Investigations & information analysis. Director Investigations & Information Analysis

City education .....Director City Education

Housing development department.....Director Housing Development Department

**Source: Researcher (2011)**

**CHALLENGES OF IMPLEMENTING CHANGE PROGRAMMES AT CITY  
COUNCIL OF NAIROBI**

**OBWAYA JOYCE BOYANI**

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

**AUGUST 2011**

**DECLARATION**

I declare that this is my Original work and has not been presented in any other University or College for Examination or Academic purposes.

**Signature:..... Date:.....**

**BOYANI JOYCE OBWAYA**

**D61/70037/2007**

**SUPERVISOR'S DECLARATION**

This project has been submitted for examination with my approval of the following listed university supervisors.

**Signature:.....Date.....**

**DR .ZACK AWINO, PHD**

**SENIOR LECTURER**

**DEPARTMENT OF BUSINESS ADMINISTRATION**

**SCHOOL OF BUSINESS, UNIVERSITY OF NAIROBI**

## **DEDICATION**

This thesis report is dedicated to my Late Father Andrew Moturi, my dearest Mother Mary Bochaberi, dear Husband David Naibei, my lovely Children Kyle, Elvis, Kadzo and my Siblings Gladys, Anthony, Ruth and Richard for their inspiration and relentless motivation throughout my study period, God bless them all.

## **ACKNOWLEDGMENTS**

It has been an exciting and instructive period of study at the University of Nairobi and I feel privileged to have had this opportunity to carry out this study as a demonstration of knowledge gained during the period of study for my master's degree. This research project has been accomplished with the encouragement, support and contribution from a number of people whom I am deeply indebted to. First of all am indebted to the all-mighty GOD for his grace and for seeing me through this program every step of the way and for being with me throughout the study period. To my supervisors, Dr. Zack Awino and Dr. Maalu from the School of Business University of Nairobi for their guidance, dedication and their valuable contribution to the previous drafts and ultimately providing guidance and counseling to produce a paper of such magnitude throughout the research project. They gave me great and outstanding ideas that became extremely useful within the academic scope of this research project. I owe great thanks to staff at Am Bank House and Lower kabete offices for their motivation and help in the areas that needed their assistance. I also wish to thank my colleagues and class mates at University of Nairobi for their moral support during the period of study. Finally, I owe special thanks to my family, who have supported me and were patient with me even when my studies quietly ate into the time meant to be spent with them.

## **LIST OF ABBREVIATIONS AND ACRONOYMS**

<b>CCN</b> .....	City Council of Nairobi
<b>MOLG</b> .....	Ministry of Local Government
<b>CBD</b> .....	Central Business District
<b>MBWA</b> .....	Management by walking around
<b>TQM</b> .....	Total quality management
<b>BPR</b> .....	Business process re-engineering
<b>LASDAP</b> .....	Local Authorities Service delivery Action Plan
<b>HOD</b> .....	Heads of Departments
<b>HR</b> .....	Human Resources
<b>ERS</b> .....	Economic Recovery Strategy

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## **ABSTRACT**

Much of the previous research into the change programs has concentrated generally on challenges of change management, management of strategic change and management of change management process. This study therefore sought to fill the existing research gap by carrying out a case study on challenges of implementing change programs at City Council of Nairobi. The main objective of the study was to investigate the challenges experienced by City Council of Nairobi in implementing Change programs. The findings may be a general reflection of what happens in local authorities' country wide. This research was conducted through a case study. The target population of this study was 16 number departments at the City Council of Nairobi. This paper utilized an interview guide in data collection. This study collected primary data using a self-administered interview guide. The response received was analyzed by content analysis. From the findings, the study established that majority of respondents were aware of the change programs being implemented within the City Council of Nairobi. The study further established that most of the respondents were in agreement with the challenges in implementing the change programs in the organization. This study therefore recommends that in order to avoid challenges in implementing change programs within the City Council of Nairobi a review of the organization's strategic plan and the entire organizational structure needs to be revised and a more hands on approach needs to be incorporated within the organization and disseminated to all staff, who also need to be involved in the decision making processes that take place within it..

## CHAPTER ONE

### INTRODUCTION

#### 1.1 Background of the study

Organizations rarely standstill, but are in a more or less constant state of flux where change and adaptations is one part, if the organization has a knock on effect elsewhere.(Cole, 2005).It has become the accepted view that, for the society at large, the magnitude, speed, unpredictability and impact of change are greater than ever before. Although many claim that we are living through a period of unprecedented and unpredictable change, not everyone is affected by the same change. Though change management would not be considered particularly important if products and markets and organizational change were rare, it would be considered even less of an issue, if it were easily merged and success would be guaranteed, there is substantial evidence that this is not the case.

Strategic change management is a systematic approach to achieving a sustainable change in the human and organizational behavior. It involves changing the people in the organization from certain old behavior to some new behavior desired by the organization (Todd, 1999). (Jones, 2004) states that organizational change is the process by which organizations move from their present state to some desired future state so as to increase their effectiveness. Change affects every aspect of life thus taking a proactive approach to change is the only way to take charge of the future either as an individual or as an organization.

Change management entails thoughtful planning and sensitive implementation and above all, consultation with, and involvement of, the people affected by the changes. Change must be realistic, achievable and measurable. A question that needs to be asked is: what do we want to achieve with this change, why, and how will we know that the change has been achieved? Who is affected by this change and how will they react to it? Change management need to be understood and managed in a way that people can cope effectively with it.

Change can be unsettling, thus the manager needs to be a settling influence. Three types of organizational change that has been perceived to be important and have received considerable attention are Introduction of the new technology in the early 1980's, adoption of total quality management (TQM) and application of business process re-engineering (BPR).The microelectronic revolution of the 1980's which saw the rapid expansion of computers and computer based processes into most areas of organizational life, was the subject of great many studies. The move by the European organizations to adopt total quality management began in the mid 1980's, although total quality management was a success to the Japanese companies, whereas the experience in the western companies was that it was difficult to introduce and sustain the same.

Philip Crosby (1979) one of the founders of total quality movement claimed that 90 per cent of the TQM initiatives by American organizations failed. In the United Kingdom and other European countries the failure rate was 80 per cent. Business process re-engineering was hailed as the biggest business innovation (Mill, 1994:26) though less well documented than either new technology or TQM, (Wastell et al ) (1994:37) concluded that the business process re-engineering have typically achieved much less than they promised. Therefore even with these three types well established initiatives there is no guarantee for success. This is perhaps why managers consistently identify the difficulty of managing change as one of the key obstacles to the increased competitiveness of their organizations (Hanson, 1993; industrial society, 1997; Worrall and Cooper, 1997).Change management can either be reactive, in which case the management is responding to changes in the macro environment/(some change is external) or proactive, in which management is initiating change in order to achieve a desired goal(source of change is internal) Change management can be coordinated on a continuous basis, on a regular schedule, or when deemed necessary on a programme by programme basis (Lewin, 1947).

### **1.1.1 Concept of change management**

Organizations face challenges that are from their external environment. Environment's which organizations operate in are not static but continuously changing (Rue and Byar, 1992). This study will concentrate on challenges of implementing change programmes at City Council of Nairobi. Organizational

environment has been changing since the 1970's when the world experienced great changes in the petroleum price thus organization's had to consider how to reconfigure themselves to take in these external events into account (Stones; Freeman and Culbert, 2003). In the 1980's change shifted from local to global, thus market competitions were intensified across the world. In the 1990's technology revolutionized the way we think about organizations. Failure to spot change trends and conditions and to effectively manage them leads to a serious strategic problem characterized by maladjustments of the organizational outputs and demands of its internal environment (Thompson, 1997).

Change management is not a distinct discipline with rigid and clearly defined boundaries. Theory and practice of change management draws on a number of social science disciplines and traditions. The tasks are further complicated by the fact that the social sciences are inter woven, to challenge this, is to range wide enough to capture the theoretical foundations of change management, without straying so far into its relates disciplines that clarity and understanding suffer.

### **1.1.2 City Council of Nairobi**

The City Council of Nairobi is among the 275 Local Authorities in Kenya. It is governed by Cap 265, the Local Government Act,. In the Act, the City Council of Nairobi is classified as a municipal council. The act of parliament is yet to be amended to adopt the word 'city' among its classifications of the local authorities. In Kenya today there are only three cities recognized by the office of Deputy Prime Minister, Ministry of Local Government. They are the City Council of Nairobi, Mombasa City and Kisumu City. Other classifications of the local authorities include municipal councils (for example Machakos, Nyeri), County Councils (for example Nyamira, Makueni), Town Councils (for example Tala-Kangundo, Oyugis). Nairobi 'The place of cold water' owes its beginning to the exploitation of the East African territories by the British. With the railway reaching Nairobi in 1898, the colonial administration seat shifted from Machakos to Nairobi. This was facilitated by the availability of means of transport from Nairobi to Mombasa and the rest of the interior (including the later called white highlands). The rate at which Nairobi was growing as an urban area called for formation of a municipal committee.

In 1900 Sir Arthur Harding published the Nairobi municipal regulations and defined the Township as the area comprised within a radius of one mile and a half from the then present office of H. M. Sub minister in Ukambani'. The regulations covered committee meeting conduct, methods of lighting, policing and cleaning. The first Town Clerk was Captain E. L. Sanderson, other white Town Clerk who followed

were Sir Henry Belfield, Walter, Williams, Ridont, and Sir Edward Northey among others. The first African Councillors to serve in the municipal were Muchuhi Gikonyo and Khamisi in 1946. The first African Town Clerk was appointed in 1967. Since then 17 Town Clerks have managed the Council to date. The Council mandate is to provide and manage basic social and physical infrastructure services to the residents of Nairobi. These services include basic education, housing, health, water and sewerage, refuse and garbage collection, planning and urban planning and development, urban public transport and fire services among others.

There is no clearly designed change management approach in the City Council of Nairobi. Being under the office of Deputy Prime Minister, Ministry of Local Government, it has influences of the Molg, the office of the President, the office of the Prime Minister, Ministry of Finance and the Directorate of Personnel Management. Each of these branches issue advice, directives and instructions to the City Council of Nairobi on various areas of change programmes.

Change programs under performance contracting are coordinated from the office of the Prime Minister, Reforms Secretariat. The secretariat gives advice on financial, non-financial, operational and dynamic aspects of council's performance contract.

Directorate of Personnel Management gives directives and advice on the growth and development of officers with the framework of public service. Ministry of Finance also issues directives on procurement, fund spending, funds revenues and general public funds management. This affects the other government agencies including the City Council of Nairobi. It is at rare occasions that the council will have independent planned changes. This is because it operates under the umbrella of the Molg. Operating capital expenditure of the council has to be approved by minister Molg and the minister for finance (as instructed by parliament).

Most of the change management approaches at the council level are on emergent basis. They are not planned but are reactive to a threat which is in force and instructions from above. But it should be noted that normally change management approach in the council are a more or less a process. Bullock and batter (1985) approach has some application in the council. The management creates awareness of need for change after receiving instructions from the external influencers. The instructions are tailor made for council through planning for actions to be undertaken and how best to implement the changes as per the action plan.

Kanter et al (1992) Ten (10) commandments approach has also been used in the institutionalization of changes. The separate commandments are implemented one by one without following any order as the management and internal change agents so feel. Use of emergent change management approaches has also been in use. Due to the nature of some changes, the council is unable to plan for changes. The council reacts to such changes when they occur to reduce their effects or completely done away with them. But it should be noted that there is no defined change management policy in the council to guide on the approach. This means that the management consisting of councilors and chief officers are the ones who sometimes give direction through the council's resolutions. Any significant transformation creates people issues. New leaders will be asked to step up, jobs will be changed, new skills and capabilities must be developed and employees will be uncertain and resistant. In dealing with these issues on a reactive, case-by-case basis puts speed, morale and results at risk.

A formal approach for managing change begins with the leadership team and then engaging key stakeholders and leaders should be developed early and adopted often as change moves through the organization. This demands as much data collection and analysis, planning and implementation discipline as does a redesign of strategy, systems or processes. The change management approach should be fully integrated into program design and decision making both informing and enabling strategic directions. It should be based on a realistic assessment of the organization's history, readiness and capacity to change. The change management practices adopted by city council of Nairobi are; the introduction of Performance Contracting, Performance appraisal system, Rapid results initiative among many more.

Due to ever changing business environment especially with the influence of the government, many awareness and understanding practices have been put in place most of which were initiated in year 2003 by the NARC government and the current coalition government. The council has had its chief officers sensitized on government reforms which are transmitted to the council. Several induction courses have been conducted on them at the Kenya institute of administration. All other council's officers at one point in time have been sensitized on the council's changes and



management especially on performance contract, performance appraisal system, corruption eradication, ISO and the 6 key results areas in the current strategic plan. In-house training has been carried by training consultants on junior and senior officers.

Council's posters, newsletters and internal communications have been popular in the creation of awareness and understanding of change programmes at the council. Posters are displayed at strategic points in all the departments where the employees as well as visitors to the council can easily read and understand them. The council's introduction of 'The city council of Nairobi annual news report' publication has made many people be aware council of the significant changes and the change programmes being implemented. The council holds public awareness week annually. It uses the LASDAP's public forums to create awareness and understanding of the change and change management in the city council of Nairobi. For the change and change programs to be meaningful and successful in the council, it had to start from the top. The councilors and the chief officers who are policy makers had to initiate change through the council's resolution. Policies were developed and adopted by the members of the council and the chief officers were entrusted with the implementation process. This was the start point of institutionalizing change programs.

The councilors and the chief officers have undergone several trainings on change leadership. Seminars for top and middle management officers have taken place in various locations here the participants were taught to be key instruments of change and change programs. They were to lead the change process from the front but not back. Exchange programs have been conducted; some councilors and chief officers have travelled out of the country to Japan, USA, Britain and South Africa to have firsthand information on change programs and they have seen it work during the visits to the above mentioned countries. On coming back management team was formed to spearhead the chances headed by the City Mayor and the Town Clerk.

The adoption of employment of the chief executive officer on contract has been a practice to enhance the change leadership in the change programs. The former Town

Clerk initiated a regular and MUST chief officers' meeting on weekly basis. He personally used to chair the meetings which concentrated on the change programs operated by the council. It is composed of all the chief officers, heads of key operational areas like the markets, the city mortuary, the wards and divisional heads, inspectorate CBD group and Pumwani maternity hospital. Changes were initiated, communicated and implemented by the individual members of these work teams. This meant that the Town Clerk had all the updates on the change and change programmes at hand and was also known for his personal interaction and monitoring of the council changes through MBWA (management by walking around).

In his contract period, the city council of Nairobi's lost glory was being regained bit by bit. His successor has followed his footsteps in the change programs, he is known to advocate for change, support and change programs whether his subject likes it or not. It is notable that some officers have been forced by the wave of change and its management to exit from the council. This is because they would not stand it due to their rigidity to changes. In change leadership the chief executive officer of the council, is the chairman of the Reforms Secretariat, which oversees all the reforms or changes in the council. His secretary is a senior able officer, the Assistant Town Clerk, Reforms Secretariat.

