FACTORS INFLUENCING STRATEGIC CHANGE MANAGEMENT PRACTICES AT COCA COLA COMPANY IN KENYA

BY:

KIMATHI FIDDY MWENDWA

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

NOVEMBER 2016

DECLARATION

This research project is my original work and has not been submitted anywhere for examination in any other university or institute of higher learning.

Signature ………………………… Date ………………………

KIMATHI FIDDY MWENDWA

D61/74521/2014

This research project has been submitted for examination with my approval as the university supervisor.

Signature ……………………………… Date ………………………

PROF. EVANS AOSA

Department of Business Administration

School of Business

University of Nairobi

DEDICATION

I dedicate this work to my entire family all my lecturers and my classmates for their support, encouragement and patience during the entire period of my study and their continued prayers towards successful completion of my course.

ACKNOWLEDGEMENT

I remain indebted in gratitude to my supervisor Professor Aosa whose support; advice, supervision, dedication and time have contributed to successful completion of my work. I also wish to express my sincere appreciation to my family, particularly my parents Albert Kimathi and Mercy Kimathi who have been my source of encouragement and support throughout my studies. Thanks to the Almighty God for his guidance and providence which enabled me to undertake this project.

TABLE OF CONTENTS

ABSTRACT

Strategic change is the transition that results from the implementation of organization strategy. Managing strategic change is about managing the unfolding non-linear dynamic processes during strategy implementation. There have been extreme changes in the competitive forces in the global and domestic markets. Effective strategic change management has become essential for the survival of any company in Kenya. There has been pervasive change in the Kenyan economy, as business organizations operate in a dynamic, turbulent and constantly increasing competitive environment. The purpose of the study was to investigate the influence of strategic change management practices at Coca Cola Company in Kenya. The study was guided by three step theory of change, force field analysis theory and Kanter model of change management. The research was undertaken through a case study. Primary data was collected using an interview guide which was administered to strategic manager of Coca Cola Company headquarters at Upper hill. In order to collect primary data, interview guide was designed with 20 questions to establish the factors influencing strategic change management practices at Coca Cola Company in Kenya. Data collected was analyzed using content analysis technique. From the research findings, the study revealed that globalization has increased the company's markets and opportunities for more growth and revenue. The findings also revealed that, for any business to grow and prosper, managers of the business must be able to anticipate, recognize and deal with change in the internal and external environment. The study found that the intent of process reengineering is to make Coca Cola Company in Kenya significantly more flexible, responsive, efficient, and effective for its customers, employees and other stakeholders. The study further revealed the challenges faced by the company as resistance to change, poor communication, lack of adequate resources and funding, ineffective management support and incompatibility of the new change with existing organization structure, information technological innovations, political interference, social factors and consumer behaviour. The study concluded that strategic change is long term in nature, affects the entire organization and aims at achieving effectiveness. Therefore, the company must strive to adapt strategic change management practices in order to cope with today's environmental changes which are at a high rise. The study recommends that all the employees and managers in the company should own the process of change. They should make sure that they do not oppose change for the sake of it, but seek to identify the positive effects of such change. It also recommends that the company need to be proactive in its operations by initiating the required change that could give them a competitive edge.

CHAPTER ONE: INTRODUCTION

1.1 Background of the Study

Strategic change is the transition that results from the application of organization strategy (Johnson & Scholes, 2004). As the internal and external environments change organizations need to also change their strategies so that to achieve a strategic fit. In a fast changing global economy, change cannot be an occasional episode in the life of a corporation. Managing strategic change is about managing the unfolding non-linear dynamic processes during strategy implementation. Management of strategic change therefore, is how to create conditions that make proactive change a natural way of life.

Strategic change management has received incredible attention in many organizations across. There have been great modifications in the economic forces in the international and local markets. According to Jones (2004), organizational change is the process by which organizations move from their current state to some anticipated future state to upsurge their efficiency (Gordon, 2001). Strategic change is grounded on Kanter (2004), model of change management which focuses on managing the political context by providing information, resources and support for the change effort. The main aim is that for the organizational change to be successful, it needs to be holistic and systematic, addressing individual, social and organizational factors. Force field analysis theory is important in strategic change management and its general purpose is to diagnose and solve problems in an organization.

Several theories have been proposed by researchers to explain strategic change in organizations. This study will use three step theory of change, force field analysis theory and Kanter model of change. Three step model was proposed by Lewin (1947). The theory explains how an organization goes through the steps of unfreezing, moving and refreezing. Supervisors wanting to familiarize change should know that adjustment transpires gradually and changes through a series of phases. Force field analysis theory was also proposed by Lewin (1947). The theory states that in any situation, there are forces that drive for change as well as those that hinder change. If the forces offset one another completely, there is equilibrium. This model assumes that most problems or situations have multiple causes; it also assumes that most problems or situations are held in equilibrium between driving and restraining forces. Kanter (1992), model of change management focuses on managing the political context by providing information, resources and support for the change effort. The main aim is that for the organizational change to be successful, it needs to be holistic and systematic, addressing individual, social and organizational factors.

