MANAGEMENT OF STRATEGIC CHANGE AT THE INTERNATIONAL FEDERATION OF RED CROSS AND RED CRESCENT SOCIETIES

BY

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DECLARATION

This research project is my original work and has never been presented in any other University or College for the award of degree or diploma or certificate.

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DEDICATION

I dedicate this project to my family: My husband David, my daughter Cheryl and son Darnell.

I cherish their love and support.
ACKNOWLEDGEMENT

The MBA program has been a very long, taxing and challenging journey and its completion has been as a result of the support and encouragement that I received from many quarters. I am not only indebted to those who inspired me to take up this program but also to those who gave me the guidance and assistance on what I have reported here.

I am grateful to the Almighty for his providence during the entire course.

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God bless you all.
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ABSTRACT
Understanding and effectively managing change are the dominant themes of management today since change is the single most important element of successful business management. Organizations are increasingly feeling compelled to implement strategic changes to better adapt to evolving environmental challenges. Similarly, the International Federation had faced challenges some of which were inefficient service delivery to NS, increased magnitude and scales of disasters as well as reduced donor funding to the organization. In response to these challenges, the company undertook major changes to its operations.

The purpose of this study was to establish change management practices applied by the International Federation. The study further sought to determine the challenges encountered during implementation. This study collected data from 15 respondents using an interview guide. The interviewees included the senior managers (The Head of Zone, Program Coordinator, Administration Manager, Human Resources Manager and the Information Technology and Telecom Manager) and junior staff from all the departments. Content analysis was used to analyze the qualitative data collected.

From the research findings, it was concluded that the change management practices at the International Federation have not fully been in line with the popularly accepted practices in managing change. Communication for buy-in and empowering action was used although a lot needs to be done in regard to organizational acceptance, designing the right change management, sustainable change management and momentum as well as wider employee involvement at the initiation of reforms. These could minimize the behavioural resistance to change as witnessed. The respondents agreed that the main causes of resistance to change were fear of the unknown, retrenchment, lack of trust, satisfaction with the status quo and politics at the workplace.
LIST OF ACRONYMS

NS  National Societies
ICRC  International Committee of the Red Cross
RCRC  Red Cross and Red Crescent Societies
RC  Red Cross / Red Crescent
RC and RC  Red Cross and Red Crescent
SG  Secretary General
HOZ  Head of Zone
HR  Human Resources
OD  Organizational Development
IT  Information Technology
CHAPTER ONE: INTRODUCTION

1.1 Background

The environment in which organizations operate is never static. Organizations thus lend themselves to this environment which is highly dynamic, chaotic and turbulent making it impossible to predict what will happen in the future. Consequently, the ever changing environment continually presents opportunities and challenges. To ensure survival and success, firms need to develop capability to manage threats and exploit emerging opportunities promptly. This requires the formulation of strategies that constantly match capabilities to environmental requirements (Pearce and Robinson, 2003).

Change is a transition from one state to another with focus of being different. It comes in all shapes, sizes and forms and for this reason; it is difficult to establish an accurate picture of the degree of difficulty organizations face in change. The magnitude, speed, unpredictability and impact of change in the external environment are greater than ever before. Burnes (2000). Johnson and Scholes (2002) argue that managers, whether in the private or public sector, are finding it difficult to make sense of the business environment in which they operate. One of the reasons for this is the speed of change. Managers typically feel that the pace of technological change and speed of global communication mean accelerated change now.

Burnes (2000) quotes Finstad (1998) by arguing that ‘the organization is the creator of its environment and the environment is the creator of the organization.’ This reciprocal relationship between an organization and its environment clearly has profound implications for how organizations conceptualize and manage change. Whether the need for change arises from an organization’s strategy or emerges in some other way, once it has been established that it should
take place and what form it should take, it is necessary to plan how this should be achieved and then implemented. Small-scale changes are usually planned and executed relatively quickly and may not require extensive consultation. However, unless the need for radical changes is already accepted, it can be dangerous to adopt a rapid-change low involvement approach to large scale changes, particularly where people's attitudes and behaviors are the prime object of the change process (Burnes, 2004).

1.1.1 Strategic Change Management

Thompson and Strickland (2003) observe that in a fast changing business environment, the capacity to introduce new strategies and organizational practices is a necessity if an organization is to achieve superior performance over long periods of time. They point out that strategic agility requires a culture that quickly accepts and supports organizational efforts to adapt to environmental change rather than a culture that has to be coaxcd and cajoled to change.

Burnes (2000) points out that perhaps the biggest challenge to managers today is the issue of how organizations can cope with both the dynamic environment in which they operate given the constraints, challenges and threats. At any one point in time, some organizations are experiencing extreme turbulence whilst others appear to operate in relatively stable environments. The period when certainties held good has been replaced with one where the pace and uncertainty of change varies from company to company, industry to industry and country to country. Whether because of economic, technological or social factors, organizations are faced with a period of rapid and unprecedented changes.
Change as a transition from one state to another can either be strategic or operational. Strategic change is an alteration that involves fundamental adjustments in the business of the organization and affects its future direction. Strategic change can be seen as the matching of the resources and activities of an organization to the environment in which it operates. This is known as the search for strategic fit. Strategic change arises out of the need for organizations to exploit existing or emerging opportunities and deal with threats in the market in order to improve the overall results of the organization. It is crucial that organizations seek to create a competitive advantage and wherever possible, innovate to improve their competitive positions. This implies the readiness to change within the organization and the ability to implement the proposed change (Ansoff and McDonnel, 1990).

The purpose of strategic change is to ensure that the organization is leading in the right direction. Operational change on the other hand aims at ensuring that the organizational activities are being performed in the best way possible. The focus is on excellence and ensuring that an organization is efficient (Johnson and Scholes, 2004). Strategic change is rarely the result of a linear process in decision making in which strategy formulation is followed sequentially by strategy implementation. Instead, that process may desire its motive force from an amalgam of economic, personal and political imperatives. The interaction through time requires that those responsible for managing that process make continual assessments and multiple adjustments (Clark, 1995).

Strategic change management is an approach to achieving sustainable changes in human behaviour within an organization. It is used to ensure that a planned organization change is guided in the planned direction, conducted in a cost effective and efficient manner and completed within the targeted time frame with desired results (Davis and Star 1993). There are two approaches to successful change management: the planned approach and the emergent approach.
The planned approach views organizational change as a process of moving from one fixed state to another through a series of pre-planned steps. It is change that is consciously planned and embarked upon by organizations. This approach is related to the practice of organizational behaviour. The emergent approach works best in an environment that is turbulent. It views change as a continuous and open ended unpredictable process of aligning and realigning an organization to its changing environment. This approach recognized the need for organizations to match their internal practices to external conditions (Aosa, 1992).

Once change has been instituted, it must be implemented successfully. Implementation can therefore be defined as a ‘cascade process of ever more detailed decisions, which occur in the context of primary strategic aims’ (Clark 1995, Pg. 65). Implementation of change in a tidy pattern rarely happens no matter how much preparation is put into it because organizations are rarely well prepared for major change. Literature may project change as being sequential, bounded, defined, controlled and a discrete process with guidelines for success, but this is unrealistic. No matter how much thought has gone into the change effort, there will be unforeseen external, uncontrollable and powerful forces that will have a profound impact on the success of the change effort (Jick, 2007).