## **1.2 Research problem**

In the last decade or so there has been an accelerated organizational change across the globe; these changes whether political, economic, social and technological have not spared Kenya. Many organizations have not managed change properly due to industrial unrests, resistance from staff and so on.

Many studies have been done in Kenya on change management namely: Gichohi (2007) looked at challenges of change at Unga group and concluded that the change process was due to liberalization of the Kenyan economy. Odhiambo (2005) evaluated the problems and practices in the manufacturing sector and concluded that manufacturing companies in Kenya considered implementing Kotters eight stage model. 'Amenya (2001) analyzed management of strategic change at rift valley railways and concluded that there were internal and external factors that necessitated

change at rift valley railways. Kamau. J (2010) study finding showed that management process at Action aid began by setting goals and objectives , study found out that challenge of managing change was due to the restructuring of the organization. Kibaga (2005) looked at strategic change at the insurance industry of Kenya. Most of the studies done have not looked at challenges face by implementing change programs at City Council of Nairobi. There exists a gap between concepts of strategic change management at City Council of Nairobi where previous studies dwelt on change management which therefore seeks to address the Knowledge gap.The study will therefore bridge the gap on the challenges of implementing change management programs at City Council of Nairobi?

### **1.3 Objectives of the study**

The specific objective of the study is

- 1) Establish the change programs ,
- 2) Identify the challenges faced in managing change programmes
- 3) Evaluate the change process in light of the models of change programmes at City Council of Nairobi.

### **1.4 Value of the study**

The findings of the study will have a wide spread implication on the organizations change management and will help revise the existing change management strategies. Study will add value to the existing body of knowledge. The value of the study will be its significance to City Council of Nairobi and other Local authorities on how best to manage and improve change management programs. How useful it is to management and employees of City Council of Nairobi as it will provide an opportunity to gauge their progress, direction and benefits accruing from the change effect. The study will generate literature on implementing change management processes at City Council of Nairobi for top scholars and researchers willing to carry out research in the field of Change Management. The study will also be helpful to City Council of Nairobi assess its levels of change management performance in relation to its peers and other industry players.

## CHAPTER TWO

### LITERATURE REVIEW

#### 2.1 Introduction

This chapter reviews the different perceptions of strategic change by scholars, and the various approaches to strategic change. Change is any planned or unplanned transition from one state to another, such change comes in many forms. Strategic change is long term in nature and affects the entire organization and aims at achieving effectiveness.

According to Burnes(1998) there are three schools of thought that form the central plank on which change management theory stands are: The individual perspective school, Pavlov (1927) that a dog can be taught to salivate at the ringing of the bell, by conditioning the dog to associate to the sound of the bell . This school of thought is split into two camps that are behaviorists and gestalt-field psychologists. According to the behaviorist theory all behavior is learnt, the individual is the recipient of the external and objective data. One of the basic principles of behaviorist is that humble actions are conditioned by their expected consequences. Behavior that is rewarded tends to be repeated and vice versa. Therefore in order to change behavior it is necessary to change the conditions that cause it (Skinner, 1979). In the principle of extinction, behavior will stop eventually if it is not rewarded (Lovell, 1980).

In the Gestalt Field theory learning is the process of gauging or changing insights, outlooks, expectations or thought patterns. According to the Gestalt filed perspective, behavior is not just a product of external stimuli but rather arises from the individual reason to interpret stimuli. The school has proved influential in the management of change whereas some writers use them in tandem.

The group dynamics school, this school has the longest history (Schein, 1969) as it originated with the work of Kurt Lewin. This group emphasizes on organizational change through team work groups rather than individuals (Bernstein, 1969) According to Lewin (1947a, 1947 b) people in organization work in groups, individual behavior must be seen, modified or changed in light of the groups prevailing practices and norms. Lewin (1947 a, 1947 b) postulated that group behavior is an intricate set of symbolic interactions and from that not only affected

group structures but also modify individual behavior. Therefore he agrees that individual behavior is a fraction of the group environment. The open systems school, is composed of a number of inter connected sub systems. Any change in one part of the system will have an impact on other parts of the system and its normal performance (Scott, 1987). The open system approach is based on describing and evaluating the sub-system in order to determine how they need to be changed so as to improve the overall functioning of the organization. Organizations are open to interact with the external environment and are also open internally. The various sub-systems interact with each other.

## **2.2 Strategic change**

Change is usually triggered by a threat or opportunity which is of sufficient magnitude that the organizational members can't ignore it? (Van de Venn & Poole, 1995). Strategic change is defined as a difference in the form, quantity or state over time in organizational alignment with its environment (Rajagopalan & Spreitzer, 1997). Strategic change not only decides what to change, how and when to change specific elements of the organizations strategic orientation (Worley; Hitchin & Ross, 1996). This change may be driven by dramatic change in the environment, declining organizational performance or both.

According to Hoerfers & Schendel (1978) Strategic change is also defined as change in the context of the organization's strategy as elaborated by its scope, resources, deployment, competitive advantage and synergy. Strategic change could also be affected by the state of the organization and its external environment. For instance organizations will adopt new strategies' in the face of financial distress for purposes of being even in the critical situation. Most recently there has been a shift of emphasis, away from the behavioral explicit, to an exploration of ways in which organizations perceive, interpret and understand strategic change.

Many of the change programs arise from management issues such as culture change, empowerment and technological changes. Change initiatives are driven by the need by organizations to reposition themselves in the face of changing competitive conditions. Change processes involve radical transitions within the organization that

encompass strategy, structure, system, process; culture (Balogun, 2001). Organization will experience different levels of transition. Gradual change represents a fairly stable slightly linear variation in the environment. Continuous change represents both steady and incremental shifts in the environment over time. Cost cutting, elimination of waste, reduction of efforts, streamlining internal processes, minimizing variation applying external best practices are key tactics (Hummer, 1990)

### **2.3 Approaches to strategic change management**

The first great test of competence that organization's face in their change effect is the identification of the change path to follow (Drucker; 1954). Strategic change is an ongoing process which must concentrate on assuming a good fit between the environment and the organization, where it needs to take into account competitors, customers and the external environment including technology, politics, economy and social factors (Rajpal; 2007). The strategic approach has three distinct processes namely: what business are we in? What are the key issues? How best can we compete? (Cohen & Cyert; 1973). Strategic planning process entails the following process, formulation of goals, analysis of the environment, assigning quantitative values to the goals, micro process strategy formulation, gap analysis, strategic search, selecting portfolio of strategic alternatives, implementing the strategic program, measurements, feedback and control. These steps should not be seen as an instant process of strategic change but a continuous ongoing process (Ansoff; 1969).

### **2.4 Change management models**

Kurt Lewin proposed step models which are commonly referred to as Unfreeze, change and Freeze. The Unfreeze stage is probably one of the most important stages to understand. This stage is about getting ready to change, it involves getting to the point of understanding change is necessary and getting ready to move from the current comfort zone. The unfreeze stage is about getting motivated for change and weighing the pro's and con's and deciding what action needs to be taken.

The change process stage is transitional. Transition is the inner journey or movement that is made in reaction to a change. This stage occurs as we take the changes that are needed. The freeze stage is whereby people are moving towards a new way of being.it

is usually the hardest period, as people are unsure and fearful. Support is of great importance here and can be in the form of Training, coaching and accepting mistakes as part of the process. It helps to communicate a clear picture of the desired change and its benefits to the people so as to not lose sight of where they are going. The freeze stage is about establishing stability once change has been made. Change is acceptable and becomes the new norm. People form new relationship and become comfortable with their routines. It is at this stage that managers can have a great influence thus leading to positive performance.

There are many theories on how to implement strategic change, many of them originate from leadership and change (Kotter, 1995). Kotter outlined eight steps namely: Create Urgency, this is whereby there is the development of sense of urgency and need for change. This helps in getting things moving. Urgency can build and feed on it and many people grasping the need for it. It identifies threats and develops scenarios about what could happen in the future. Form a powerful coalition; convince people that change is necessary. It takes strong leadership and visible support of people within the organization by bringing influential people together whose power cover areas such as job titles, expertise and political importance.

Create vision for change, links concepts of great ideas and solutions floating around. A clear vision helps, people grasp early and remember. Detecting values that are central to change is an effective tool and practice the vision of speech offered. Communicate the vision, do this frequently and powerfully and embed it within the organization. Talk often about the change agenda and apply the vision to all aspects of operation. Management should lead by example. Remove obstacles this can empower people. Hiring of change leaders is as effective as identifying leaders within the organization. Reorganize and lead people for the change effort. Look for super fire projects that can be implemented and reward staff members who meet the expectations.

Build on the change, Kotter (1995) efforts that change fast become victory and is derived too early. Real change runs deep. Quick wins are only the beginning of what needs to be done to achieve the long term change. Anchor for change, is corporate culture. Make organizational changes stick and become part of the organization.

Corporate culture determines what needs to be done; it ingrains the value behind the vision and incorporates the same in the day to day activities of the organization. Create short term wins, nothing motivates more than success. Assess the staff performance and results within a short time frame, without criticizing and negative remarks as this do not lead to them meeting their progress.

Temporary aspects of change are used as a means of breaking down the complex process of organizational change into manageable portions such as, conception for need for change which maybe in response to external or internal pressures or may be through a belief in need of change to meet future competitive demand (Dawson, 1984).he further states that change can be seen as a process of organizational transition where strategic decisions are made. Operations of new practices and procedures refer to the period when following implementation of change, new organization arguments and systems of operations begin to emerge.it is the period in which the relatively stabilized system of operation emerge comprising of new patterns of relations and new forms of working practice(Dawson, 1984).

Quinn (1986) argues that integrating of processes is incremental not processual. This involves patterns of change through creating awareness and commitment incrementally, amplifying the understanding of awareness, changing symbols and building credibility, Legitimizing new view points and making tactful shifts and partial solutions (Quinn, 1986). He further states that change progress should be solidified incrementally through creation of pockets of commitment by empowering champions and continuing the dynamics by eroding consensus.

A learning organization is an organization that has developed continuous capacity to adapt and change (Robbins, 2003). All organization learn whether consciously or sub consciously as it is a fundamental requirement for their sustained existence. A learning organization is an ideal to strive towards rather than a realistic description of structured activity, which draws organizational behavior concepts such as quality management organizational culture, boundary less organizations, functional conflict and transformational leadership.



## **2.5 Challenges of implementing change programmes**

The biggest single challenge facing managers today is globalization, and how to achieve sustainability in a world of dwindling natural resources and increasing environmental pollution, how to manage an increasingly diverse workforce and at a time leaders are considered less trustworthy and how to manage ethically (Burnes, 2003)

Slow adoption to modern technology is one of the key factors in the challenges of implementing change programmes. Mismanagement of resources is another challenge in the implementation of change programmes; resistance to change due to the unknown, another equally important factor is failure to adhere to rules and regulations, culture, stakeholder politics, teamwork and leadership are some of the factors that can influence the outcome of any change programme.

According to Ansoff and McDonnell (1990) Resistance to change is a multi-faceted phenomenon which introduces delays, additional costs and instability in a change process. Resistance can either be behavioral or systematic. Behavioral resistance is exhibited by individuals, managers or groups. Because of parochial self-interests, misunderstanding and lack of trust, differences in assessment, or low tolerance to change. Systematic resistance originates from passive incompetence's in the managerial capacity to carry out the change. Management requires planning and developing the required capabilities by integrating management development into the change process and stretching the implementation period as long as possible.

Rowe et al.,(1994) noted that Organizational culture is the total sum of shared values, attitudes, beliefs, norms, rituals, expectations and assumptions of people in an organization. Thompson and Strickland(1993), argues that there must be a fit between strategy, structure, systems, staff, skills, shared values, values, styles for change management process to be successful. Thomson (1997) argues that organizational culture and values held by managers and other employees within the organization are key influences on strategies of change and are therefore the central driving force for considerations in strategy creation and change

### **2.5.1. Political Management, mobilization support and legitimacy**

Stakeholders support is essential for a change programs due their different interests and power, achieving universal support is a challenge and politics sets in. According to Moore (1992) strategic change management process in the public sector starts by looking towards politics for three reasons, it is in this realm that managers must search to discover what purposes are deemed publicly valuable, political institutions grant public managers resources they need to accomplish their operational purposes., lastly public managers are accountable to politics and law both theoretically and practically. Managers use organizational politics as tactics to use power to influence goals and change to further their interests.

### **2.5.2. Teamwork**

Complexities of most processes are usually beyond the control of any one individual. The only way to tackle such problems is by use of teamwork. Building of effective team work is not an easy matter Team approach to change implementation removes artificial organizational barriers and encourages openness. Teams share common goals and help to focus energy by emphasizing self-control on part of the participants

### **2.5.3. Leadership**

Management of change is closely linked to the role of strategic leadership. Leadership is the process of influencing an organization in its efforts towards achieving an aim or goal, a leader influences and is not necessarily someone at the top of an organization. Rowe et al., argues that the team approach to change implementation removes artificial organizational barriers and encourages openness. Teams share common goals and help to focus energy by emphasizing self-control on the part of participants. Teams that are cohesive, that interact cooperatively, with members possessing compatible personality characteristics and that are operating under mild to moderate pressure appear to be most effective.

## **CHAPTER THREE**

### **RESEARCH METHODOLOGY**

#### **3.1 Introduction**

This section describes the proposed study design, data collection procedures or techniques, data collection instruments and its relevance and how the collected data was organized and analyzed.

#### **3.2 Research Design**

The research was conducted through the case study method at City Council of Nairobi. Case study is a form of qualitative analysis when a study is carried out in an organization and gives a detailed investigation of a single subject. Through this method the researcher is able to obtain in-depth knowledge of challenges faced by City council of Nairobi in implementing change management programs. It also facilitates an intensive study of a particular unit.

#### **3.3 Data Collection**

In this case study, primary source of information was used in the collection of data. Primary data was collected through an interview guide. Questions were divided in parts namely: Part A, Part B, Part C and Part D. Use of a standardized interview guide allowed for comparison of results among the respondents. The target population was the employees of City Council of Nairobi 16 departments namely: Administration, City Planning, City Engineer, Public health, Audit, Environment, City Education, Inspectorate, Social services and Housing, Human resources, Investigations and Analysis, City Treasurer, Procurement, Housing Development, Legal and ICT.