While changes are unavoidable, there is ever resistance to change since employees worry about how change will affect their jobs and their positions within the company. Resistance to change is among the challenges experienced in change implementation. Some of the factors that stimulate resistance to change include habits, complacency, loss of personal relationships or rewards, insecurity and fear of disorganization (Scott, 2003). For change to occur smoothly there must be minimum resistance.
To manage change effectively, organizations must be learning organizations. A learning organization is an organization skilled at creating, acquiring and transferring knowledge, and at modifying behaviour to reflect new knowledge and insights (Garvin, 1993:80). Learning organizations continuously monitor the environment and adapt to such changes. They do not rely on the success of the past to navigate into the future, rather they learn and adapt as they move towards their goals. They become change competent over time as they develop change management skills thus manage resistance better and facilitate change more effectively.

1.1.2 Overview of The International Federation of Red Cross and Red Crescent Societies

At the end of the First World War, large areas of Europe were in chaos. Economies had been destroyed, populations were being decimated by epidemics and vast numbers of destitute refugees and stateless people roamed the continent. National Societies (NS) turned their attention to helping famine victims and the homeless, especially in Eastern Europe. Few countries had health ministries at the time, and there were no real international bodies capable of organizing large-scale relief operations.

One of the leaders of the American Red Cross (RC), Henry P. Davison, convened an international medical conference in 1919 at which he proposed ‘to federate the RC Societies of the different countries into an organization comparable to that of the League of Nations, in view of a permanent worldwide crusade to improve health, prevent sickness and alleviate suffering.’ Davison’s proposal gained immediate support: the League of RC Societies (called the International Federation of RC and RC Societies) was established, with headquarters in Paris. Since 1939, its permanent home has been in Geneva, Switzerland (Red Cross & Red Crescent – Portrait of an International Movement, 1997).
The International RC and RC Movement is made up of the International Committee of the Red Cross (ICRC), the International Federation of Red Cross and Red Crescent Societies (The International Federation) and NS. Together, all the above three components of the International RC and RC Movement (the Movement) are guided by the same seven Fundamental Principles: humanity, impartiality, neutrality, independence, voluntary service, unity and universality. All RCRC activities have one central purpose: to help without discrimination those who suffer.

The International Federation of RC and RC Societies works on the basis of the Principles of the RCRC Movement to inspire, facilitate and promote all humanitarian activities carried out by its member NS to improve the situation of the most vulnerable people. Founded in 1919, International Federation directs and coordinates international assistance of the Movement to victims of natural and technological disasters, to refugees and in health emergencies. It acts as the official representative of its member societies in the international field. It promotes cooperation between NS and works to strengthen their capacity to carry out effective disaster preparedness, health and social programs (Strategy for the International Red Cross and Red Crescent Movement, 2001).

Like any other organization, the International Federation has experienced a great many challenges. These forces are political, technological, demographic, economic, legal and social among others. One of the major challenges faced by the International Federation is unsatisfactory service delivery to its member NS and an increased number and scale of emergencies. In order to improve performance, and to remain operational, the International Federation has responded to these challenges by altering its own practices, structures and tools. This strategic change was guided by the organizations vision and mission statements.
In 2005, it was decided during the General Assembly of the RCRC Movement, that the Federation’s Secretary General (SG), in consultation with NS, implements a new operating model in order to increase the effectiveness and impact of its regional structures. This would lead to restructuring in order to decentralize regional directors from Geneva Headquarters into a series of Zonal offices in the region. The rationale of this strategic restructuring was to make the Secretariat more focused on NS needs and to give them a greater role in capacity building and strengthening operational responses, leading to increased authority and capacity of its field structures. The International Federation thus restructured and harmonized its world wide offices to seven Zonal offices, strategically positioned all over the world.

1.2 Statement of The Problem

Every change comes in its unique way and its successful implementation is related to the set of values, resources and skills of the firm and the demands of the prevailing environment. Change can cause painful upheavals, bring anguish, inflict a feeling of loss of control, stir a sense of helplessness and arouse anxiety. Change in organizations usually result out of either internal or external environmental factors that interfere with the achievement of set goals and objectives (Kanter, 1984; Hamel and Prahalad, 1994; Kotter 1996).

Over the years, there have been massive changes in the environment in which the International Federation operates. For instance, increased competition from other not-for-profit organizations for the now diminishing resources from donors has left the International Federation with no option but to change its skill base, structures plus management procedures in order to align with the changing operating environment. Efficient service provision to member NS had proved to be a challenge thus the need for strategic change. The International Federation thus embarked on
implementing a new operating model in order to increase the effectiveness and impact of the International Federation’s regional structures. Seven Zonal offices were thus established and strategically located world wide. It was hoped that this strategic change would better position the organization to advance its mission of efficient service delivery to the most vulnerable.

Several studies have been done on Management of Strategic Change in various organizations in Kenya. For instance, Kinuu’s (2007) study established that the change process at Tarmcoil Kenya was characterized by a lack of clarity of the future state of the organization, an overemphasis on change to structures, simultaneous introduction of many change programs and mild staff resistance. Kasima (2004), in his study of the change management practices and resistance to change in multinational oil companies in Kenya, concluded that most rampant resistance to change in organizations was usually behavioural where intentional sabotage is always exhibited. Kiini (2007) contends that management in the public sector should be looked at critically with a view of giving it ownership and to determine who it will benefit in the short and long term.

The limitation of these studies is their focus on organizations in the public sector. There has thus been limited attention to management of change in organizations whose roles and mandate are as elaborate as those of the International Federation. This is a membership organization comprising of member NS operating in over 176 countries, it is fully dependent on donor funding and guided by the belief in humanitarian values. This paper will thus study how the restructuring process was carried out at Eastern Africa Zone office in Nairobi in order to establish strategic change practices applied as well as challenges to the change initiative.
1.3 Objectives of The Study

The objectives of this study will be as follows:

(i) To establish strategic change management practices applied by the International Federation.

(ii) To determine the challenges encountered in strategic change management.

1.4 Importance of The Study

It is hoped that the findings of this study will benefit the organization’s stakeholders as well as various other groups of people. The study will bring to the fore various strategic change management practices in a typical humanitarian organization to enable the management point out effective practices for further enhancement and duplication elsewhere. This may be a basis of conducting future change management programs in the organization. Managers and junior staff of the Federation will better understand management of change and better align the organization with its internal resource capabilities and competencies. Other similar organizations will also benefit by better understanding how to respond to the kind of challenges experienced by the International Federation for them to be well prepared to handle and mitigate them when the need for change in their organizations arises. Policy experts may also borrow a leaf from this study in making policies that facilitate best practices in management of change and hence benefit the entire society.
CHAPTER TWO: LITERATURE REVIEW

2.1 The Concept of Strategy

Strategy is a multidimensional concept that is hard to be defined in a few words. Thompson and Strickland 1998, Anderson 1999 define strategy as a game plan that management has for positioning the company in its chosen market arena. Grant, 1998 on the other hand contends that strategy is a unifying theme that gives coherence and directions to the actions and decisions of an individual or organization. It guides management decisions towards superior performance by establishing competitive advantage. This enables the company to compete successfully and please its customers while achieving good business performance. Chandler (1962) in his definition states that strategy is the determination of basic long term goals and objectives of the enterprise and the adoption of courses of action. Strategy therefore helps in the allocation of resources necessary for carrying out those goals. Mintzberg (1987) proposed the five P's of strategy, namely: as a plan; a ploy; a pattern of behavior; a position in respect to others; and lastly as a perspective.