The interview guide was submitted to the various departments after providing a letter of introduction from the School of Business, University of Nairobi and a letter from the Human Resource Department City Council of Nairobi, authorizing the researcher to carry out the research and a covering note requesting the respondents to participate in the research in order to get the data required for the study. This was done with the help of research assistants and the researcher who was available to clarify the question that were not clear to the respondents and made prior arrangement and assured the respondents of high degree of confidentiality and anonymity

### **3.4 Data Analysis**

Content analysis was used to analyze the respondent's views on the challenges of implementing change management programs at City Council of Nairobi. Advantage of using content analysis is that it allows grouping of collected data into various groups for easier analysis which is a continuous process. Main purpose of content analysis was to study existing information in order to determine factors that explain a specific phenomenon. Content is defined by Creswell (2003) as a technique of making inference by systematically and objectively identifying specific characteristics of messages and to use the same approach to relate to trend. On receiving the questionnaire from the respondents, the data was checked to ensure completeness, consistency, accuracy and uniformity. The data was then be coded and tabulated to facilitate data analysis through content analysis.

## **CHAPTER FOUR**

### **DATA ANALYSIS AND INTERPRETATION OF RESULTS**

#### **4.1 Introduction**

This chapter details the findings and interpretation of the results in light of the study and with respect to the objective of the study. The study was designed with the aim of establishing the challenges of implementing change programs at City Council of Nairobi. The study involved collection of primary data through the use of an interview guide which was administered through personal interviews. The research targeted the 16 departments at City Council of Nairobi namely: Administration, City Planning, City Engineer, Public health, Audit, Environment, City Education, Inspectorate, Social services and Housing, Human resources, Investigations and Analysis, City Treasurer, Procurement, Housing Development, Legal and ICT.

#### **4.2 Research findings**

This section represents the general information about the City Council of Nairobi. This includes the employee's demography and number of years with the organization, communications of objectives, whether or not the council embraces counter response measures as one of their strategies based on the challenges, and current counter response measures activities. Considering the demographic characteristics of the respondents, the study established that a majority of the employees were male; the findings can be generalized on the male respondents.

A majority of the departments had same number of respondents: particularly, Administration, Audit, City Inspectorate, City Treasurer, Human Resource and Investigations and Information Analysis which had four respondents each. City Planning and City Engineer department had 3 respondents each. The other

respondents were from Education, Health, Legal affairs and Public health departments. The implication on the study was that varied responses from the different departments adequately explored all the expected responses from the entire Council.

Regarding the designations, the researcher found that the respondents had different managerial designations at the high levels. The implication on the research is that the respondents were evenly distributed and therefore a variety of the responses were obtained. Regarding the number of years in position, results show that a majority had been in the firm for 10 years and above, other had also been in the council for 3 to 6 years, this implies that the majority of the respondent had enough experience to give acceptable responses to the study questions. In relation to the education level, the results showed that a majority of the respondents had attained University level education implying that majority of the respondents had adequate skills to respond to the questions asked in the study.

#### **4.2.1 Communication of Objectives and the role of the managers in change process**

The interview guide sought responses on the role of the managers in change programme process. From the responses received from the interviewees, it was clear that the corporate objectives were entrenched in the strategic plan of the organization where each departmental head had clearly defined objectives that were specific, measurable, achievable realistic and had specific targets. The researcher established that there was use of every available vehicle possible to communicate the vision and mission statement through employee bulletins, employee meetings, memos, newspapers, formal and informal interaction. In addition having a guiding coalition role on the behavior expected from employee nothing undermines the communication

of change programmes than that which seems inconsistent with the vision. Careful monitoring of senior management behavior and interaction was a good idea so as to be able to identify and address inconsistencies among words and deeds.

The researcher found out that the change management empowering programs involved getting rid of obstacles, changing systems or structures that undermine the change vision and encouraging risk taking and non-traditional ideas, activities and actions. The managements know that ruining a transformation without serious attention to short term wins is extremely risky. The Council's plan for visible improvements in performance or wins also creates the wins. In addition the people who make the wins should be visibly rewarded and recognized. Consolidating gains and producing more change programs credibly changes all systems, structures and policies that do not fit into the transformation vision. People who implement the change vision should be promoted or hired and the system be re-invigorated with new projects, themes and changes agents.

Moreover, the study inquired on the challenges involved in implementing change programmes at City Council of Nairobi. The respondents cited that it involved the implementation of organization strategy through the application of the management process to obtain the desired results. Particularly, change program process included designing the organization's structure, allocating resources, developing information technology and decision process, and managing human resources, including such areas as the reward system, approaches to leadership, and staffing.

All the departmental objectives were congruent with the overall council objectives. The staff members are also constantly reminded of their objectives during meetings carried out between managers and other staff members to review their performance

during and over a certain specific period of time. The study also indicates that there is awareness and involvement as the counter response measures strategy was being embraced by each of the respondents. HODs were involved in formulation and implementation of the strategy.

Making the necessary moves to establish positions in different businesses and achieve an appropriate amount and kind of diversification. A key part of corporate strategy is making decisions on how many, what types, and which specific lines of business the council should be in. This may involve deciding to increase or decrease the amount and breadth of diversification. It may involve closing out some strategies (lines of business), adding others, and/or changing emphasis among strategies.

The council managers initiated actions to boost the combined performance of the businesses the council had diversified into: This involved vigorously pursuing rapid-growth strategies in the most promising areas keeping the other core operations and service delivery businesses healthy, initiating turnaround efforts in weak-performing strategies with a promise, and dropping strategies that are no longer attractive or don't fit into the corporation's overall plans. They also involved supplying financial, managerial, and other resources, or acquiring and/or merging other companies with an existing core missions in pursuing ways to capture valuable cross-business strategic fits and turn them into competitive advantages especially transferring and sharing related technology, procurement leverage, operating facilities, distribution channels, and/or customers. Moreover, the council managers also are in forefront in establishing investment priorities and moving more corporate resources into the most attractive strategies.



Regarding the change programme empowerment practices in CCN, the researcher established that have a wealth of skills necessary for their jobs and that their work is meaningful to them. The respondent neither agreed nor disagreed with the statements that they had control over the aspects of the job that they are accountable, that their work gives them ability to contribute to the success of the organization, that their impact on what happened in their department was large. The respondents also neither agreed nor disagreed with the statements that their supervisors encouraged team work and delegated authority, that they had significant autonomy in determining how they did their job, that their position allowed career growth and development. In addition, the respondent neither agreed nor disagreed that they had significant opportunity for freedom and independence in doing their jobs; these were represented by mean scores of three. The respondents stated that they disagreed to some extent with the statement that there is a clear system of handling employee discontent and that they normally get sufficient resource to do their jobs.

#### **4.2.2 Change programs and strategy implementation process**

The study further looked at the various challenges facing implementation of the change programs adopted by the City Council of Nairobi for effective operations and service delivery. There were various reasons cited such as ineffectiveness, lack of direct control and use of the firm's resources, mechanisms such as organizational structure, poor information systems, ineffectual leadership styles, slow assignment of key managers, unplanned budgeting, little or less employee rewards, and weak control systems. The responsibility of implementing the change programs was under the Chief Executive Officer and Senior management docket.

The respondents were asked to choose only ten (10) out of the twelve (12) factors that they felt responded to the challenges involved in implementing change programmes in their Council for effective operations and service delivery, majority of respondents identified gaps in organization structure and rapid change in Technology as the factors hindered implementation of the change process. Need to concentrate on Core Activities , need to reduce operational cost and need to free resources for other purposes was also cited as an impediment to implementing change programmes.

The respondents further felt that the factors that moderately responded to challenges of implementing change programmes was the choice of what to strategy the council needs to embrace to improve institutional focus, ease of activity control through adoption of new technology, need to improve efficiency, and need to reduce risks in operations and service delivery

Some respondents did not consider management style and availability of human resource skills as important challenge factors that deter implementation of change programmes, respondents did not consider Government Policy as an important factor to be considered at all. With regard to other factors that respond to challenges of implementing change programmes at the council, the study revealed that most of the respondents considered choice of external service strategy consultants as an important factor. The various attributes of the strategy consultants which were considered as important include on change programs professionalism, competence, quality of flexibility. The council therefore needs to improve on technology and services quality so as to highly access world class services.

#### **4.2.3 How challenges of change programs affect the implementation process of various areas in the council**

The study looked at how the change program process affect the implementation process of various key areas in the council. On structure, the study revealed that structure provides overall framework for strategy implementation, it is not in itself sufficient to ensure successful execution. Within the organizational structure, individuals, groups and units are the mechanisms of organizational action, and the effectiveness of their actions is a major determinant of successful implementation. In this context, two basic factors encourage or discourage effective action-leadership and culture.

Seeking to establish how change management process challenges affect the implementation process on Culture, the respondents cited that culture is a set of important assumptions (often unstated) that members of an organization share in common. These shared assumptions (beliefs and values) among members of an organization set a pattern for activities, opinions and actions within that firm.

On the area of Technology, the study revealed that most departments at City Council of Nairobi had not fully computerized their operations and service delivery function thus affecting its revenue base. Furthermore, change program process challenges were seen to affect leadership in that without the right leadership; employees remained skeptical of the vision for strategy and distrust of management team management likewise was frustrated and stymied by employee resistance. One major task of the Management was to implement strategy which entailed overcoming resistance.

Most respondents did not term Legal/Regulatory factors as a change program process challenge at CCN since CCN derives its legal mandate from the Local Government Act (Cap 265) of the laws of Kenya amongst other acts of parliament that augment its diverse core functions and priorities. These priorities are contained in various policy and planning documents such as the national development plans, poverty reduction strategy paper and Economic Recovery Strategy (ERS) for wealth and employment creation in the medium term and Kenya's vision 2030.

The study revealed that CCN faced competition in the industry from private owned firms such as estate developers who create estates and hence private owned services such as garbage collection, provision of water and sewerage services. These in turn led to loss of revenue to CCN. The study found that CCN change management process was also affected by Customer needs and preferences. Most respondents cited that strategy sets up leaders to struggle between managing the business and addressing the needs of the people. Typically, it is the people side that loses out. But if leaders don't establish an effective balance between business and people priorities they can destabilize the organizational culture and erode trust, generating fear and skepticism among employees at a time when a loyal, productive, and enthusiastic workforce is essential for success. The various implications of the challenges in implementing change programmes has led to poor provision of services rendered loss of revenue and lack of public trust especially on the timely delivery of services.

#### **4.2.4 Basic requirements of the council for effective implementation of change programs in enhancing service delivery .**

In seeking to understand the councils basic requirements for effective implementation of change programs for efficient operations and service delivery , the researcher

established that in order for the council to effectively achieve effective change programs process for effective operations and service delivery, financial requirements are as important as Physical and Structural facilities whereas the respondents felt that there are other additional requirements necessary for effective change programs

The researcher further established that the councils effective change program had a well-designed vision that allowed for free ideological movement and interaction of staffs. Moreover, the researcher wanted to find out whether there was any particular area frequently outsourced by the councils in effective strategy implementation. The findings therefore indicated that Information Technology is currently being outsourced by the council to a very great extent closely followed by training activities Facility management and policy management were found to be moderately outsourced as one way of improving the efficiency change programs of the councils formulated strategies.

Human resource (HR) services are outsourced to a small extent. The study revealed that HR counter response measures had great future potential as a key management strategy in the organizations, this enabled the council to reduce its high wage bill and improve management of payroll for its employees. The researcher further found that operations and service delivery were not outsourced at all. The council ensured that the activities were performed at optimal level. The respondents were confident that counter response measures had the capacity to increase the organizations effectiveness and efficiency.

## **CHAPTER FIVE**

### **SUMMARY, CONCLUSIONS AND RECOMMENDATIONS**

#### **5.1 Introduction**

This chapter presents the findings of the research, explores the implications of the findings, draws conclusions and prescribes recommendations. The researcher documented the research findings as received from the respondents. The documentation was necessary to support the findings and recommendations as stated. These are the facts from research on which the interpretation were based.

#### **5.2 Summary**

The summary of research findings were based on the study analysis on the challenges of implementing change programs at City Council of Nairobi. The study looked at the following areas; assessing the influence of organizational structure on operations and service delivery, assessing the influence of stakeholders in operations and service delivery, finding out the extent to which motivation influences change programs, the role of computerization in operations and service delivery, the extent to which audit will play a part in change process and to determine the influence of corporate governance on operations and service delivery.

The study dwelt on the various challenges facing the implementation of change programs adopted by the councils for effective programs. There were various reasons cited, such as ineffective direct control of the firm's resources, mechanisms such as an overcrowded organizational structure who had duplicated departments and duties and responsibilities,, poor information systems, ineffectual leadership styles, slow assignment of key managers, unplanned budgeting, little or less employee rewards,

and weak control systems. The responsibilities of the implementation of programs were left to the Chief executive and the senior management teams.

Within the organizational structure, individuals, groups and units are the mechanisms of organizational action, and the effectiveness of their actions was a major determinant of successful implementation. In this context, two basic factors encourage or discourage effective implementation, action-leadership and culture. On how strategy challenge impediments on change programs affect the implementation process on Culture, the respondents cited that culture was set of important assumptions (often unstated) that members of an organization share in common. These shared assumptions (beliefs and values) among members of an organization set a pattern for activities, opinions and actions within that firm.

On the area of Technology, the study revealed that most departments of the council had not computerized its challenge impediments on effective implementation of change programs. Further, strategy challenge impediments on change programs operations was seen to affect leadership in that without the right leadership; employees remained skeptical of the vision for strategy and distrustful of management. The management likewise was frustrated and stymied by employee resistance. One major task of the Manager was to implement strategy which entailed overcoming resistance.

Moreover, majority of respondents identified gaps in organization structure and rapid change in Technology as the factors that highly respond to changes in change implementation process. Need to concentrate on Core Activities, need to reduce operational cost and need to free resources for other purposes was also cited. The respondents further felt that the factors that moderately responded to the challenges of

the choice of what strategy the councils follows includes need to improve institutional focus, ease of activity control through adoption of new technology, need to improve efficiency, and need to reduce risks in challenge impediments on change programs

Some respondents did not consider management style and availability of human resource skills as important challenge factors that determines strategy implementation process services. All respondents did not consider Government Policy as an important factor to be considered at all. With regard to other factor responding to change management challenge and strategy implementation process at the councils , the study revealed that most of the respondents considered choice of external service strategy consultants as an important factor. The various attributes of the strategy consultants which were considered as important includes professionalism, competence, quality of service, contract term, credibility, cost and flexibility. The study also revealed that some respondents did not consider certain factors as important while selecting the external strategy consultants.

These were: size of the strategy consultants, qualification of the strategy consultants and strategy consultants' flexibility. Majority of the respondent felt that it was not cost effective to handle some activities services internally as the required skills were lacking and hiring them would cost more that delegating them to a third party. The councils therefore needs to improve on technology and services quality so as to highly access world class services.

Most respondents did not term Legal/Regulatory factors as a strategy implementation challenge at City Council, since councils derive their legal mandate from the Local Government Act (Cap 265) of the laws of Kenya amongst other acts of parliament that augment its diverse core functions and priorities. These priorities are contained



in various policy and planning documents such as the national development plans, poverty reduction strategy paper and Economic Recovery Strategy (ERS) for wealth and employment creation in the medium term and Kenya's vision 2030.