Strategic management is a comprehensive and ongoing management process aimed at formulating and implementing effective strategies. According to Johnson et al (2005), strategic management includes understanding the strategic position of an organization, strategic choices for the future and turning strategy into action. Effective strategies are those that promote a superior alignment between the organization and its environment and the achievement of its goals (Ansoff, 1990). The components of strategy include distinctive competence (something an organization does exceptionally well), scope (range of markets in which an organization will compete) and resource
deployment (how an organization will distribute its resources across the areas in which it competes) Grundy (1995).

There are three generic strategies namely, differentiation, overall cost leadership and focus. The generic strategies are approaches to outperforming competitors in the industry. The differentiation strategy is where an organization seeks to distinguish itself from competitors through the quality of its products or services. An organization by pursuing overall cost leadership strategy attempts to gain competitive advantage by reducing its overall costs below the costs of competing firms. The focus strategy is when an organization concentrates on a specific regional market, product line, or group of buyers. (Porter, 1998b). According to Pearce and Robinson (2006), there are fifteen principal grand strategies which could serve as a basis for achieving the major long term objectives of any firm. These are: concentrated growth; market development; product development; innovation; horizontal integration; vertical integration; concentric diversification; conglomerate diversification; turnaround; divestiture; liquidation; bankruptcy; joint ventures; strategic alliances; and consortia.

There are two main types of strategic alternatives. The first is the business-level strategy, which is the set of strategic alternatives that an organization chooses from as it conducts business in a particular industry or a particular market. The second is the corporate-level strategy, the set of strategic alternatives that an organization chooses from as it manages its operations simultaneously across several industries and several markets (Mintzberg, 1999). According to Grant (1998), the decisions over which businesses the firm is to operate in are most fundamental strategy decisions and are guided by the firm’s mission statement.
Moran and Brightman (2000) defined change management as the process of continually renewing an organization’s direction, structure and capabilities to serve the ever changing needs of external and internal customers. As for Davis and Holland 2002, change management involves the use of systematic methods to ensure that an organization’s change can be guided in the planned direction, conducted in a cost effective manner and completed within the targeted time frame and with the desired results. Strebel (1996) contends that change management whether in the private or public sector is a daunting exercise that is often elusive. His studies reveal that only between 20-50% of the organizations that undertake change report success.

Johnson and Scholes 2002 observe that there is no ‘right formula’ for the management of change. The success of any attempt at managing change will also be dependent on the wider context in which that change is taking place. Balogun and Haley (1999) as quoted in Johnson and Scholes (2002) build on this point to highlight some contextual features that need to be taken into account when designing change. These include the time available for change, scope of change required, the need and degree of preservation of certain aspects of the organization, the nature and extent of diversity in the organization, the capability in managing change, the capacity for change, degree of readiness for change and the amount of power wielded by change leaders to lead change. Change management should fit within the overall strategic management system of an institution.

It focuses on the organization’s capability to adapt and adopt new ways of doing business. It is a problem finding and problem solving activity. The problem is the future state to be realized, some current state to be left behind and some organizational process for getting from one state to the other. Change management is a why, what and how problem (Burnes 2004).
Strategic change is built on the overall strategic management of the organization. It’s the strategy of the organization that gives legitimacy to change program. Strategic change is basically concerned with redirecting the organization as a whole. It has been stated that the goal of strategic management is to build and maintain sustainable competitive advantage (Grant 1998). Strategic change therefore enhances competitiveness of the firm.

According to Thompson and Strickland (2003), change management is the use of systematic methods to ensure that a planned organizational change can be guided in the planned direction, conducted in a cost effective and efficient manner and completed within the targeted time frame and with the desired results. Johnson and Scholes (2005) view change management as a structured and systematic approach to achieving a sustainable change in human behaviour within the organization. It involves moving employees to new behaviour while retaining key competitive advantage particularly competence and customer satisfaction.

According to Worley (1996), strategic change refers to relatively major and systemic orientation and to changes that improve either strategic or organisational alignment. Management of change maximises the collective efforts of all those involved in the change and minimises the risk of failure of implementing the change. Strategic change management is defined as the actions, processes and decisions that are executed by an organization’s members to realize their strategic intentions (Handy, 1989). The whole strategic management system of an organization determines the success or failure of organizational change.

An organization’s management should determine the need for change by recognizing the gap between actual performance and desired performance. This can be done by conducting a SWOT Analysis to determine the organization’s present state (which has become undesired) as well as
the desired future state (which is full of uncertainty). This will enable management see how well it has formulated and implemented its strategy and if it will achieve its goals and objectives. The gap between actual and expected performance levels will also provide clues about strengths and weaknesses in the organization’s strategy formulation and implementation.

Management of strategic change usually means one of two things--dealing with unwanted or unexpected change due to circumstances beyond control (reactive), or taking steps to bring about deliberate change (proactive). Reactive change is one in which the management is responding to changes in the macro environment (external environment) while in proactive change, management is initiating the change in order to achieve a desired goal (internal environment). Whichever the source of change, its management entails thoughtful planning and sensitive implementation and above all, consultation with, and involvement of the people affected by the changes. Forced change will lead to resistance from those involved.

Heller (1998) says implement change program then measure results and obtain feedback. If the strategy is successful continue the program, if otherwise, revise the program. It is not the availability of the cake ingredients that make a delicious cake but the process of mixing the ingredients that dictates the final product. Approached correctly, change management can result in improved performance, more efficient practices, and updated policies that synchronize smoothly in support of the total effort. On the other hand, improper change management can lead to in-fighting, increased paperwork and resistance from all directions. The effectiveness of a change strategy and organisational performance is in the management of the change strategy implementation process.
2.3 Approaches to Change Management

There are significant differences in how change is perceived and academicians have proposed a significant number of approaches to change management. There are however, two main approaches to strategic change management. These are planned and emergent change.

2.3.1 The planned Approach to Change Management

Marrow (1977) refers to planned change as a term coined by Kurt Lewin to distinguish change that was consciously embarked upon and planned by an organization, as averse to types of change that might come about by accident, by impulse or that might be forced on an organization. Planned change is an interactive, cyclical process involving diagnosis, action and evaluation and further action and evaluation. It is an approach that recognises that once change has taken place, it must be self-sustaining (Burnes, 1996; Coram and Burnes, 2001). Cummings and Huse (1989:51) point out that the concept of planned change implies that an organization exists in different states at different times and that planned movement can occur from one state to another. Therefore, in order to understand planned change, it is not sufficient merely to understand the processes that bring about change; there must also be an appreciation of the states that an organization must pass through in order to move from an unsatisfactory present state to a more desired future state.

Planned change as developed by Lewin (1943) comprises of four elements: field theory, group dynamics, action research and the three step model. He argued that successful change in organizations should follow three steps: unfreezing the status quo, movement to a desired end state and refreezing the new change to make it permanent (Robbins and Judge, 2007).
Unfreezing involves change of efforts to overcome the pressures of both individual resistance and group conformity. (Robbins and Judge, 2007). Kurt Lewin believed that stability of human behaviour was based on a quasi-stationary equilibrium supported by a complex field of driving and restraining forces. He argued that the equilibrium needs to be destabilized (unfrozen) before old behaviour can be discarded (unlearnt) and new behaviour successfully adopted. Schein (1996: 27) comments that the key to unfreezing ‘...was to recognise that change, whether at the individual or group level, was a profound psychological dynamic process.’ Schein identifies three processes necessary to achieve unfreezing: Disconfirmation of the validity of the status quo, the induction of guilt or survival anxiety and creating psychological safety. He argued that unless sufficient psychological safety is created, the disconfirming information will be denied or defended against, no survival anxiety will be felt and consequently no change will take place.

Moving is a change process that transforms the organization from the status quo to a desired end state (Robbins and Judge, 2007). As Schein (1996:62) notes, unfreezing is not an end in itself; it ‘...creates motivation to learn but does not necessarily control or predict the direction.’ This echoes Lewin’s view that any attempt to predict or identify a specific outcome from planned change is very difficult because of the complexity of the forces concerned. Instead, one should seek to take into account all the forces at work and identify and evaluate, on a trial and error basis, all the available options (Lewin, 1947a).

Refreezing seeks to stabilise the group at a new quasi-stationary equilibrium in order to ensure that the new behaviours are relatively safe from regression. The main point here is that new behaviours must be to some degree, congruent with the rest of the behaviour, personality and environment of the learner or it will simply lead to a new round of disconfirmation (Schein 1996).
Bullock and Batten (1985) on the other hand, advocated for an integrated four-phase model of planned change which describes planned change in terms of two major dimensions: change phases, which are distinct states an organization moves through as it undertakes planned change; and change processes, which are the methods used to move an organization from one state to another.

Phase 1: Exploration - which is the initial stage. Here, an organization has to explore and decide whether it wants to make specific changes in its operations and, if so, commit resources to planning the changes. The change processes involved in this phase are becoming aware of the need for change; searching for outside assistance (a consultant/facilitator) to assist with planning and implementing the changes; and establishing a contract with the consultant which defines each party’s responsibilities.

Phase 2: Planning - which involves understanding the organization’s problem or concern. Once the consultant and the organization have established a contract, then the next state, which involves understanding the organization’s problem or concern, begins. The change processes involved in this are collecting information in order to establish a correct diagnosis of the problem; establishing change goals and designing the appropriate actions to achieve these goals; and persuading key decision-makers to approve and support the proposed change.

Phase 3: Action - where the organization implements the changes derived from the planning. The change processes are designed to move an organization from its current state to a desired future state and include establishing appropriate arrangements to manage the change process and gaining support for the actions to be taken and evaluating the implementation activities and feeding back the results so that any necessary adjustments or refinements can be made.
Phase 4: Integration - which commences once the changes have been successfully implemented. It's concerned with consolidating and stabilising the changes so they become part of an organisation's normal everyday operation and do not require special arrangements or encouragement to maintain them. The change process involved are reinforcing new behaviours through feedback and reward systems and gradually decreasing reliance on the consultant, diffusing the successful aspects of the change process and training managers and employees to monitor the changes constantly and to seek to improve upon them.

Essentially, there are two goals of planned change. First, it seeks to improve the ability of the organization to adapt to changes in its environment and secondly, it seeks to change employee behaviour. This is because an organization's success or failure is essentially due to the things that its employees do or fail to do (Robins and Judge, 2007). Burnes 2004 advocates for six activities that make up the planning and change process:

Establishment of a change management team: The team should include some, if not all, of those responsible for the original assessment of the need for change in effect 'change agents.' For large change projects, it is usual to establish sub-groups responsible for discrete elements of the change programme. These will generally comprise those most closely affected by the changes, both managers and others. Their role is to handle the day to day implementation issues. Buchanan and Boddy (1992) note that this team not only has to plan and oversee the change project, but also to motivate others and deal with difficulties, sometimes very personal problems. However, just as they have to support others, so too must they receive support themselves.

Management structures: Because larger change projects, especially organisational transitions are wide-ranging, have multiple objectives and can involve a high degree of uncertainty, existing
control and reporting systems are unlikely to be adequate for managing them. For example, the more that a change project challenges existing power relations and resource allocation procedures, the more it is likely to encounter managerial resistance. In such cases, unless the change management team has a direct line to, and the public support of, senior managers, the change process is likely to become bogged down or even abandoned. Where senior managers are less directly involved, effective reporting and management structures need to be put in place in advance in order to provide direction, support, resources, and decisive interventions.

Activity planning: Beckhard and Harris (1987: 70-1) refer to this as a process of 'getting from here to there.' They state that: ‘The activity plan is the road map for the change effort, so it is critical that it is realistic, effective and clear. It involves constructing a schedule for the change program, citing the main activities and events that must occur if the transition is to be successful. However, not all the elements of a large change programme can be planned in detail in advance. Such programmes are by their nature multi-level, multi-stage, can stretch over an extended time frame and can involve elements of backtracking and rethinking. However, as a change programme proceeds, it becomes possible for successive levels and stages to become clearer and for plans to become more detailed. It follows that in order to stay on course, activity planning should clearly identify and integrate key change events and stages and ensure they are linked to the organisation’s change goals and priorities. Activity planning should also gain top management approval, should be cost effective and should remain adaptable as feedback is received during the change process. An effective activity plan is one with the following characteristics: relevance (clearly linked to the change goals and priorities), specificity (clearly defined), integration (the parts are closely connected), chronology (there is a logical sequence of events and adaptability (there are contingency plans for adjusting to unexpected forces).
Commitment planning: This activity involves identifying key people and groups whose commitment is needed and deciding how to gain their support. Beckard and Harris (1987: 92) observe that, '...in any complex change process, there is a critical mass of individuals or groups whose active commitment is necessary to provide energy for change to occur. Designating someone as a key person may be because they have power to dispense or withhold specific resources or information or because others look to them for guidance or leadership, even though they many have no formal role in this respect.

Audits and post audits: It is important to monitor progress and see to what extent objectives are being met. This allows plans to be modified in the light of experience. It also allows for opportunities to improve on the original objective to be identified or created. The more uncertain and unclear the change process, the greater the need for periodic review. After the change, or when a particular milestone has been passed, a post-audit should be carried out to establish that the objectives have really been met and to ascertain what lessons can be learned for future projects. In addition, periodic reviews give senior managers the change to praise, support and encourage those carrying out the change.

Training and development: This is a key part of any change project and takes a number of forms. The obvious one is in relation to new skills and competences that might be necessary. It may also leave staff with the ability to pursue continuous improvement, once the change has been substantially achieved or it may be intended to make staff aware of the need for change and to win them over. Also, there is a need to give general awareness training to those in the organisation who might be directly affected. Even where the primary objective is to enhance skills, training cans also contribute to other objectives such as a culture change, by structuring it in such a way that training promotes team working or inter-departmental cooperation. To ensure
that the various types of training are targeted at the right people or groups a training programme - starting before implementation and continuing after completion - should be established showing who needs training, the form of the training and when it will take place.