The study revealed that city councils faced competition in the industry from private owned firm's hence private owned services such as garbage collection, provision of water and sewerage services. These in turn led to loss of challenge impediments on change programs. The study found that City councils strategy implementation was also affected by Customer needs and preferences. Most respondents cited that strategy sets up leaders to struggle between managing the business and addressing the needs of the people. Typically, it is the people side that loses out.

But if leaders don't establish an effective balance between business and people priorities they can destabilize the organizational culture and erode trust, generating fear and skepticism among employees at a time when a loyal, productive, and enthusiastic workforce is essential for success. The study revealed that there were various implications of the challenges on the councils's strategy implementation process. This had led to poor provision of services, loss of challenge impediments on change management programs and lack of public trust especially on the timely delivery of services.

### **5.3 Conclusion**

The study concludes that there were various challenge impediments on change programs. These included Structure, culture, technology, leadership, resistance to change, legal/Regulatory factors, competition in the industry, customer needs and preferences, labor market conditions and substitute products/services. The study

concludes that the council had in a way been able to amend its strategy implementation process as per the challenges. This was through application of all management functions such as planning, controlling, organizing, motivating, leading, directing, integrating, communicating, and innovation to the implementation process.

The change programs discussed in the analysis and City Council of Nairobi takes Lewins three step model is a planned approach to the change management model is evident in the role of management at City Council of Nairobi. From the study it is also evident that change in the organization has preceded the growth strategy, this explains why the Council has undergone structured change within a short time frame. Challenges of implementing the change programs are evident in the organization and resistance to change and change of structures. From the study change processes like technology and information management are not well taken care of as part of the change programme process.

#### **5.4 Recommendations**

The study recommends that in order for City Council to be able to effectively implement their change programs, there is need to have an organized organizational structure, improved information systems, better leadership styles, timely assignment of key managers, effective budgeting and offer rewards, and control systems.

The researcher recommends that City Council of Nairobi put more emphasis in training their staff to manage the operations in professional way. Only qualified and competent employees need to be recruited and the recruitment policy be followed. The Internal Audit department in the City Council should be given the independence

it deserves. An audit committee should be formed which should work independently. Management should always act on the audit reports

City council need to motivate their employees through participation in decision making, innovation and empowerment. Working environment need to be improved as a way of getting employees motivated. Effective communication needs to be in place as a way of management. City council is required to practice corporate governance through establishing guidelines as management tolls of operations managers should also try eradicating corruption in order to improve operations and service delivery.

Study found that resistance to change by employees has hindered implementation of the City Council of Nairobi strategies. As the organization prepared to embark on strategic planning, resistance to change by employees may impede the process, there is need for the Councils management team to take a more proactive approach to managing change within the organization. Currently Change programs practices involves the management in setting goals, clarifying desired outcomes, providing feedback, giving rewards for desired performance and taking action when goals are not met. The focus of these change programme practices are on performance driving cultural changes.

The findings found out that the City Council of Nairobi management had not formulated and documented a change programs plan but had prepared a documented annual change plan. Annual planning has an operational focus and is concerned primarily with concrete goal setting and scheduling of specific tasks to meet the goals. The Councils management's team can build up on their experience through long term strategic change planning, environment scanning, goal setting and performance evaluation so as to develop a practical strategic plan. There is need for a structured

planning process. Based on the study findings it is recognized that the process of designing any changes may not be accepted by all and that implementation of change must be a continuous process and should be motivated so that the objectives of the change are met

### **5.5 Limitations of the study**

Respondents assumed that they were being investigated and thus unwilling to fill in the questionnaires and the researcher convinced them that the information they were to give was to be used only for academic purposes. The research met with various challenges when conducting the research that included the fact that the council employees ordinarily do not want to give information due to client confidentiality. In addition, some of the interviewees would not find the subject to be of interest. Additionally, some respondents would not want to give the information as they considered it of competitive importance. The respondents being normally very busy people may not have found a lot of time to be interviewed. Since the research was conducted via open-ended interviews, a large amount of time was needed to collect information from the respondents. Time limitation made it impractical to include more respondents in the study. This study was also limited by other factors in that some respondents may have been biased or dishonest in their answers.

More respondents would have been essential to increase the representation of the council's team in this study and allowed for better check of consistency of the information given. However, the researcher did look for contradictions in the information given and no inconsistency were found. A limitation for the purpose of this research was regarded as a factor that was present and contributed to the researcher getting either inadequate information or responses or if otherwise the

response given would have been totally different from what the researcher expected. The main limitations of this study were most of the respondents were busy throughout and had to continuously be reminded and even persuaded to provide the required information. Further some respondents decided to withhold information which they considered sensitive and classified. This reduced the probability of reaching a more conclusive study. However, conclusions were made with this response rate.

### **5.6 Suggestions for further research**

Effective counter respond measures on challenge impediments on change management programs, research areas is widely embraced in the developing countries such a Kenya. In Kenya, it has gained acceptance mainly in the private organizations, however government organizations are also incorporating it as a key management strategy though at a sluggish pace. Given that this study only covered challenges that affect Implementation of change programmes at City Council of Nairobi, for effective challenge impediments on change programs, studies need to be done on challenge impediments on change management program for all Local Authorities. There is therefore room for a similar study to cover the entire council's effective strategy implementation in the major towns in Kenya. This is timely, given the today's rapid technology advances and the increased emerging of competition on organizations in the country.

The researcher suggest further research on revenue management since revenue can be collected to maximum level but be mismanaged due to other factor that the study did not consider

### **5.7 Implication of the study on Theory, Policy and Practice.**

The City Council of Nairobi has no clearly defined change management programs. Most of the change programmes at the Council are on emergent basis, since they are not planned but are reacting to threats. The Policy statement of the City Council of Nairobi is that of service delivery to the residents of Nairobi, which is enshrined in its Strategic Plan and vision mission statement which guides it.

The Council has embraced the Kurt Lewin's three step model, whereby the unfreeze stage is about getting ready to change , this is where the Council needs to move from its current comfort zone and getting motivated for change by weighing its pros and cons and deciding on what actions to take. Lewin's model has been useful to the Council as it has helped them embrace change and also to incorporate the change within the organization.

The City Council need to embrace the Change Kaleidoscope way in running its day to day activities by getting to use the eight steps used in the kaleidoscope change framework by getting to find out if the employees of City Council of Nairobi feel the change taking place within it. Change kaleidoscope was to be used to codify the wide range of contextual features and implementation options that may require consideration during change. The change practices that need to be looked at are: Time-How quickly is the change needed? Is the organization in crisis or is it concerned with its long term strategic development. Scope- what degree of change is needed? Does the change affect the whole organization or only part of it? Preservation- what organizational assets, characteristics and practices need to be maintained and protected during the change process? Diversity- Are the different

staff, professionals, groups and divisions within the organization relatively homogeneous or more diverse in terms of value, norms and attitudes.

Capability-what is the level of organizational, managerial and personal capability to implement change? Is there need to improve this capability before change process can be started. Capacity- How much resources can the organization invest in the proposed change in terms of cash, people and time. Readinesses for change- How ready for change are the employees within the organization? Are they both aware of the need for change and motivated to deliver the changes? Power- Where is the power vested within the organization? How much latitude of discretion does the unit needing to change and the change leader possess?

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**APPENDIX I**  
**INTERVIEW GUIDE**

**Instructions to be answered by employees in all 16 departments**

**Background of information**

- 1) **Name ( Optional)**
  
- 2) **State your gender : Male or Female**
  
- 3) **What is your highest academic qualification: Masters, degree, A 'levels, A 'levels or specify any other**
  
- 4) **Your position at City Council of Nairobi**
  
- 5) **How long have you worked at City Council of Nairobi**

**Change management programs at City Council of Nairobi**

- 1) **Are you aware of any change that the organization has been undertaking?**
  
- 2) **If answer is yes, which changes are you aware of?**
  
- 3) **In your own view, what has necessitated the changes? Explain**
  
- 4) **Do you think that the changes are impacting positively or negatively for the organization? Explain**

- 5) **Is there any aspect that needed change that was not exhaustively exhausted?**
  
- 6) **In your own words please explain what are the factors that accelerated change and what are the factors that reduced the speed of change?**
  
- 7) **What are the major successes of the change?**
  
- 8) **What role does communication play in the role of change management in the organization?**
  
- 9) **What is the role of human resource department on the effectiveness of implementing change management programs in the organization?**
  
- 10) **What initiatives are taken by management in creating and sustaining a climate which motivates employees when implementing change management programs in the organization?**
  
- 11) **What is the model/style of change management programs at city council of Nairobi?**
  
- 12) **What are the change management programs at city council of Nairobi?**
  
- 13) **In your own view have you experienced a shutdown or delay in implementing change as a form of resistance to the programme being implemented?**

**14) In your own view, do you think that resistance to change is a useful tool and how is it impacting (negatively/positively) to the organization?**

**15) What are the factors leading to success or failure of the change management programs in the organization?**

**16) What new technology has been adopted by the organization in the last 10 years?**

**17) How can you rate the organization in terms of modernization?**

**18) Did you get formal training while implementing change management programs in your organization?**

#### **Implementation of change**

**1) Did the organization anticipate the change it is undergoing and how was the change carried out?**

**2) Did the organization consider aligning the change in line with the corporate culture, vision, mission statements and goals of the organization?**

- 3) **Was there any consideration that change will be accepted or possibility of resistance?**
  
- 4) **What was done to ensure acceptability of the change among its various stakeholders and minimizing possibility of resistance?**
  
- 5) **What was done to ensure that change is institutionalized?**
  
- 6) **Was change communicated to staff? if yes, how was it done?**
  
- 7) **Did top management support the change process?**
  
- 8) **Was the vision mission statement well-articulated and understood by the staff?**
  
- 9) **Were you part of the change implementation process in your organization? If yes, what role did you play?**


#### **Challenges of change**

- 1) **What are the major challenges in implementing change in your own opinion?**
  
- 2) **Are staff members involved in planning and implementing change?**

- 3) **What challenges is management expecting to experience in implementing change and adapting the same in line with the new constitution?**
  
- 4) **What challenges have you not responded to?**
  
- 5) **What results have you observed after the change programs were implemented?**
  
- 6) **What are your suggestions and recommendations?**


**THANK YOU FOR YOUR RESPONSES**

**APPENDIX 11: INTRODUCTORY LETTER FROM CITY COUNCIL OF  
NAIROBI**



**CITY COUNCIL OF NAIROBI**

TOWN CLERK  
TELEGRAM: "MUNICIPALITY" NAIROBI  
TELEPHONE: 224282  
EXT 2381



CITY HALL  
P. O. BOX 30075  
NAIROBI  
KENYA

Ref: HRM/CCN/HRM/TB/HR/SWM /2011

**DEPARTMENT OF HUMAN RESOURCES MANAGEMENT**

Date: CCN/HRM/TB/HR/SWM  
2nd September 2011

JOYCE BOYATI  
P.O. Box 20075 - 00100

**RE: RESEARCH.**

Reference is hereby made to your application letter dated 1st Sept, 2011 on the above subject;

The City Council of Nairobi has approved your request subject to the following;

1. The period of attachment will be one (1) months with effect from 2nd September 2011 to 2nd October 2011.
2. You will be attached to all sixteen departments in the Council
3. You are expected to adhere to the rules and regulations pertaining to your attachment.
4. That during your study there will be no costs devolving on the Council.
5. That you undertake to indemnify the Council against any claim that may arise from your research.
6. You are expected to be decently dressed at all times.
7. You are required to submit a **Copy of the final research document** within one weeks/months after completion.
8. You are expected to pay research fees of ksh. KSL

By a copy of this letter The Heads of Dept. is /are requested to accord you the necessary assistance.

Please report to the Chief Administrative Officer(s) in the sixteen departments for your research.

**CITY COUNCIL OF NAIROBI**

*Alice Kahuthu*


**ALICE KAHUTHU**

Sign: **FOR: DIRECTOR HUMAN RESOURCE MANAGEMENT.**

DIRECTOR  
HUMAN RESOURCES MANAGEMENT



**APPENDIX III: INTRODUCTORY LETTER FROM UNIVERSITY OF  
NAIROBI**

  
**UNIVERSITY OF NAIROBI**  
**SCHOOL OF BUSINESS**  
**MBA PROGRAM - LOWER KABETE CAMPUS**

---

Telephone: 020-2059162  
Telegrams: "Varsity", Nairobi  
Telex: 22095 Varsity

P.O. Box 30197  
Nairobi, Kenya

DATE.....

**TO WHOM IT MAY CONCERN**


The bearer of this letter Joyce Boyani  
Registration No: D61/70037/2007

is a Master of Business Administration (MBA) student of the University of Nairobi.

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

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

Thank you.

  
**DR. W.N. IRAKI**  
CO-ORDINATOR, MBA PROGRAM

**UNIVERSITY OF NAIROBI**  
**SCHOOL OF BUSINESS**  
**MBA OFFICE**  
**P. O. Box 30197**  
**NAIROBI**

**UNIVERSITY OF NAIROBI**  
**SCHOOL OF BUSINESS**  
**MBA OFFICE**  
**P. O. Box 30197**  
**NAIROBI**

**APPENDIX 1V:INTRODUCTORY LETTER FROM RESEARCH STUDENT**

**5<sup>th</sup> September, 2011**

Dear Respondents,

I am a Postgraduate student at Nairobi University, pursuing a Masters degree in Strategic Management. As part of partial fulfillment for the degree, I am conducting a research study on: **CHALLENGES OF IMPLEMENTING CHANGE PROGRAMMES: A CASE STUDY OF THE CITY COUNCIL OF NAIROBI.**

For this reason I would appreciate if you would kindly spare a few minutes of your time for me to ask you a few questions in regard to challenges of implementing change programmes at City Council of Nairobi.

The information from this interview will be treated with confidentiality and in no instance will your name be mentioned in this research. In addition, the information will not be used for any other purpose other than for this research. Your assistance in facilitating the same will be highly appreciated.

Thanks in advance.

Yours Faithfully

**Joyce Boyani.....Supervisor.....**

**APPENDIX V:PROPOSAL CORRECTION FORM**

## APPENDIX VI LIST OF DEPARTMENTS SURVEYED

Departments of the city council of Nairobi and the Heads of Departments

Administration.....Town clerk

City treasurer.....City Treasurer

City planning.....Director, City planning

City engineers.....City Engineer

Public health.....Medical officer of Health

Environment.....Director of environment

City inspectorate.....Director of City Inspectorate

Social services & housing.....Director Social Services & Housing

Legal affairs.....Director of Legal Affairs

ICT.....Director of ICT

Audit.....Director of Internal Audit

Human resource management.....Director Human Resource Management

Investigations & information analysis. Director Investigations & Information Analysis

City education .....Director City Education

Housing development department.....Director Housing Development Department

**Source: Researcher (2011)**

**CHALLENGES OF IMPLEMENTING CHANGE PROGRAMMES AT CITY  
COUNCIL OF NAIROBI**

**OBWAYA JOYCE BOYANI**

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

**AUGUST 2011**

**DECLARATION**

I declare that this is my Original work and has not been presented in any other University or College for Examination or Academic purposes.