Various criticisms have been levelled against the planned approach. Firstly, this approach was developed specifically for, and in response to, top-down, autocratic, rigid, rule-based organizations operating in a somewhat predictable and controlled environment. Secondly, this approach emphasises on incremental and isolated change and is unable to incorporate radical, transformational change. The third criticism is that the planned change approach is seen as being based on the assumption that common agreement can be reached and that all the parties involved in a particular change project have a willingness and interest in doing so. This assumption ignores organizational conflict and politics or at least assumes that problem issues can be easily identified and resolved. The final criticism is that it assumes that one type of approach to change is suitable for all organisations, all situations and all times (Burnes, 1996; Coram and Burnes, 2001).

2.3.2 The Emergent Approach to Change Management

The rationale for the emergent approach to change management stems, according to Hayes (2002: 37), from the belief that: ..... the key decision about matching organisation's resources with opportunities, constraints and demands in the environment evolve over time and are the outcome of cultural and political processes in organisations. According to Burnes, 1996, change should not be and cannot be solidified or seen as a series of linear events within a given period of time.
The emergent approach is based on the assumption that change is a continuous, dynamic and contested process that emerges in an unpredictable and unplanned fashion. Weick (2000: 237) states that emergent change consists of ongoing accommodations, adaptations and alternations that produce fundamental change without a priori intentions to do so. Emergent change occurs when people re-accomplish routines and when they deal with contingencies, breakdowns, and opportunities in everyday work. Much of this change goes unnoticed, because small alternations are lumped together as noise in otherwise uneventful inertia....

The emergent approach stresses the developing and unpredictable nature of change. It views change as a process that unfolds through the interplay of multiple variables (context, political processes and consultation) within an organisation. According to advocates of Emergent change, there can be no simple prescription for managing organisational transitions successfully, owing to time pressures and situational variables. Neither, as Dawson (1994: 181-2) argued, can change be represented as 'the results of objective rational decision-making on the part of managers.... nor as a single reaction to adverse contingent circumstances.' Successful change therefore, is less dependent on detailed plans and projections than on reaching an understanding of the complexity of the issues concerned and identifying the range of available options.

Although the proponents of the emergent approach reject the concept of universally applicable rules for change, the guidance they do provide tends to stress five features of organizations that either promote or obstruct success:

Organisational structure. An organization's structure plays a crucial role in determining where power lies, in defining how people relate to each other and in influencing the momentum for change. The theory of organization has always identified some types of structures as being more
easily changeable than others. Therefore, an appropriate organisational structure in both its formal and informal elements can be an important facilitator of change.

Organisational culture. Kotter (1996) argues that for change to be successful it must be anchored in the organization’s culture. Clarke (1994) believes that the essence of sustainable change is to understand the culture of the organisation that is to be changed. If proposed changes contradict cultural biases and traditions, it is inevitable that they will be difficult to embed in the organisation.

Managers and employees do not perform their duties in a value-free vacuum. Their work and the way it is done are governed, directed and tempered by an organization’s culture – the particular set of values, beliefs, customs and systems that are unique to that organisation. Keuning (1998: 46) argues that the two most important functions of culture are: ‘to provide relatively fixed patterns for handling and solving problems ... and to ....reduce uncertainty for members of the organization when confronted with new situations.’ Organizational culture is the pattern of shared values, norms and practices that help distinguish one organization from another (Conner, 1993). These values, norms and practices provide direction, meaning and energy for the organization’s members (Schraedre and Self, 2003).

It is generally accepted that once you change strategy, you must align organizational culture with strategy or face almost certain strategic failure (Higgins, Mcallaster, Certo, and Gilberst, 2006). McHugh (1997) also suggests that it is inherently difficult to effect strategic change given that, in organizations, there is likely to exist at some level, a core set of beliefs and assumptions – which are cultural in nature – held relatively commonly by the managers. Higgings, et al (2006) have proposed that one of the most effective ways of managing culture is using cultural artefacts, which are those significant interpersonal activities, physical objects, and physical space that helps
define an organization’s culture. By aligning cultural artefacts with the new strategy, the change message is clarified in the minds of those being asked to change.

Organizational learning. Clarke (1994) suggested that individual and organisational learning stem from effective top-down communication and the promotion of self development and confidence. In turn, this encourages commitment to and shared ownership of the orgs vision, actions and decisions that are necessary to respond to the external environment.

Managerial behaviour. This approach to change advocates for a radical change in the role of managers (Dawson, 2003; Kanter et al 1997). Instead of directing change from the top, managers are expected to operate as facilitators and coaches who through their ability to span hierarchical functional and organisational boundaries, can bring together and empower teams and groups to identify the need for and achieve change. (Bennis, 2000; Carnall 2003). According to Kotter, management concerns a set of processes such as budgeting, and planning for ensuring that organizations run smoothly.

Power and politics. Though advocates of emergent change tend to view power and politics from differing perspectives, they recognise their importance and the fact that they have to be managed if change is to be effective. Pettigrew, 1997 notes that because change invariably threatens the status quo, it inherently implies political activity. Internal change agents typically are individuals high in the organization who have a lot to lose from change. They have, in fact, risen to their positions of authority be developing skills and behavioural patterns that are favoured by the organization. Change is a threat to those skills and patterns and it creates the potential for others in the organization to gain power at their expense (Robbins and Judge, 2007).
Politics suggests that the impetus for change is more likely to come from outside change agents, employees who are new to the organization or from managers slightly removed from the main power structure. Managers who have spent their entire career with a single organization and eventually achieve a senior position in the hierarchy are often major impediments to change. By acting as change agents, they can symbolically convey to various constituencies/stakeholders, that they are on top of problems and adapting to a dynamic environment. Of course if they are forced to introduce change, these long-time power holders tend to implement incremental changes as opposed to radical changes.

Power struggles within an organization will determine, to a large degree, the speed and quantity of change (Robbins and Judge, 2007). Kanter et al (1992: 58) argue that the first step to implementing change is coalition building: ‘...involve those whose involvement really matters ... specifically, seek support from two general groups: The power sources and the stakeholders.

The assumptions that all organizations operate in turbulent, dynamic and unpredictable environments and the emphasis on the political and cultural aspects of change have been identified as the two main criticisms of the emergent approach to change (Coram and Burnes, 2001).

2.4 Challenges to Change Management

There are a great many managerial challenges in change management which will require a very specific and talented type of individual to successfully cope with them. It will require an individual who can motivate and even cajole different types of people and characters in a way that ensures the change management process proceeds as smoothly as possible.
At each stage of the process for introducing and leading change, the change leader must understand where those affected are in their emotional journeys and then take an active role in leading people out of their current phases and into the next stage of their journeys. At each emotional phase of the journey, there is a key challenge that the change leader must address:

2.4.1 Resistance to Change

The first managerial challenge likely to be faced in change management is in getting the staff or employees of the organization to buy in to the entire programme. It is vital that those who will be most affected by the change are made to see what benefits the changes will bring to the business and to their daily working lives in the long term. If this initial managerial challenge can be successfully overcome, all future challenges are likely to be considerably more manageable.

Although it is usual for organizations and their members to resist change, this resistance introduces delays, additional costs and instability into the change process. Resistance to change is thus an essential factor to be considered in any change process since a proper management of resistance is the key for change success or failure (Folger and Skarlicki, 1999; Val and Fuentes, 2003). Rose and Lawton (1999) note that if change involves challenging existing power arrangements, the resistance to change is almost inevitable.