**Signature:..... Date:.....**

**BOYANI JOYCE OBWAYA**

**D61/70037/2007**

**SUPERVISOR'S DECLARATION**

This project has been submitted for examination with my approval of the following listed university supervisors.

**Signature:.....Date.....**

**DR .ZACK AWINO, PHD**

**SENIOR LECTURER**

**DEPARTMENT OF BUSINESS ADMINISTRATION**

**SCHOOL OF BUSINESS, UNIVERSITY OF NAIROBI**

## **DEDICATION**

This thesis report is dedicated to my Late Father Andrew Moturi, my dearest Mother Mary Bochaberi, dear Husband David Naibei, my lovely Children Kyle, Elvis, Kadzo and my Siblings Gladys, Anthony, Ruth and Richard for their inspiration and relentless motivation throughout my study period, God bless them all.

## **ACKNOWLEDGMENTS**

It has been an exciting and instructive period of study at the University of Nairobi and I feel privileged to have had this opportunity to carry out this study as a demonstration of knowledge gained during the period of study for my master's degree. This research project has been accomplished with the encouragement, support and contribution from a number of people whom I am deeply indebted to. First of all am indebted to the all-mighty GOD for his grace and for seeing me through this program every step of the way and for being with me throughout the study period. To my supervisors, Dr. Zack Awino and Dr. Maalu from the School of Business University of Nairobi for their guidance, dedication and their valuable contribution to the previous drafts and ultimately providing guidance and counseling to produce a paper of such magnitude throughout the research project. They gave me great and outstanding ideas that became extremely useful within the academic scope of this research project. I owe great thanks to staff at Am Bank House and Lower kabete offices for their motivation and help in the areas that needed their assistance. I also wish to thank my colleagues and class mates at University of Nairobi for their moral support during the period of study. Finally, I owe special thanks to my family, who have supported me and were patient with me even when my studies quietly ate into the time meant to be spent with them.



## **LIST OF ABBREVIATIONS AND ACRONYMS**

<b>CCN</b> .....	City Council of Nairobi
<b>MOLG</b> .....	Ministry of Local Government
<b>CBD</b> .....	Central Business District
<b>MBWA</b> .....	Management by walking around
<b>TQM</b> .....	Total quality management
<b>BPR</b> .....	Business process re-engineering
<b>LASDAP</b> .....	Local Authorities Service delivery Action Plan
<b>HOD</b> .....	Heads of Departments
<b>HR</b> .....	Human Resources
<b>ERS</b> .....	Economic Recovery Strategy

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## **ABSTRACT**

Much of the previous research into the change programs has concentrated generally on challenges of change management, management of strategic change and management of change management process. This study therefore sought to fill the existing research gap by carrying out a case study on challenges of implementing change programs at City Council of Nairobi. The main objective of the study was to investigate the challenges experienced by City Council of Nairobi in implementing Change programs. The findings may be a general reflection of what happens in local authorities' country wide. This research was conducted through a case study. The target population of this study was 16 number departments at the City Council of Nairobi. This paper utilized an interview guide in data collection. This study collected primary data using a self-administered interview guide. The response received was analyzed by content analysis. From the findings, the study established that majority of respondents were aware of the change programs being implemented within the City Council of Nairobi. The study further established that most of the respondents were in agreement with the challenges in implementing the change programs in the organization. This study therefore recommends that in order to avoid challenges in implementing change programs within the City Council of Nairobi a review of the organization's strategic plan and the entire organizational structure needs to be revised and a more hands on approach needs to be incorporated within the organization and disseminated to all staff, who also need to be involved in the decision making processes that take place within it..

## CHAPTER ONE

### INTRODUCTION

#### 1.1 Background of the study

Organizations rarely standstill, but are in a more or less constant state of flux where change and adaptations is one part, if the organization has a knock on effect elsewhere.(Cole, 2005).It has become the accepted view that, for the society at large, the magnitude, speed, unpredictability and impact of change are greater than ever before. Although many claim that we are living through a period of unprecedented and unpredictable change, not everyone is affected by the same change. Though change management would not be considered particularly important if products and markets and organizational change were rare, it would be considered even less of an issue, if it were easily merged and success would be guaranteed, there is substantial evidence that this is not the case.

Strategic change management is a systematic approach to achieving a sustainable change in the human and organizational behavior. It involves changing the people in the organization from certain old behavior to some new behavior desired by the organization (Todd, 1999). (Jones, 2004) states that organizational change is the process by which organizations move from their present state to some desired future state so as to increase their effectiveness. Change affects every aspect of life thus taking a proactive approach to change is the only way to take charge of the future either as an individual or as an organization.

Change management entails thoughtful planning and sensitive implementation and above all, consultation with, and involvement of, the people affected by the changes. Change must be realistic, achievable and measurable. A question that needs to be asked is: what do we want to achieve with this change, why, and how will we know that the change has been achieved? Who is affected by this change and how will they react to it? Change management need to be understood and managed in a way that people can cope effectively with it.

Change can be unsettling, thus the manager needs to be a settling influence. Three types of organizational change that has been perceived to be important and have received considerable attention are Introduction of the new technology in the early 1980's, adoption of total quality management (TQM) and application of business process re-engineering (BPR).The microelectronic revolution of the 1980's which saw the rapid expansion of computers and computer based processes into most areas of organizational life, was the subject of great many studies. The move by the European organizations to adopt total quality management began in the mid 1980's, although total quality management was a success to the Japanese companies, whereas the experience in the western companies was that it was difficult to introduce and sustain the same.

Philip Crosby (1979) one of the founders of total quality movement claimed that 90 per cent of the TQM initiatives by American organizations failed. In the United Kingdom and other European countries the failure rate was 80 per cent. Business process re-engineering was hailed as the biggest business innovation (Mill, 1994:26) though less well documented than either new technology or TQM, (Wastell et al ) (1994:37) concluded that the business process re-engineering have typically achieved much less than they promised. Therefore even with these three types well established initiatives there is no guarantee for success. This is perhaps why managers consistently identify the difficulty of managing change as one of the key obstacles to the increased competitiveness of their organizations (Hanson, 1993; industrial society, 1997; Worrall and Cooper, 1997).Change management can either be reactive, in which case the management is responding to changes in the macro environment/(some change is external) or proactive, in which management is initiating change in order to achieve a desired goal(source of change is internal) Change management can be coordinated on a continuous basis, on a regular schedule, or when deemed necessary on a programme by programme basis (Lewin, 1947).

### **1.1.1 Concept of change management**

Organizations face challenges that are from their external environment. Environment's which organizations operate in are not static but continuously changing (Rue and Byar, 1992). This study will concentrate on challenges of implementing change programmes at City Council of Nairobi. Organizational

environment has been changing since the 1970's when the world experienced great changes in the petroleum price thus organization's had to consider how to reconfigure themselves to take in these external events into account (Stones; Freeman and Culbert, 2003). In the 1980's change shifted from local to global, thus market competitions were intensified across the world. In the 1990's technology revolutionized the way we think about organizations. Failure to spot change trends and conditions and to effectively manage them leads to a serious strategic problem characterized by maladjustments of the organizational outputs and demands of its internal environment (Thompson, 1997).

Change management is not a distinct discipline with rigid and clearly defined boundaries. Theory and practice of change management draws on a number of social science disciplines and traditions. The tasks are further complicated by the fact that the social sciences are inter woven, to challenge this, is to range wide enough to capture the theoretical foundations of change management, without straying so far into its relates disciplines that clarity and understanding suffer.

### **1.1.2 City Council of Nairobi**

The City Council of Nairobi is among the 275 Local Authorities in Kenya. It is governed by Cap 265, the Local Government Act,. In the Act, the City Council of Nairobi is classified as a municipal council. The act of parliament is yet to be amended to adopt the word 'city' among its classifications of the local authorities. In Kenya today there are only three cities recognized by the office of Deputy Prime Minister, Ministry of Local Government. They are the City Council of Nairobi, Mombasa City and Kisumu City. Other classifications of the local authorities include municipal councils (for example Machakos, Nyeri), County Councils (for example Nyamira, Makueni), Town Councils (for example Tala-Kangundo, Oyugis). Nairobi 'The place of cold water' owes its beginning to the exploitation of the East African territories by the British. With the railway reaching Nairobi in 1898, the colonial administration seat shifted from Machakos to Nairobi. This was facilitated by the availability of means of transport from Nairobi to Mombasa and the rest of the interior (including the later called white highlands). The rate at which Nairobi was growing as an urban area called for formation of a municipal committee.

In 1900 Sir Arthur Harding published the Nairobi municipal regulations and defined the Township as the area comprised within a radius of one mile and a half from the then present office of H. M. Sub minister in Ukambani'. The regulations covered committee meeting conduct, methods of lighting, policing and cleaning. The first Town Clerk was Captain E. L. Sanderson, other white Town Clerk who followed



were Sir Henry Belfield, Walter, Williams, Ridont, and Sir Edward Northey among others. The first African Councillors to serve in the municipal were Muchuhi Gikonyo and Khamisi in 1946. The first African Town Clerk was appointed in 1967. Since then 17 Town Clerks have managed the Council to date. The Council mandate is to provide and manage basic social and physical infrastructure services to the residents of Nairobi. These services include basic education, housing, health, water and sewerage, refuse and garbage collection, planning and urban planning and development, urban public transport and fire services among others.

There is no clearly designed change management approach in the City Council of Nairobi. Being under the office of Deputy Prime Minister, Ministry of Local Government, it has influences of the Molg, the office of the President, the office of the Prime Minister, Ministry of Finance and the Directorate of Personnel Management. Each of these branches issue advice, directives and instructions to the City Council of Nairobi on various areas of change programmes.

Change programs under performance contracting are coordinated from the office of the Prime Minister, Reforms Secretariat. The secretariat gives advice on financial, non-financial, operational and dynamic aspects of council's performance contract.

Directorate of Personnel Management gives directives and advice on the growth and development of officers with the framework of public service. Ministry of Finance also issues directives on procurement, fund spending, funds revenues and general public funds management. This affects the other government agencies including the City Council of Nairobi. It is at rare occasions that the council will have independent planned changes. This is because it operates under the umbrella of the Molg. Operating capital expenditure of the council has to be approved by minister Molg and the minister for finance (as instructed by parliament).

Most of the change management approaches at the council level are on emergent basis. They are not planned but are reactive to a threat which is in force and instructions from above. But it should be noted that normally change management approach in the council are a more or less a process. Bullock and batter (1985) approach has some application in the council. The management creates awareness of need for change after receiving instructions from the external influencers. The instructions are tailor made for council through planning for actions to be undertaken and how best to implement the changes as per the action plan.

Kanter et al (1992) Ten (10) commandments approach has also been used in the institutionalization of changes. The separate commandments are implemented one by one without following any order as the management and internal change agents so feel. Use of emergent change management approaches has also been in use. Due to the nature of some changes, the council is unable to plan for changes. The council reacts to such changes when they occur to reduce their effects or completely done away with them. But it should be noted that there is no defined change management policy in the council to guide on the approach. This means that the management consisting of councilors and chief officers are the ones who sometimes give direction through the council's resolutions. Any significant transformation creates people issues. New leaders will be asked to step up, jobs will be changed, new skills and capabilities must be developed and employees will be uncertain and resistant. In dealing with these issues on a reactive, case-by-case basis puts speed, morale and results at risk.

A formal approach for managing change begins with the leadership team and then engaging key stakeholders and leaders should be developed early and adopted often as change moves through the organization. This demands as much data collection and analysis, planning and implementation discipline as does a redesign of strategy, systems or processes. The change management approach should be fully integrated into program design and decision making both informing and enabling strategic directions. It should be based on a realistic assessment of the organization's history, readiness and capacity to change. The change management practices adopted by city council of Nairobi are; the introduction of Performance Contracting, Performance appraisal system, Rapid results initiative among many more.

Due to ever changing business environment especially with the influence of the government, many awareness and understanding practices have been put in place most of which were initiated in year 2003 by the NARC government and the current coalition government. The council has had its chief officers sensitized on government reforms which are transmitted to the council. Several induction courses have been conducted on them at the Kenya institute of administration. All other council's officers at one point in time have been sensitized on the council's changes and

management especially on performance contract, performance appraisal system, corruption eradication, ISO and the 6 key results areas in the current strategic plan. In-house training has been carried by training consultants on junior and senior officers.

Council's posters, newsletters and internal communications have been popular in the creation of awareness and understanding of change programmes at the council. Posters are displayed at strategic points in all the departments where the employees as well as visitors to the council can easily read and understand them. The council's introduction of 'The city council of Nairobi annual news report' publication has made many people be aware council of the significant changes and the change programmes being implemented. The council holds public awareness week annually. It uses the LASDAP's public forums to create awareness and understanding of the change and change management in the city council of Nairobi. For the change and change programs to be meaningful and successful in the council, it had to start from the top. The councilors and the chief officers who are policy makers had to initiate change through the council's resolution. Policies were developed and adopted by the members of the council and the chief officers were entrusted with the implementation process. This was the start point of institutionalizing change programs.

The councilors and the chief officers have undergone several trainings on change leadership. Seminars for top and middle management officers have taken place in various locations here the participants were taught to be key instruments of change and change programs. They were to lead the change process from the front but not back. Exchange programs have been conducted; some councilors and chief officers have travelled out of the country to Japan, USA, Britain and South Africa to have firsthand information on change programs and they have seen it work during the visits to the above mentioned countries. On coming back management team was formed to spearhead the changes headed by the City Mayor and the Town Clerk.

The adoption of employment of the chief executive officer on contract has been a practice to enhance the change leadership in the change programs. The former Town

Clerk initiated a regular and MUST chief officers' meeting on weekly basis. He personally used to chair the meetings which concentrated on the change programs operated by the council. It is composed of all the chief officers, heads of key operational areas like the markets, the city mortuary, the wards and divisional heads, inspectorate CBD group and Pumwani maternity hospital. Changes were initiated, communicated and implemented by the individual members of these work teams. This meant that the Town Clerk had all the updates on the change and change programmes at hand and was also known for his personal interaction and monitoring of the council changes through MBWA (management by walking around).

In his contract period, the city council of Nairobi's lost glory was being regained bit by bit. His successor has followed his footsteps in the change programs, he is known to advocate for change, support and change programs whether his subject likes it or not. It is notable that some officers have been forced by the wave of change and its management to exit from the council. This is because they would not stand it due to their rigidity to changes. In change leadership the chief executive officer of the council, is the chairman of the Reforms Secretariat, which oversees all the reforms or changes in the council. His secretary is a senior able officer, the Assistant Town Clerk, Reforms Secretariat.

## **1.2 Research problem**

In the last decade or so there has been an accelerated organizational change across the globe; these changes whether political, economic, social and technological have not spared Kenya. Many organizations have not managed change properly due to industrial unrests, resistance from staff and so on.

Many studies have been done in Kenya on change management namely: Gichohi (2007) looked at challenges of change at Unga group and concluded that the change process was due to liberalization of the Kenyan economy. Odhiambo (2005) evaluated the problems and practices in the manufacturing sector and concluded that manufacturing companies in Kenya considered implementing Kotters eight stage model. 'Amenya (2001) analyzed management of strategic change at rift valley railways and concluded that there were internal and external factors that necessitated

change at rift valley railways. Kamau. J (2010) study finding showed that management process at Action aid began by setting goals and objectives , study found out that challenge of managing change was due to the restructuring of the organization. Kibaga (2005) looked at strategic change at the insurance industry of Kenya. Most of the studies done have not looked at challenges face by implementing change programs at City Council of Nairobi. There exists a gap between concepts of strategic change management at City Council of Nairobi where previous studies dwelt on change management which therefore seeks to address the Knowledge gap.The study will therefore bridge the gap on the challenges of implementing change management programs at City Council of Nairobi?

### **1.3 Objectives of the study**

The specific objective of the study is

- 1) Establish the change programs ,
- 2) Identify the challenges faced in managing change programmes
- 3) Evaluate the change process in light of the models of change programmes at City Council of Nairobi.

### **1.4 Value of the study**

The findings of the study will have a wide spread implication on the organizations change management and will help revise the existing change management strategies. Study will add value to the existing body of knowledge. The value of the study will be its significance to City Council of Nairobi and other Local authorities on how best to manage and improve change management programs. How useful it is to management and employees of City Council of Nairobi as it will provide an opportunity to gauge their progress, direction and benefits accruing from the change effect. The study will generate literature on implementing change management processes at City Council of Nairobi for top scholars and researchers willing to carry out research in the field of Change Management. The study will also be helpful to City Council of Nairobi assess its levels of change management performance in relation to its peers and other industry players.

## CHAPTER TWO

### LITERATURE REVIEW

#### 2.1 Introduction

This chapter reviews the different perceptions of strategic change by scholars, and the various approaches to strategic change. Change is any planned or unplanned transition from one state to another, such change comes in many forms. Strategic change is long term in nature and affects the entire organization and aims at achieving effectiveness.

According to Burnes(1998) there are three schools of thought that form the central plank on which change management theory stands are: The individual perspective school, Pavlov (1927) that a dog can be taught to salivate at the ringing of the bell, by conditioning the dog to associate to the sound of the bell . This school of thought is split into two camps that are behaviorists and gestalt-field psychologists. According to the behaviorist theory all behavior is learnt, the individual is the recipient of the external and objective data. One of the basic principles of behaviorist is that humble actions are conditioned by their expected consequences. Behavior that is rewarded tends to be repeated and vice versa. Therefore in order to change behavior it is necessary to change the conditions that cause it (Skinner, 1979). In the principle of extinction, behavior will stop eventually if it is not rewarded (Lovell, 1980).

In the Gestalt Field theory learning is the process of gauging or changing insights, outlooks, expectations or thought patterns. According to the Gestalt filed perspective, behavior is not just a product of external stimuli but rather arises from the individual reason to interpret stimuli. The school has proved influential in the management of change whereas some writers use them in tandem.

The group dynamics school, this school has the longest history (Schein, 1969) as it originated with the work of Kurt Lewin. This group emphasizes on organizational change through team work groups rather than individuals (Bernstein, 1969) According to Lewin (1947a, 1947 b) people in organization work in groups, individual behavior must be seen, modified or changed in light of the groups prevailing practices and norms. Lewin (1947 a, 1947 b) postulated that group behavior is an intricate set of symbolic interactions and from that not only affected

group structures but also modify individual behavior. Therefore he agrees that individual behavior is a fraction of the group environment. The open systems school, is composed of a number of inter connected sub systems. Any change in one part of the system will have an impact on other parts of the system and its normal performance (Scott, 1987). The open system approach is based on describing and evaluating the sub-system in order to determine how they need to be changed so as to improve the overall functioning of the organization. Organizations are open to interact with the external environment and are also open internally. The various sub-systems interact with each other.

## **2.2 Strategic change**

Change is usually triggered by a threat or opportunity which is of sufficient magnitude that the organizational members can't ignore it? (Van de Venn & Poole, 1995). Strategic change is defined as a difference in the form, quantity or state over time in organizational alignment with its environment (Rajagopalan & Spreitzer, 1997). Strategic change not only decides what to change, how and when to change specific elements of the organizations strategic orientation (Worley; Hitchin & Ross, 1996). This change may be driven by dramatic change in the environment, declining organizational performance or both.

According to Hoerfers & Schendel (1978) Strategic change is also defined as change in the context of the organization's strategy as elaborated by its scope, resources, deployment, competitive advantage and synergy. Strategic change could also be affected by the state of the organization and its external environment. For instance organizations will adopt new strategies' in the face of financial distress for purposes of being even in the critical situation. Most recently there has been a shift of emphasis, away from the behavioral explicit, to an exploration of ways in which organizations perceive, interpret and understand strategic change.

Many of the change programs arise from management issues such as culture change, empowerment and technological changes. Change initiatives are driven by the need by organizations to reposition themselves in the face of changing competitive conditions. Change processes involve radical transitions within the organization that

encompass strategy, structure, system, process; culture (Balogun, 2001). Organization will experience different levels of transition. Gradual change represents a fairly stable slightly linear variation in the environment. Continuous change represents both steady and incremental shifts in the environment over time. Cost cutting, elimination of waste, reduction of efforts, streamlining internal processes, minimizing variation applying external best practices are key tactics (Hummer, 1990)

### **2.3 Approaches to strategic change management**

The first great test of competence that organization's face in their change effect is the identification of the change path to follow (Drucker; 1954). Strategic change is an ongoing process which must concentrate on assuming a good fit between the environment and the organization, where it needs to take into account competitors, customers and the external environment including technology, politics, economy and social factors (Rajpal; 2007). The strategic approach has three distinct processes namely: what business are we in? What are the key issues? How best can we compete? (Cohen & Cyert; 1973). Strategic planning process entails the following process, formulation of goals, analysis of the environment, assigning quantitative values to the goals, micro process strategy formulation, gap analysis, strategic search, selecting portfolio of strategic alternatives, implementing the strategic program, measurements, feedback and control. These steps should not be seen as an instant process of strategic change but a continuous ongoing process (Ansoff; 1969).

### **2.4 Change management models**

Kurt Lewin proposed step models which are commonly referred to as Unfreeze, change and Freeze. The Unfreeze stage is probably one of the most important stages to understand. This stage is about getting ready to change, it involves getting to the point of understanding change is necessary and getting ready to move from the current comfort zone. The unfreeze stage is about getting motivated for change and weighing the pro's and con's and deciding what action needs to be taken.

The change process stage is transitional. Transition is the inner journey or movement that is made in reaction to a change. This stage occurs as we take the changes that are needed. The freeze stage is whereby people are moving towards a new way of being.it



is usually the hardest period, as people are unsure and fearful. Support is of great importance here and can be in the form of Training, coaching and accepting mistakes as part of the process. It helps to communicate a clear picture of the desired change and its benefits to the people so as to not lose sight of where they are going. The freeze stage is about establishing stability once change has been made. Change is acceptable and becomes the new norm. People form new relationship and become comfortable with their routines. It is at this stage that managers can have a great influence thus leading to positive performance.

There are many theories on how to implement strategic change, many of them originate from leadership and change (Kotter, 1995). Kotter outlined eight steps namely: Create Urgency, this is whereby there is the development of sense of urgency and need for change. This helps in getting things moving. Urgency can build and feed on it and many people grasping the need for it. It identifies threats and develops scenarios about what could happen in the future. Form a powerful coalition; convince people that change is necessary. It takes strong leadership and visible support of people within the organization by bringing influential people together whose power cover areas such as job titles, expertise and political importance.

Create vision for change, links concepts of great ideas and solutions floating around. A clear vision helps, people grasp early and remember. Detecting values that are central to change is an effective tool and practice the vision of speech offered. Communicate the vision, do this frequently and powerfully and embed it within the organization. Talk often about the change agenda and apply the vision to all aspects of operation. Management should lead by example. Remove obstacles this can empower people. Hiring of change leaders is as effective as identifying leaders within the organization. Reorganize and lead people for the change effort. Look for super fire projects that can be implemented and reward staff members who meet the expectations.

Build on the change, Kotter (1995) efforts that change fast become victory and is derived too early. Real change runs deep. Quick wins are only the beginning of what needs to be done to achieve the long term change. Anchor for change, is corporate culture. Make organizational changes stick and become part of the organization.

Corporate culture determines what needs to be done; it ingrains the value behind the vision and incorporates the same in the day to day activities of the organization. Create short term wins, nothing motivates more than success. Assess the staff performance and results within a short time frame, without criticizing and negative remarks as this do not lead to them meeting their progress.

Temporary aspects of change are used as a means of breaking down the complex process of organizational change into manageable portions such as, conception for need for change which maybe in response to external or internal pressures or may be through a belief in need of change to meet future competitive demand (Dawson, 1984).he further states that change can be seen as a process of organizational transition where strategic decisions are made. Operations of new practices and procedures refer to the period when following implementation of change, new organization arguments and systems of operations begin to emerge.it is the period in which the relatively stabilized system of operation emerge comprising of new patterns of relations and new forms of working practice(Dawson, 1984).

Quinn (1986) argues that integrating of processes is incremental not processual. This involves patterns of change through creating awareness and commitment incrementally, amplifying the understanding of awareness, changing symbols and building credibility, Legitimizing new view points and making tactful shifts and partial solutions (Quinn, 1986). He further states that change progress should be solidified incrementally through creation of pockets of commitment by empowering champions and continuing the dynamics by eroding consensus.

A learning organization is an organization that has developed continuous capacity to adapt and change (Robbins, 2003). All organization learn whether consciously or sub consciously as it is a fundamental requirement for their sustained existence. A learning organization is an ideal to strive towards rather than a realistic description of structured activity, which draws organizational behavior concepts such as quality management organizational culture, boundary less organizations, functional conflict and transformational leadership.

## **2.5 Challenges of implementing change programmes**

The biggest single challenge facing managers today is globalization, and how to achieve sustainability in a world of dwindling natural resources and increasing environmental pollution, how to manage an increasingly diverse workforce and at a time leaders are considered less trustworthy and how to manage ethically (Burnes, 2003)

Slow adoption to modern technology is one of the key factors in the challenges of implementing change programmes. Mismanagement of resources is another challenge in the implementation of change programmes; resistance to change due to the unknown, another equally important factor is failure to adhere to rules and regulations, culture, stakeholder politics, teamwork and leadership are some of the factors that can influence the outcome of any change programme.

According to Ansoff and McDonnell (1990) Resistance to change is a multi-faceted phenomenon which introduces delays, additional costs and instability in a change process. Resistance can either be behavioral or systematic. Behavioral resistance is exhibited by individuals, managers or groups. Because of parochial self-interests, misunderstanding and lack of trust, differences in assessment, or low tolerance to change. Systematic resistance originates from passive incompetence's in the managerial capacity to carry out the change. Management requires planning and developing the required capabilities by integrating management development into the change process and stretching the implementation period as long as possible.

Rowe et al.,(1994) noted that Organizational culture is the total sum of shared values, attitudes, beliefs, norms, rituals, expectations and assumptions of people in an organization. Thompson and Strickland(1993), argues that there must be a fit between strategy, structure, systems, staff, skills, shared values, values, styles for change management process to be successful. Thomson (1997) argues that organizational culture and values held by managers and other employees within the organization are key influences on strategies of change and are therefore the central driving force for considerations in strategy creation and change

### **2.5.1. Political Management, mobilization support and legitimacy**

Stakeholders support is essential for a change programs due their different interests and power, achieving universal support is a challenge and politics sets in. According to Moore (1992) strategic change management process in the public sector starts by looking towards politics for three reasons, it is in this realm that managers must search to discover what purposes are deemed publicly valuable, political institutions grant public managers resources they need to accomplish their operational purposes., lastly public managers are accountable to politics and law both theoretically and practically. Managers use organizational politics as tactics to use power to influence goals and change to further their interests.

### **2.5.2. Teamwork**

Complexities of most processes are usually beyond the control of any one individual. The only way to tackle such problems is by use of teamwork. Building of effective team work is not an easy matter Team approach to change implementation removes artificial organizational barriers and encourages openness. Teams share common goals and help to focus energy by emphasizing self-control on part of the participants

### **2.5.3. Leadership**

Management of change is closely linked to the role of strategic leadership. Leadership is the process of influencing an organization in its efforts towards achieving an aim or goal, a leader influences and is not necessarily someone at the top of an organization. Rowe et al., argues that the team approach to change implementation removes artificial organizational barriers and encourages openness. Teams share common goals and help to focus energy by emphasizing self-control on the part of participants. Teams that are cohesive, that interact cooperatively, with members possessing compatible personality characteristics and that are operating under mild to moderate pressure appear to be most effective.

## **CHAPTER THREE**

### **RESEARCH METHODOLOGY**

#### **3.1 Introduction**

This section describes the proposed study design, data collection procedures or techniques, data collection instruments and its relevance and how the collected data was organized and analyzed.

#### **3.2 Research Design**

The research was conducted through the case study method at City Council of Nairobi. Case study is a form of qualitative analysis when a study is carried out in an organization and gives a detailed investigation of a single subject. Through this method the researcher is able to obtain in-depth knowledge of challenges faced by City council of Nairobi in implementing change management programs. It also facilitates an intensive study of a particular unit.

#### **3.3 Data Collection**

In this case study, primary source of information was used in the collection of data. Primary data was collected through an interview guide. Questions were divided in parts namely: Part A, Part B, Part C and Part D. Use of a standardized interview guide allowed for comparison of results among the respondents. The target population was the employees of City Council of Nairobi 16 departments namely: Administration, City Planning, City Engineer, Public health, Audit, Environment, City Education, Inspectorate, Social services and Housing, Human resources, Investigations and Analysis, City Treasurer, Procurement, Housing Development, Legal and ICT.