Resistance can either be behavioural or systemic. Behavioural resistance is exhibited by individuals, managers or groups. Because of parochial self-interest, misunderstandings and lack of trust, differences in assessment or low tolerance to change, individuals or groups may resist change. To overcome this problem there is need for those managing change to understand the needs of employees and also for employees to understand the change plan.
Systemic resistance originates from passive incompetence in managerial capacity to carry out the change. The capacity required to implement change is normally more than the existing capacity. Management requires planning and developing the required capability by integrating management development into the change process and stretching the implementation period as long as possible (Kanter, 1992).

Robbins and Judge (2007) believe that resistance is either individual or organizational. Individual sources of resistance are due to habits/programmed responses. To cope with life’s complexities, people tend to rely on habits or programmed responses but when confronted with change, this tendency to respond in the accustomed ways becomes a source of resistance. Secondly, security is also a source of individual resistance. People with high need for security are likely to resist change because it threatens their feelings of safety.

Changes in job tasks or established work routines can arouse economic fears if people are concerned that they won’t be able to perform the new tasks or routines to their previous standards, especially when pay is closely tied to productivity. Fear of the unknown is also a source of individual resistance. Change substitute’s ambiguity and uncertainty for the unknown. Selective information processing is done by people to keep their perceptions intact. They hear what they want to hear and ignore information that challenges the world they have created.

Organizational sources of resistance on the other hand include structural inertia. Organizations have built-in mechanisms like their selection processes and formalized regulations to produce stability. When an organization is confronted with change, this structural inertia acts as a counterbalance to sustain stability. Also limited focus of change causes organizational resistance. Organizations are made up of a number of interdependent subsystems. Once can’t be changed
without affecting the others. So limited changes in subsystems tend to be nullified by the larger system. Threat to established power relationships as well as threat to established resource allocations and expertise is also a source of resistance.

Resistance to change can be overcome by effective communication from the person leading the move for change, encouraging teamwork and participation of staff, building support and commitment, negotiation, manipulation and cooptation, selecting people who accept change as well as through coercion. Monitoring progress of the change effort is necessary by setting benchmarks to measure the change and celebrate when benchmarks are reached (Scott, 2003).

2.4.2 Effective Leadership

The importance of leadership to the change management process is underscored by the fact that change, by definition, requires creating a new system and then institutionalizing the new approaches. (Eisenbach, Pillai and Watson, 1999). Robbins and Judge, (2007) define leadership as the ability to influence a group toward the achievement of a vision or set of goals. The source of this influence may be formal, such as that provided by the possession of managerial rank in an organization. Because management positions come with some degree of formally designated authority, a person may assume a leadership role simply because of the position he or she hold in the organization although not all leaders are managers. The leaders’ roles include creating vision, empowering people, building teamwork and communicating the vision.

The challenge for organizational leaders is not to come up with good ideas or guidelines for leading change, these already exist. The challenge is in translating the ideas and following the guidelines that lead to a concerted, well guided effort to lead change (Duck, 1993; Seijts and
O’Farel, 2003). Thompson and Strickland (2003) while stressing the importance of effective leadership in managing change give the qualities of an effective leader as being visionary, skilled, competent, delegative, motivative, analytical, persistent, enduring and flexible.

2.4.3 Identifying and Implementing Training Needs

Identifying and implementing any training needs which will be appropriate to employees is another challenge facing change managers. This could be as a result simply of new administration procedures which have to be effectively communicated or it could be more technical in that training is required in new technologies or software systems which are to be implemented into the organization. A training needs analysis will have to be conducted for every role which is performed within the organization and the appropriate practical activities scheduled and arranged. This could be a time when hands-on management is particularly important to encourage individuals perhaps having difficulty with grasping the intricacies of technical systems.

When the training of the organization’s personnel has been completed, the next managerial challenge will be to verify that the training received by each individual has been sufficient and successful. This is best approached not as setting any form of formal examination which can prove daunting but simply by talking through the procedures and checking understanding in a conversational fashion. It is a fact that changes bring hiccups and very often large scale and unanticipated problems. The principal managerial challenge in this aspect of change management will be to balance reassuring the staff with ensuring that the cause of the problem is identified and eliminated in as timely a fashion as possible.
It may therefore be concluded that change management is a job for something of a diplomat, with a great deal of patience and a great deal of knowledge of human nature. These skills will be required in abundance if the manager is to successfully navigate the potential minefield that that is change management.

2.4.4 Building Employee Commitment

Change managers can offer a range of supportive efforts to reduced resistance. When employees' fear and anxiety are high, employee counselling and therapy, new-skills training, or a short paid leave of absence may facilitate adjustment. Research of middle level managers has shown that when managers or employees have low emotional commitment to change, they favour the status quo and resist it. So firing up employees can also help them emotionally commit to the change rather than embrace the status quo (Robbins and Judge, 2007).

2.4.5 Stabilizing and Sustaining the Change

There is need for an organization to sustain ongoing commitment to the change while increasing readiness for the next change. Action steps for stabilizing, reinforcing and sustaining the change need to be identified and developed. These might include providing skill and knowledge training, revising job descriptions, developing new reward systems, strengthening social connections and relationships, recognizing and celebrating accomplishments. Performance measures to evaluate the results from change need to be developed and adjustments made to the change vision and strategy to reflect new learning and insights. Staff are then challenged to be open to new challenges, forces and pressures for the next change.
CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Research Design

The research was undertaken as a case study on the Management of Strategic Change at the International Federation. The design was most appropriate since a single unit of study, which is the Eastern Africa Zone office based in Nairobi, was analyzed to provide an in depth understanding of the change process. A case study research design provides very focused and valuable insights to phenomena that may otherwise be vaguely known or understood. The choice of this organization was driven by convenience and ease to accessing internal information.

3.2 Data Collection

Primary data was collected by use of an interview guide and those interviewed were senior managers (The Head of Zone, Program Coordinator, Administration Manager, HR Manager and the IT & Telecom Manager). One junior staff from each department was also interviewed and both open ended and closed ended questions were asked. The purpose of the research was also explained to respondents. These respondents were considered to be resourceful in availing the required data since they were either directly involved in the strategic change process and/or affected by the changes. The Senior Management Team is in charge of the overall decision making and planning process in the various departments and they provide a link between the Zone office in Nairobi and the International Federation Headquarters in Geneva. They are thus usually involved both as initiators as well as implementers of the change process.
Data Analysis

Data collected in this study was qualitative in nature. Content analysis was used to analyse information obtained from the respondents in order to determine change management practices as well as the magnitude of the challenges faced during change management at the International Federation. Content analysis is a technique for making inferences by systematically and objectively identifying specified characteristics of messages and using the same to relate trends. Strauss and Corbin (1990) argue that the method is scientific as the data collected can be developed and be verified through systematic analysis.
4.1 Introduction

This chapter presents results of the analysis. It is divided into two sections. The first section deals with the change management practices at the International Federation whereas the second section outlines some of the challenges experienced by the International Federation during the implementation of strategic change.

4.2 Profile of the International Federation

The International Federation of Red Cross and Red Crescent Societies is a humanitarian organization founded in 1919. It directs and coordinates international assistance of the Movement to victims of natural and technological disasters, to refugees and in health emergencies. It acts as the official representative of its member societies in the international field. It promotes cooperation between NS and works to strengthen their capacity to carry out effective disaster.

The realization that the organization needed to improve service delivery to NS led to adoption of the consolidation strategy during the 2005 General Assembly of the RCRC Movement. This was after the Secretary General’s consultation with the NS where an assessment of NS needs was done and an agreement to implement a new operating model reached. This thus led to restructuring in order to decentralize regional directors from Geneva Headquarters into a series of Zonal offices in the region. This strategy was aimed at increasing the Secretariat’s focus on the NS needs and increase efficiency in its service delivery. The International Federation thus restructured and
harmonized its world wide offices to seven Zonal offices, strategically positioned all over the world – one of which is the Eastern Africa Zone office based in Nairobi.

4.3 Change Management Practices at the International Federation

4.3.1 Communication and Awareness Creation of The Restructuring Process

A question was posed to the employees as to whether they were aware of the restructuring process that had recently been undertaken at the International Federation. All the respondents interviewed were unanimous by stating that they were indeed aware of this process. Interviewees were then asked how information regarding the restructuring process was communicated to them. Interviewees’ responses to this question varied and various forms of communication were cited. It was evident that the most commonly used means of communication of the restructuring process was email communication from the HOZ to the staff. This information was similarly shared with the staff during the monthly general staff meetings as well as during the Senior Management Meetings. Presentations of the proposed organization structures and the action plan were also made to further inform staff about the process. At no point was change implemented prior to informing all staff – including lower cadre staff.

It is however evident from the responses received that although communication of the restructuring process was done, it was neither timely nor effective. The top-down approach to communication was used for instance, communication mainly emanated from the Head of Zone to Staff or from Geneva Headquarters to the Zone office in Nairobi. The content of the information shared was inadequate thus lack of commitment to and shared ownership of the organization’s vision, actions and decisions that are necessary to respond to the external environment.
4.3.2 Anticipation of Change

The interviewees were asked whether the organization anticipated the changes it was to undergo and if so, how this was done. From the responses, most interviewees felt that anticipation and proper planning of the change process in the organization was either, not done at all or it was done poorly. They felt that this process was adhoc in nature and enough time was not given to a detailed analysis of the process, the impact it would have to employees and the organization as well as the possible challenges to be faced during implementation. Some respondents however, had different sentiments. They felt that the organizations anticipated the change process and properly planned for it. In support of this claim, the respondents mentioned that a review of the NS needs had been conducted and consolidation was thought of as the best way forward.

4.3.3 Employee Involvement, Participation and Collaboration

The interview guide sought answers from the respondents as to whether their interests and concerns were taken into account and at what stage they were involved in the change process. Most respondents felt that their interest and concerns were not considered at all. The reason given by the respondents for this was that the process only looked at the organization’s interest and not the staff. Staff were not involved at all in the initiation and planning stages since this process was carried out at the Headquarters level in Geneva. Most of the respondents noted that their involvement was only at the final stage when all the positions were closed, re-advertised and the employees requested to re-apply for their positions. The case was different with the Senior Managers. Some of them agreed to have been involved in the whole process right from its inception. This was done through consultations, discussions and through meetings with the Senior Management Team in Geneva.
In response to the question regarding how feedback regarding the restructuring process was given to staff, all the respondents unanimously agreed that it was given during the monthly General Staff Meetings, through the departmental heads as well as through email communication from the Head of Zone.

4.3.4 Employee Empowerment

The interviewees were asked how staff were empowered to deal with the change process. The respondents agreed that the indeed the organization had adequately prepared them for the changes to be undertaken. A professional company was hired to provide counselling and career training to staff. Approximately three group therapy and counselling sessions were conducted in the organization’s premises. For instance, training on preparation of winning curriculum vitae was given to all staff. Individual therapy was to be provided on a needs basis. Staff were encouraged to visit the professional individually at the organization’s expense.

4.3.5 Initiation and Execution of Change

In response to the question regarding who the initiator of the change process was, all employees agreed that the initiation as well as planning of the whole process was led by the SG of the International Federation based in Geneva. From the responses, it was clear that the leadership of the change process was hierarchical starting with the Federation SG in Geneva, to the HOZ office in Nairobi and finally to the Senior Management. In regard to execution of the change program, most of the respondents felt that this was done through informal review by the senior management in general and a consultant. The external consultant was brought on board to review the Eastern Africa Zone office needs, prepare the Zone structure as well as to assist with the transition
process. Some respondents however believe that the change process was executed through the organization’s Strategy 2010 which defined the core business of the organization.

The interview guide also sought responses as to whether the change process was systematic or not. The respondents agreed that the change process was indeed systematic. This is because an implementation plan clearly highlighting tasks to be completed and the given time frame had been drawn. This was also the case with all the other Zonal offices worldwide.

4.3.6 Sustainable Change Management Effects and Momentum

The interviewees were asked if the change process was successful. From the research findings, employees unanimously agreed that the whole change process had not been very successful. Most employees felt that the process had neither been beneficial to the employees nor the organization as a whole. One of the negative impacts cited by the respondents is the loss of good employees to other organizations. Since the process was slow, and it took time before the final organization structure was shared with staff, employees resorted to seeking employment in other organizations. Secondly, respondents felt that the changes were not sustainable and the momentum for change was lacking. No effort had been made to sustain the change effort and it was hardly three years after change was initiated yet another change program was in the pipeline.

4.4 Challenges in Strategic Change Management

A question was asked about the feeling of the top management towards the change process as well as the employees’ enthusiasm. Most of the interviewed employees suggested that top managers were very supportive and provided encouragement and stimulation for their staff to
maintain and enhance service delivery to NS. The general feeling among the employees was however, to the contrary. The findings of this research show that majority of the respondents rated the enthusiasm of the rest of the employees on the change process as low. This finding confirms the statement that change can be uncomfortable, unsettling, intimidating and sometimes downright frightening. Depending on the individual, change in the workplace can be challenging, such as when job functions are changed, departments are reorganized or a new manager takes over. Adaptation to change has predictable psychological stages that resemble the grieving process and describe normal reactions to change. By understanding and being aware of these stages, HR professionals can better help managers and employees deal with change.

In response to the question as to whether there was resistance towards the change process, the respondents responded in the affirmative. Most of those interviewed felt that the main causes of resistance of the change process were fear of the unknown, fear of retrenchment, lack of trust, satisfaction with the status quo and finally politics at the workplace. The respondents cited insufficient funds to pay off retrenched staff as another challenge that the organization faced.

These findings confirm the statement that “Though we all rationally recognize that progress means change, and that we all need to progress, but not even the prospect of attaining benefits from change would make everyone ready and willing, or indeed able, to embrace change. On the contrary, it is widely believed that most would resist change”. Since change is widely accepted as almost always top-down and induced by the management, those being managed would also almost always resist change, imposing an imperative for managers to overcome the resistance before it could bring the change forward. In order to mitigate on the resistance to the change process at the International Federation, the management took the initiatives to increase organizational effectiveness by initiating change through training, counseling, employ communication and team building.
CHAPTER FIVE: SUMMARY, RECOMMENDATIONS AND CONCLUSIONS

5.1 Introduction

This chapter outlines the summary of the finding, conclusion and recommendations. This is in line with the objectives and elements of the study. Based on these findings it makes conclusions and recommendations on management of strategic change at the International Federation.