The interview guide was submitted to the various departments after providing a letter of introduction from the School of Business, University of Nairobi and a letter from the Human Resource Department City Council of Nairobi, authorizing the researcher to carry out the research and a covering note requesting the respondents to participate in the research in order to get the data required for the study. This was done with the help of research assistants and the researcher who was available to clarify the question that were not clear to the respondents and made prior arrangement and assured the respondents of high degree of confidentiality and anonymity

### **3.4 Data Analysis**

Content analysis was used to analyze the respondent's views on the challenges of implementing change management programs at City Council of Nairobi. Advantage of using content analysis is that it allows grouping of collected data into various groups for easier analysis which is a continuous process. Main purpose of content analysis was to study existing information in order to determine factors that explain a specific phenomenon. Content is defined by Creswell (2003) as a technique of making inference by systematically and objectively identifying specific characteristics of messages and to use the same approach to relate to trend. On receiving the questionnaire from the respondents, the data was checked to ensure completeness, consistency, accuracy and uniformity. The data was then be coded and tabulated to facilitate data analysis through content analysis.

## **CHAPTER FOUR**

### **DATA ANALYSIS AND INTERPRETATION OF RESULTS**

#### **4.1 Introduction**

This chapter details the findings and interpretation of the results in light of the study and with respect to the objective of the study. The study was designed with the aim of establishing the challenges of implementing change programs at City Council of Nairobi. The study involved collection of primary data through the use of an interview guide which was administered through personal interviews. The research targeted the 16 departments at City Council of Nairobi namely: Administration, City Planning, City Engineer, Public health, Audit, Environment, City Education, Inspectorate, Social services and Housing, Human resources, Investigations and Analysis, City Treasurer, Procurement, Housing Development, Legal and ICT.

#### **4.2 Research findings**

This section represents the general information about the City Council of Nairobi. This includes the employee's demography and number of years with the organization, communications of objectives, whether or not the council embraces counter response measures as one of their strategies based on the challenges, and current counter response measures activities. Considering the demographic characteristics of the respondents, the study established that a majority of the employees were male; the findings can be generalized on the male respondents.

A majority of the departments had same number of respondents: particularly, Administration, Audit, City Inspectorate, City Treasurer, Human Resource and Investigations and Information Analysis which had four respondents each. City Planning and City Engineer department had 3 respondents each. The other

respondents were from Education, Health, Legal affairs and Public health departments. The implication on the study was that varied responses from the different departments adequately explored all the expected responses from the entire Council.

Regarding the designations, the researcher found that the respondents had different managerial designations at the high levels. The implication on the research is that the respondents were evenly distributed and therefore a variety of the responses were obtained. Regarding the number of years in position, results show that a majority had been in the firm for 10 years and above, other had also been in the council for 3 to 6 years, this implies that the majority of the respondent had enough experience to give acceptable responses to the study questions. In relation to the education level, the results showed that a majority of the respondents had attained University level education implying that majority of the respondents had adequate skills to respond to the questions asked in the study.

#### **4.2.1 Communication of Objectives and the role of the managers in change process**

The interview guide sought responses on the role of the managers in change programme process. From the responses received from the interviewees, it was clear that the corporate objectives were entrenched in the strategic plan of the organization where each departmental head had clearly defined objectives that were specific, measurable, achievable realistic and had specific targets. The researcher established that there was use of every available vehicle possible to communicate the vision and mission statement through employee bulletins, employee meetings, memos, newspapers, formal and informal interaction. In addition having a guiding coalition role on the behavior expected from employee nothing undermines the communication



of change programmes than that which seems inconsistent with the vision. Careful monitoring of senior management behavior and interaction was a good idea so as to be able to identify and address inconsistencies among words and deeds.

The researcher found out that the change management empowering programs involved getting rid of obstacles, changing systems or structures that undermine the change vision and encouraging risk taking and non-traditional ideas, activities and actions. The managements know that ruining a transformation without serious attention to short term wins is extremely risky. The Council's plan for visible improvements in performance or wins also creates the wins. In addition the people who make the wins should be visibly rewarded and recognized. Consolidating gains and producing more change programs credibly changes all systems, structures and policies that do not fit into the transformation vision. People who implement the change vision should be promoted or hired and the system be re-invigorated with new projects, themes and changes agents.

Moreover, the study inquired on the challenges involved in implementing change programmes at City Council of Nairobi. The respondents cited that it involved the implementation of organization strategy through the application of the management process to obtain the desired results. Particularly, change program process included designing the organization's structure, allocating resources, developing information technology and decision process, and managing human resources, including such areas as the reward system, approaches to leadership, and staffing.

All the departmental objectives were congruent with the overall council objectives. The staff members are also constantly reminded of their objectives during meetings carried out between managers and other staff members to review their performance

during and over a certain specific period of time. The study also indicates that there is awareness and involvement as the counter response measures strategy was being embraced by each of the respondents. HODs were involved in formulation and implementation of the strategy.

Making the necessary moves to establish positions in different businesses and achieve an appropriate amount and kind of diversification. A key part of corporate strategy is making decisions on how many, what types, and which specific lines of business the council should be in. This may involve deciding to increase or decrease the amount and breadth of diversification. It may involve closing out some strategies (lines of business), adding others, and/or changing emphasis among strategies.

The council managers initiated actions to boost the combined performance of the businesses the council had diversified into: This involved vigorously pursuing rapid-growth strategies in the most promising areas keeping the other core operations and service delivery businesses healthy, initiating turnaround efforts in weak-performing strategies with a promise, and dropping strategies that are no longer attractive or don't fit into the corporation's overall plans. They also involved supplying financial, managerial, and other resources, or acquiring and/or merging other companies with an existing core missions in pursuing ways to capture valuable cross-business strategic fits and turn them into competitive advantages especially transferring and sharing related technology, procurement leverage, operating facilities, distribution channels, and/or customers. Moreover, the council managers also are in forefront in establishing investment priorities and moving more corporate resources into the most attractive strategies.

Regarding the change programme empowerment practices in CCN, the researcher established that have a wealth of skills necessary for their jobs and that their work is meaningful to them. The respondent neither agreed nor disagreed with the statements that they had control over the aspects of the job that they are accountable, that their work gives them ability to contribute to the success of the organization, that their impact on what happened in their department was large. The respondents also neither agreed nor disagreed with the statements that their supervisors encouraged team work and delegated authority, that they had significant autonomy in determining how they did their job, that their position allowed career growth and development. In addition, the respondent neither agreed nor disagreed that they had significant opportunity for freedom and independence in doing their jobs; these were represented by mean scores of three. The respondents stated that they disagreed to some extent with the statement that there is a clear system of handling employee discontent and that they normally get sufficient resource to do their jobs.

#### **4.2.2 Change programs and strategy implementation process**

The study further looked at the various challenges facing implementation of the change programs adopted by the City Council of Nairobi for effective operations and service delivery. There were various reasons cited such as ineffectiveness, lack of direct control and use of the firm's resources, mechanisms such as organizational structure, poor information systems, ineffectual leadership styles, slow assignment of key managers, unplanned budgeting, little or less employee rewards, and weak control systems. The responsibility of implementing the change programs was under the Chief Executive Officer and Senior management docket.

The respondents were asked to choose only ten (10) out of the twelve (12) factors that they felt responded to the challenges involved in implementing change programmes in their Council for effective operations and service delivery, majority of respondents identified gaps in organization structure and rapid change in Technology as the factors hindered implementation of the change process. Need to concentrate on Core Activities , need to reduce operational cost and need to free resources for other purposes was also cited as an impediment to implementing change programmes.

The respondents further felt that the factors that moderately responded to challenges of implementing change programmes was the choice of what to strategy the council needs to embrace to improve institutional focus, ease of activity control through adoption of new technology, need to improve efficiency, and need to reduce risks in operations and service delivery

Some respondents did not consider management style and availability of human resource skills as important challenge factors that deter implementation of change programmes, respondents did not consider Government Policy as an important factor to be considered at all. With regard to other factors that respond to challenges of implementing change programmes at the council, the study revealed that most of the respondents considered choice of external service strategy consultants as an important factor. The various attributes of the strategy consultants which were considered as important include on change programs professionalism, competence, quality of flexibility. The council therefore needs to improve on technology and services quality so as to highly access world class services.

#### **4.2.3 How challenges of change programs affect the implementation process of various areas in the council**

The study looked at how the change program process affect the implementation process of various key areas in the council. On structure, the study revealed that structure provides overall framework for strategy implementation, it is not in itself sufficient to ensure successful execution. Within the organizational structure, individuals, groups and units are the mechanisms of organizational action, and the effectiveness of their actions is a major determinant of successful implementation. In this context, two basic factors encourage or discourage effective action-leadership and culture.

Seeking to establish how change management process challenges affect the implementation process on Culture, the respondents cited that culture is a set of important assumptions (often unstated) that members of an organization share in common. These shared assumptions (beliefs and values) among members of an organization set a pattern for activities, opinions and actions within that firm.

On the area of Technology, the study revealed that most departments at City Council of Nairobi had not fully computerized their operations and service delivery function thus affecting its revenue base. Furthermore, change program process challenges were seen to affect leadership in that without the right leadership; employees remained skeptical of the vision for strategy and distrust of management team management likewise was frustrated and stymied by employee resistance. One major task of the Management was to implement strategy which entailed overcoming resistance.

Most respondents did not term Legal/Regulatory factors as a change program process challenge at CCN since CCN derives its legal mandate from the Local Government Act (Cap 265) of the laws of Kenya amongst other acts of parliament that augment its diverse core functions and priorities. These priorities are contained in various policy and planning documents such as the national development plans, poverty reduction strategy paper and Economic Recovery Strategy (ERS) for wealth and employment creation in the medium term and Kenya's vision 2030.

The study revealed that CCN faced competition in the industry from private owned firms such as estate developers who create estates and hence private owned services such as garbage collection, provision of water and sewerage services. These in turn led to loss of revenue to CCN. The study found that CCN change management process was also affected by Customer needs and preferences. Most respondents cited that strategy sets up leaders to struggle between managing the business and addressing the needs of the people. Typically, it is the people side that loses out. But if leaders don't establish an effective balance between business and people priorities they can destabilize the organizational culture and erode trust, generating fear and skepticism among employees at a time when a loyal, productive, and enthusiastic workforce is essential for success. The various implications of the challenges in implementing change programmes has led to poor provision of services rendered loss of revenue and lack of public trust especially on the timely delivery of services.

#### **4.2.4 Basic requirements of the council for effective implementation of change programs in enhancing service delivery .**

In seeking to understand the councils basic requirements for effective implementation of change programs for efficient operations and service delivery , the researcher

established that in order for the council to effectively achieve effective change programs process for effective operations and service delivery, financial requirements are as important as Physical and Structural facilities whereas the respondents felt that there are other additional requirements necessary for effective change programs

The researcher further established that the councils effective change program had a well-designed vision that allowed for free ideological movement and interaction of staffs. Moreover, the researcher wanted to find out whether there was any particular area frequently outsourced by the councils in effective strategy implementation. The findings therefore indicated that Information Technology is currently being outsourced by the council to a very great extent closely followed by training activities Facility management and policy management were found to be moderately outsourced as one way of improving the efficiency change programs of the councils formulated strategies.

Human resource (HR) services are outsourced to a small extent. The study revealed that HR counter response measures had great future potential as a key management strategy in the organizations, this enabled the council to reduce its high wage bill and improve management of payroll for its employees. The researcher further found that operations and service delivery were not outsourced at all. The council ensured that the activities were performed at optimal level. The respondents were confident that counter response measures had the capacity to increase the organizations effectiveness and efficiency.

## **CHAPTER FIVE**

### **SUMMARY, CONCLUSIONS AND RECOMMENDATIONS**

#### **5.1 Introduction**

This chapter presents the findings of the research, explores the implications of the findings, draws conclusions and prescribes recommendations. The researcher documented the research findings as received from the respondents. The documentation was necessary to support the findings and recommendations as stated. These are the facts from research on which the interpretation were based.

#### **5.2 Summary**

The summary of research findings were based on the study analysis on the challenges of implementing change programs at City Council of Nairobi. The study looked at the following areas; assessing the influence of organizational structure on operations and service delivery, assessing the influence of stakeholders in operations and service delivery, finding out the extent to which motivation influences change programs, the role of computerization in operations and service delivery, the extent to which audit will play a part in change process and to determine the influence of corporate governance on operations and service delivery.

The study dwelt on the various challenges facing the implementation of change programs adopted by the councils for effective programs. There were various reasons cited, such as ineffective direct control of the firm's resources, mechanisms such as an overcrowded organizational structure who had duplicated departments and duties and responsibilities,, poor information systems, ineffectual leadership styles, slow assignment of key managers, unplanned budgeting, little or less employee rewards,



and weak control systems. The responsibilities of the implementation of programs were left to the Chief executive and the senior management teams.

Within the organizational structure, individuals, groups and units are the mechanisms of organizational action, and the effectiveness of their actions was a major determinant of successful implementation. In this context, two basic factors encourage or discourage effective implementation, action-leadership and culture. On how strategy challenge impediments on change programs affect the implementation process on Culture, the respondents cited that culture was set of important assumptions (often unstated) that members of an organization share in common. These shared assumptions (beliefs and values) among members of an organization set a pattern for activities, opinions and actions within that firm.

On the area of Technology, the study revealed that most departments of the council had not computerized its challenge impediments on effective implementation of change programs. Further, strategy challenge impediments on change programs operations was seen to affect leadership in that without the right leadership; employees remained skeptical of the vision for strategy and distrustful of management. The management likewise was frustrated and stymied by employee resistance. One major task of the Manager was to implement strategy which entailed overcoming resistance.

Moreover, majority of respondents identified gaps in organization structure and rapid change in Technology as the factors that highly respond to changes in change implementation process. Need to concentrate on Core Activities, need to reduce operational cost and need to free resources for other purposes was also cited. The respondents further felt that the factors that moderately responded to the challenges of

the choice of what strategy the councils follows includes need to improve institutional focus, ease of activity control through adoption of new technology, need to improve efficiency, and need to reduce risks in challenge impediments on change programs

Some respondents did not consider management style and availability of human resource skills as important challenge factors that determines strategy implementation process services. All respondents did not consider Government Policy as an important factor to be considered at all. With regard to other factor responding to change management challenge and strategy implementation process at the councils , the study revealed that most of the respondents considered choice of external service strategy consultants as an important factor. The various attributes of the strategy consultants which were considered as important includes professionalism, competence, quality of service, contract term, credibility, cost and flexibility. The study also revealed that some respondents did not consider certain factors as important while selecting the external strategy consultants.

These were: size of the strategy consultants, qualification of the strategy consultants and strategy consultants' flexibility. Majority of the respondent felt that it was not cost effective to handle some activities services internally as the required skills were lacking and hiring them would cost more that delegating them to a third party. The councils therefore needs to improve on technology and services quality so as to highly access world class services.

Most respondents did not term Legal/Regulatory factors as a strategy implementation challenge at City Council, since councils derive their legal mandate from the Local Government Act (Cap 265) of the laws of Kenya amongst other acts of parliament that augment its diverse core functions and priorities. These priorities are contained

in various policy and planning documents such as the national development plans, poverty reduction strategy paper and Economic Recovery Strategy (ERS) for wealth and employment creation in the medium term and Kenya's vision 2030.