5.2 Summary

The objective of the study was to establish strategic change management practices applied by the International Federation and also to determine the challenges encountered in strategic change management. Data was collected by use of an interview guide from employees directly involved in the strategic change process as well as those affected by the changes. The respondents interviewed were senior managers (The Head of Zone, Program Coordinator, Administration Manager, HR Manager and the IT & Telecom Manager). These respondents were selected given their role in the overall decision making and planning process in the various departments at the International Federation. Junior staff from each department was also interviewed. The interview guide contained open and closed ended questions. Data collected was qualitative in nature and content analysis was used to analyse information obtained from the respondents.

Study findings indicate that the International Federation has indeed undergone restructuring. Communication of the change process was done to employees although it was ineffective. This is because it failed to fight effects of misinformation and did not help in selling the need for change.
The most preferred channel of communication was emails and formal meetings. The results indicate that change management process was communicated prior to its implementation. Majority of the employees however felt that their interest and concerns were not taken into account. Employee participation in the whole change process right from initiation through to implementation was lacking. Most employees were only involved at the final stage of the change process – when they had to re-apply for their positions. Change was initiated at the Headquarters level in Geneva and only communicated to employees once a decision to proceed with the restructuring process had been made.

From the study findings, it is evident that the change process at the International Federation was confronted by mainly behavioural forms of resistance. Behavioural resistance was exhibited by both junior staff and managers because of fear of the unknown, satisfaction with the status quo, lack of trust, fear of retrenchment and politics at the workplace. The top management was very supportive and provided encouragement and stimulation to staff during the change process. Another challenge faced by the organization was insufficient funds to pay off retrenched staff as a result of the restructuring process.

5.3 Conclusion

The findings of this study have shed adequate light to draw pertinent conclusions about management of strategic change at the International Federation. The organization’s quest for efficiency and effectiveness in service delivery to the National Societies propelled the International Federation to the restructuring process, which gave rise to a number of structural and strategic changes.
From the findings, it can be concluded that the change management practices at the Federation have not fully been in line with the popularly accepted practices in managing change that is designing the right change management, ensuring organizational acceptance, communication for buy-in, empowering action and reinforcing change. Shortfalls were noticed and more needs to be done in the areas of effective communication, wider involvement of staff at the initiation of reforms and feedback on the progress of the reforms for sustainability of the reforms.

Before any change occurs it is important for managers to have thorough analysis of the process to be able to determine to what extent the change is beneficial to both the organization's performance and to employees. Managers should, in particular, keep in mind employees' motivation and create an environment that encourages employees to accept change and sustain the International Federation's competitiveness. Before, during and after the implementation of change, managers should listen to employees' opinions and understand their perspective and feelings on the imposed changes. This would further help managers to introduce future organizational change. The restructuring process at the international Federation was thus inappropriate and unsuccessful to a large extent.

5.4 Recommendations

The success of any change process relies mainly on its implementation. Results from this study imply the need for the organization to adopt a bottom up approach to the change process. All employees within the organization should be involved in the change process right from inception to the final evaluation of the change process since they better understand the internal systems. They are thus in a better position to prescribe possible workable solutions. There is need for all
employees in the organization to own the change process as opposed to the change being driven by the Secretary General in Geneva.

The organization also needs to take considerable time to anticipate and plan for the intended change process based on team oriented participative analysis of the needs of the organization. It is difficult for individuals to resist a change decision in which they participated. Prior to making a change, those opposed can be brought into the decision process. This will minimize internal conflicts and facilitate internal coordination. The organization should always look at the opportunities that change presents and not allow routines to become chains.

To overcome the observed behavioural resistance to change at the International Federation, there is a need to facilitate employees to better understand the overall essence of change through continuous workshops and effective communication of the change process. Timely and consistent communication of the change process, for instance, the implementation timeframe, steps involved, the proposed organization structure as well as its implications, should be shared with all employees. Change is the only thing that will never change. It is thus ideal and better for staff to adapt to it, for change is universal...change is permanent...be ever willing to change...for, change alone leads you to success and happiness. If one desires a change, one must be that change before that change can take place.

5.5 Suggestions for Further Research

Change is an inevitable consequence of a dynamic business environment and this is the situation that the International Federation finds itself in. Given the resistance exhibited by staff of different cadres, a cost benefit analysis should be carried out to quantify the actual cost of the changes
effected at the Federation and the economic value of the benefits the change has attracted to the organization. A negative analysis of this situation would be a strong statement to the International Federation that changes need to be situation sensitive, giving consideration to the unique operational circumstances of each Zone. A positive link between the changes and overall improved output would put to rest the forces of resistance.

5.6 Limitations of The Study

Every study encounters some level of limitations because of the scarcity of resources and time. During this study, it was challenging to get most of the respondents out of their busy schedules to participate.
REFERENCES


*Strategy for the International Red Cross and Red Crescent Movement*, 2001.


APPENDICES

Appendix I

Approval Letter

Date: 29 October 2009
From: Cellestine Maraka
To: The Head of Zone, Eastern Africa
Ref: Consent to use the EA Zone Office in a Case Study

I am pursuing a Master of Business Administration degree at the University of Nairobi. I am undertaking a study on Management of Strategic Change.

The purpose of this letter is to seek for permission to use the restructuring process that took place at the International Federation of Red Cross and Red Crescent Societies, Eastern Africa Zone Office in Nairobi as my case study.

I intend to interview Senior Managers (The HOZ, OD Coordinator, Zone Finance Manager, HR Manager and IT & Telecom Manager) as well as one member of staff from each department.

I hope that the findings of this study will provide invaluable feedback to the organization.

CM
Appendix II

Interview Guide

This interview guide is designed to collect views on the change management process at the International Federation of Red Cross and Red Crescent Societies

Section A: General Information

<table>
<thead>
<tr>
<th>Interviewee’s name (Optional):</th>
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<tr>
<td>Position/Designation:</td>
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<td>Department:</td>
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Section B: The Change Management Practices

1. The International Federation recently underwent restructuring. Were employees informed about this process? .................................................................
2. If yes, how was this communicated?.................................................................................................................
3. Did the International Federation spare time to anticipate the changes it was to undergo?................
4. If yes, how was this done? ......................................................................................................................................
5. As a major stakeholder, was your interest and concerns taken into account? ...................................................
6. At what stage were you involved in the change process? ...................................................................................
7. Briefly explain how employees were given feedback regarding progress of the change effort. ...................
8. How were the employees empowered to cope with change? ......................................................................
9. Who in your view initiated/planned for the change process? ..........................................................
10. Who was the leader of the change process? ..............................................................................................
11. Were external consultants involved in the change program? If yes, please explain their involvement in the change process. ..............................................................
12. Were the changes systematic? ....................................................................................................................
13. If yes, briefly explain how the changes were carried out. ...........................................................................
Section C: Challenges in Strategic Change Management

1. What would you say were the feelings of top management towards the change process? Were they supportive?

2. How would you rate the enthusiasm of the rest of the employees on the change process?

3. In your view, do you think there was resistance to the change process? If yes, what did the International Federation do to ensure acceptability among the various stakeholders and minimize resistance?

4. The following factors are known to cause resistance to change process. Which ones would you say caused resistance at the International Federation?
   
   Fear of the unknown
   Parochial interests
   Satisfaction with the status quo
   Lack of trust
   Fear of exposure of previous wrongs
   Fear of retrenchment
   Politics at the workplace

5. What other challenges did management face in implementing the change program?

Thank you for your support and cooperation