The study revealed that city councils faced competition in the industry from private owned firm's hence private owned services such as garbage collection, provision of water and sewerage services. These in turn led to loss of challenge impediments on change programs. The study found that City councils strategy implementation was also affected by Customer needs and preferences. Most respondents cited that strategy sets up leaders to struggle between managing the business and addressing the needs of the people. Typically, it is the people side that loses out.

But if leaders don't establish an effective balance between business and people priorities they can destabilize the organizational culture and erode trust, generating fear and skepticism among employees at a time when a loyal, productive, and enthusiastic workforce is essential for success. The study revealed that there were various implications of the challenges on the councils's strategy implementation process. This had led to poor provision of services, loss of challenge impediments on change management programs and lack of public trust especially on the timely delivery of services.

### **5.3 Conclusion**

The study concludes that there were various challenge impediments on change programs. These included Structure, culture, technology, leadership, resistance to change, legal/Regulatory factors, competition in the industry, customer needs and preferences, labor market conditions and substitute products/services. The study

concludes that the council had in a way been able to amend its strategy implementation process as per the challenges. This was through application of all management functions such as planning, controlling, organizing, motivating, leading, directing, integrating, communicating, and innovation to the implementation process.

The change programs discussed in the analysis and City Council of Nairobi takes Lewins three step model is a planned approach to the change management model is evident in the role of management at City Council of Nairobi. From the study it is also evident that change in the organization has preceded the growth strategy, this explains why the Council has undergone structured change within a short time frame. Challenges of implementing the change programs are evident in the organization and resistance to change and change of structures. From the study change processes like technology and information management are not well taken care of as part of the change programme process.

#### **5.4 Recommendations**

The study recommends that in order for City Council to be able to effectively implement their change programs, there is need to have an organized organizational structure, improved information systems, better leadership styles, timely assignment of key managers, effective budgeting and offer rewards, and control systems.

The researcher recommends that City Council of Nairobi put more emphasis in training their staff to manage the operations in professional way. Only qualified and competent employees need to be recruited and the recruitment policy be followed. The Internal Audit department in the City Council should be given the independence

it deserves. An audit committee should be formed which should work independently. Management should always act on the audit reports

City council need to motivate their employees through participation in decision making, innovation and empowerment. Working environment need to be improved as a way of getting employees motivated. Effective communication needs to be in place as a way of management. City council is required to practice corporate governance through establishing guidelines as management tolls of operations managers should also try eradicating corruption in order to improve operations and service delivery.

Study found that resistance to change by employees has hindered implementation of the City Council of Nairobi strategies. As the organization prepared to embark on strategic planning, resistance to change by employees may impede the process, there is need for the Councils management team to take a more proactive approach to managing change within the organization. Currently Change programs practices involves the management in setting goals, clarifying desired outcomes, providing feedback, giving rewards for desired performance and taking action when goals are not met. The focus of these change programme practices are on performance driving cultural changes.

The findings found out that the City Council of Nairobi management had not formulated and documented a change programs plan but had prepared a documented annual change plan. Annual planning has an operational focus and is concerned primarily with concrete goal setting and scheduling of specific tasks to meet the goals. The Councils management's team can build up on their experience through long term strategic change planning, environment scanning, goal setting and performance evaluation so as to develop a practical strategic plan. There is need for a structured

planning process. Based on the study findings it is recognized that the process of designing any changes may not be accepted by all and that implementation of change must be a continuous process and should be motivated so that the objectives of the change are met

### **5.5 Limitations of the study**

Respondents assumed that they were being investigated and thus unwilling to fill in the questionnaires and the researcher convinced them that the information they were to give was to be used only for academic purposes. The research met with various challenges when conducting the research that included the fact that the council employees ordinarily do not want to give information due to client confidentiality. In addition, some of the interviewees would not find the subject to be of interest. Additionally, some respondents would not want to give the information as they considered it of competitive importance. The respondents being normally very busy people may not have found a lot of time to be interviewed. Since the research was conducted via open-ended interviews, a large amount of time was needed to collect information from the respondents. Time limitation made it impractical to include more respondents in the study. This study was also limited by other factors in that some respondents may have been biased or dishonest in their answers.

More respondents would have been essential to increase the representation of the council's team in this study and allowed for better check of consistency of the information given. However, the researcher did look for contradictions in the information given and no inconsistency were found. A limitation for the purpose of this research was regarded as a factor that was present and contributed to the researcher getting either inadequate information or responses or if otherwise the

response given would have been totally different from what the researcher expected. The main limitations of this study were most of the respondents were busy throughout and had to continuously be reminded and even persuaded to provide the required information. Further some respondents decided to withhold information which they considered sensitive and classified. This reduced the probability of reaching a more conclusive study. However, conclusions were made with this response rate.

### **5.6 Suggestions for further research**

Effective counter respond measures on challenge impediments on change management programs, research areas is widely embraced in the developing countries such a Kenya. In Kenya, it has gained acceptance mainly in the private organizations, however government organizations are also incorporating it as a key management strategy though at a sluggish pace. Given that this study only covered challenges that affect Implementation of change programmes at City Council of Nairobi, for effective challenge impediments on change programs, studies need to be done on challenge impediments on change management program for all Local Authorities. There is therefore room for a similar study to cover the entire council's effective strategy implementation in the major towns in Kenya. This is timely, given the today's rapid technology advances and the increased emerging of competition on organizations in the country.

The researcher suggest further research on revenue management since revenue can be collected to maximum level but be mismanaged due to other factor that the study did not consider

### **5.7 Implication of the study on Theory, Policy and Practice.**

The City Council of Nairobi has no clearly defined change management programs. Most of the change programmes at the Council are on emergent basis, since they are not planned but are reacting to threats. The Policy statement of the City Council of Nairobi is that of service delivery to the residents of Nairobi, which is enshrined in its Strategic Plan and vision mission statement which guides it.

The Council has embraced the Kurt Lewin's three step model, whereby the unfreeze stage is about getting ready to change , this is where the Council needs to move from its current comfort zone and getting motivated for change by weighing its pros and cons and deciding on what actions to take. Lewin's model has been useful to the Council as it has helped them embrace change and also to incorporate the change within the organization.

The City Council need to embrace the Change Kaleidoscope way in running its day to day activities by getting to use the eight steps used in the kaleidoscope change framework by getting to find out if the employees of City Council of Nairobi feel the change taking place within it. Change kaleidoscope was to be used to codify the wide range of contextual features and implementation options that may require consideration during change. The change practices that need to be looked at are: Time-How quickly is the change needed? Is the organization in crisis or is it concerned with its long term strategic development. Scope- what degree of change is needed? Does the change affect the whole organization or only part of it? Preservation- what organizational assets, characteristics and practices need to be maintained and protected during the change process? Diversity- Are the different



staff, professionals, groups and divisions within the organization relatively homogeneous or more diverse in terms of value, norms and attitudes.

Capability-what is the level of organizational, managerial and personal capability to implement change? Is there need to improve this capability before change process can be started. Capacity- How much resources can the organization invest in the proposed change in terms of cash, people and time. Readinesses for change- How ready for change are the employees within the organization? Are they both aware of the need for change and motivated to deliver the changes? Power- Where is the power vested within the organization? How much latitude of discretion does the unit needing to change and the change leader possess?

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**APPENDIX I**  
**INTERVIEW GUIDE**

**Instructions to be answered by employees in all 16 departments**

**Background of information**

- 1) **Name ( Optional)**
  
- 2) **State your gender : Male or Female**
  
- 3) **What is your highest academic qualification: Masters, degree, A 'levels, A 'levels or specify any other**
  
- 4) **Your position at City Council of Nairobi**
  
- 5) **How long have you worked at City Council of Nairobi**

**Change management programs at City Council of Nairobi**

- 1) **Are you aware of any change that the organization has been undertaking?**
  
- 2) **If answer is yes, which changes are you aware of?**
  
- 3) **In your own view, what has necessitated the changes? Explain**
  
- 4) **Do you think that the changes are impacting positively or negatively for the organization? Explain**

- 5) **Is there any aspect that needed change that was not exhaustively exhausted?**
  
- 6) **In your own words please explain what are the factors that accelerated change and what are the factors that reduced the speed of change?**
  
- 7) **What are the major successes of the change?**
  
- 8) **What role does communication play in the role of change management in the organization?**
  
- 9) **What is the role of human resource department on the effectiveness of implementing change management programs in the organization?**
  
- 10) **What initiatives are taken by management in creating and sustaining a climate which motivates employees when implementing change management programs in the organization?**
  
- 11) **What is the model/style of change management programs at city council of Nairobi?**
  
- 12) **What are the change management programs at city council of Nairobi?**
  
- 13) **In your own view have you experienced a shutdown or delay in implementing change as a form of resistance to the programme being implemented?**

**14) In your own view, do you think that resistance to change is a useful tool and how is it impacting (negatively/positively) to the organization?**

**15) What are the factors leading to success or failure of the change management programs in the organization?**

**16) What new technology has been adopted by the organization in the last 10 years?**

**17) How can you rate the organization in terms of modernization?**

**18) Did you get formal training while implementing change management programs in your organization?**

#### **Implementation of change**

**1) Did the organization anticipate the change it is undergoing and how was the change carried out?**

**2) Did the organization consider aligning the change in line with the corporate culture, vision, mission statements and goals of the organization?**

- 3) Was there any consideration that change will be accepted or possibility of resistance?
- 4) What was done to ensure acceptability of the change among its various stakeholders and minimizing possibility of resistance?
- 5) What was done to ensure that change is institutionalized?
- 6) Was change communicated to staff? if yes, how was it done?
- 7) Did top management support the change process?
- 8) Was the vision mission statement well-articulated and understood by the staff?
- 9) Were you part of the change implementation process in your organization? If yes, what role did you play?

#### **Challenges of change**


- 1) What are the major challenges in implementing change in your own opinion?
- 2) Are staff members involved in planning and implementing change?



- 3) **What challenges is management expecting to experience in implementing change and adapting the same in line with the new constitution?**
  
- 4) **What challenges have you not responded to?**
  
- 5) **What results have you observed after the change programs were implemented?**
  
- 6) **What are your suggestions and recommendations?**


**THANK YOU FOR YOUR RESPONSES**

**APPENDIX 11: INTRODUCTORY LETTER FROM CITY COUNCIL OF  
NAIROBI**



**CITY COUNCIL OF NAIROBI**

TOWN CLERK  
TELEGRAM: "MUNICIPALITY" NAIROBI  
TELEPHONE: 234282  
EXT 2381



CITY HALL  
P. O. BOX 30075  
NAIROBI  
KENYA

Ref: HRM/CCN/HRM/TB/HR/SWM /2011

**DEPARTMENT OF HUMAN RESOURCES MANAGEMENT**

Date: CCN/HRM/TB/HR/SWM  
2nd September 2011

JOYCE BAYART  
P.O. Box 20075 - 00100

**RE: RESEARCH.**

Reference is hereby made to your application letter dated 1st Sept, 2011 on the above subject;

The City Council of Nairobi has approved your request subject to the following;

1. The period of attachment will be one (1) months with effect from 2nd September 2011 to 2nd October 2011.
2. You will be attached to all sixteen departments in the Council
3. You are expected to adhere to the rules and regulations pertaining to your attachment.
4. That during your study there will be no costs devolving on the Council.
5. That you undertake to indemnify the Council against any claim that may arise from your research.
6. You are expected to be decently dressed at all times.
7. You are required to submit a **Copy of the final research document** within one weeks/months after completion.
8. You are expected to pay research fees of ksh. KSL

By a copy of this letter The Heads of Dept. is /are requested to accord you the necessary assistance.

Please report to the Chief Administrative Officer(s) in the sixteen departments for your research.

**CITY COUNCIL OF NAIROBI**


*Alice Kahuthu*

**ALICE KAHUTHU**

Sign: **FOR: DIRECTOR HUMAN RESOURCE MANAGEMENT.**

DIRECTOR  
HUMAN RESOURCES MANAGEMENT

**APPENDIX III: INTRODUCTORY LETTER FROM UNIVERSITY OF  
NAIROBI**

  
**UNIVERSITY OF NAIROBI**  
**SCHOOL OF BUSINESS**  
**MBA PROGRAM - LOWER KABETE CAMPUS**

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Telephone: 020-2059162  
Telegrams: "Varsity", Nairobi  
Telex: 22095 Varsity

P.O. Box 30197  
Nairobi, Kenya

DATE.....

**TO WHOM IT MAY CONCERN**


The bearer of this letter Joyce Boyani  
Registration No: D61/70037/2007

is a Master of Business Administration (MBA) student of the University of Nairobi.

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

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

Thank you.

  
**DR. W.N. IRAKI**  
CO-ORDINATOR, MBA PROGRAM

**UNIVERSITY OF NAIROBI**  
**SCHOOL OF BUSINESS**  
**MBA OFFICE**  
**P. O. Box 30197**  
**NAIROBI**

**UNIVERSITY OF NAIROBI**  
**SCHOOL OF BUSINESS**  
**MBA OFFICE**  
**P. O. Box 30197**  
**NAIROBI**

**APPENDIX 1V:INTRODUCTORY LETTER FROM RESEARCH STUDENT**

**5<sup>th</sup> September, 2011**

Dear Respondents,

I am a Postgraduate student at Nairobi University, pursuing a Masters degree in Strategic Management. As part of partial fulfillment for the degree, I am conducting a research study on: **CHALLENGES OF IMPLEMENTING CHANGE PROGRAMMES: A CASE STUDY OF THE CITY COUNCIL OF NAIROBI.**

For this reason I would appreciate if you would kindly spare a few minutes of your time for me to ask you a few questions in regard to challenges of implementing change programmes at City Council of Nairobi.

The information from this interview will be treated with confidentiality and in no instance will your name be mentioned in this research. In addition, the information will not be used for any other purpose other than for this research. Your assistance in facilitating the same will be highly appreciated.

Thanks in advance.

Yours Faithfully

**Joyce Boyani.....Supervisor.....**

**APPENDIX V:PROPOSAL CORRECTION FORM**

## APPENDIX VI LIST OF DEPARTMENTS SURVEYED

Departments of the city council of Nairobi and the Heads of Departments

Administration.....Town clerk

City treasurer.....City Treasurer

City planning.....Director, City planning

City engineers.....City Engineer

Public health.....Medical officer of Health

Environment.....Director of environment

City inspectorate.....Director of City Inspectorate

Social services & housing.....Director Social Services & Housing

Legal affairs.....Director of Legal Affairs

ICT.....Director of ICT

Audit.....Director of Internal Audit

Human resource management.....Director Human Resource Management

Investigations & information analysis. Director Investigations & Information Analysis

City education .....Director City Education

Housing development department.....Director Housing Development Department

**Source: Researcher (2011)**