Supervisors need to act tirelessly to secure a corporation's forthcoming success. The biggest challenge for managers is how they can survive with the vitality in the environment given the constrictions, contests and intimidations they face. Change has become a continuing feature of organization life. Effective strategic change management has become crucial for the existence of any company in Kenya. There has been inevitable change in the Kenyan economy, as corporate organizations maneuver in a vibrant, unsettled and relentlessly growing competitive environment. These modifications are brought about by forces such as technological change, new product developments pecuniary fluctuations, globalization as well as shifting customer preferences. This vitality is hurling up new prospects and tasks to business firms (Gekonge, 1999). This also indicates that imminent existence of establishments is not certain unless they can adjust to the variations obtainable in the environment.

According to Giathi (2003), the soft drink industry has a long history in Kenya, the first indigenous soft drink manufacturers' was Kenya Ice and Aerated Water Factory founded in 1931 in Mombasa. Another early entrant was Aggaruwal Brothers Limited in Nanyuki. These two companies specialized in mineral and non-carbonated soft drink. At that point in time investments within the soft drink industry were mainly in the hands of indigenous people mostly Asians. Since liberation, there has been limited competition to the Coca Cola Company in Kenya by other firms but by the 1980s, the Kenyan carbonated drinks market was a virtual monopoly. In the 1940s the local soft industry was composed of a large of small scale producers. In Kenya, the carbonated soft drinks industry is currently characterized by rivalry between two firms of erratic sizes, products range and corporate strategies.

Coca-Cola originated as a soda fountain beverage in 1886 selling for five cents a glass. Early growth was impressive, but it was only when a strong bottling system developed that Coca-Cola Coca Cola Company in Kenya became the world-famous brand it is today. It was however until 1948 that the Coca Company founded Nairobi Bottlers in Kenya. Nairobi Bottlers later formed a partnership in the late 1960s with the Industrial and Commercial Development Corporation (ICDC), which is the government's initiative for promotion of investment. Coca Cola Company in Kenya is a retailer, marketer and manufacturer of non-alcoholic drinks and is known worldwide for it coca cola beverage (Giathi, 2003). Apart from its coca cola brand, Coca Cola Company in Kenya offers 500 beverages and non-beverages brands in about two hundred countries. There were eight bottlers in Kenya, the other seven being: Mt Kenya Bottlers, East Kenya Bottlers, Equator Bottlers, Kisii Bottlers, Flamingo Bottlers, Rift Valley Bottlers and Coastal Bottlers.

1.1.1 Concept of Change

As described by Pettigrew and Whipp (2007) the enactment of change is a collaborative, aggregate and reformulation-use process. There are two main types of change: strategic and operational. Strategic change is concerned with organizational transformation which deals with broad, long-term and organization-wide issues. It is about moving to a future state which has been defined generally in terms of strategic vision and scope. Operational change relates to new systems, procedures, structures or technology which will have an immediate effect on working arrangements within a part of the organization (Armstrong 2006). Change can be regarded as a one-off event, an exclusion to the normal running of an organization and, therefore, something to be dealt on an issue-by-issue basis as it arises (Burnes, 2004).

Ecological changes such as high-tech innovation, rivalry, globalization, regulation and deregulation and customer behavior have affected many organizations. These organizations have been enforced to augment their corporate progressions in order to survive in an environment which has become progressively competitive. Change is both predictable and essential in any industry and so it is significant for directors to sharpen their abilities in change management. Throughout most of the recent communal history, businesses have attempted to unlock value by corresponding their constructions to the strategies (Kaplan & Norton, 2002). Organizations are therefore undertaking strategic changes in order to bring into line their commercial strategies to the environment thereby matching the resources and activities of a business to that environment (Johnson & Scholes, 2002). Executives have to critic when change is needed and also acclimatize to vicissitudes outside their business (Kaplan & Norton, 2002).

1.1.2 Strategic Change Management Practices

The use of logical methods to confirm that planned structural change can be guided in the planned directions, steered in cost effective manner and finalized within targeted time frames and with the preferred results is known as change. Pardo and Martínez (2003) asserts that successful change process involves three stages; prepare for the change, beginning the change and cementing the change. The need for change is established and what is to change is identified in the preparation phase. Strategies for change and change users are defined while the cementing phase attempts to ensure that all are involved in the change at the beginning phase (Otley, 2009). Change management hence, encompasses moving staffs to new behaviour while holding key competitive advantage predominantly competency and client satisfaction. For organizations to remain truly economical over time as the environment changes, Hayes (2002), argues that they have to learn, adapt and reorient themselves to the changing environment. The aptitude to antedate change and manage reworking to it in an opportune and tolerable way is one of the key success factors for effectiveness and fortune creation of organizations and markets as a whole.

Strategic change often encompasses drastic conversions within an organization and includes strategy, structure, systems, processes and culture (Kazmi, 2002). Managing strategic change can be viewed as the second and most decisive step after the expansion of an organization’s strategy. While strategic planning is concerned with developing competitive strategies that the organization will employ to survive a hostile environment, managing this strategic change involves a more subjective process of leading people and inspiring them to be in tune with the new strategies (Cox & Blake, 2006). The strategic change sequencers arise from structured management strategies such as culture change, business process engineering, empowerment and total quality. Other strategic change initiatives are driven by the need for organizations to reposition themselves in the face of changing competitive conditions.

1.1.3 Soft Drinks Industry in Kenya

Competition between two firms of varying sizes, products range and business strategies face the carbonated soft drinks industry in Kenya. There has been limited competition to the Coca Cola Company in Kenya by other firms since independence but by the 1980s, the Kenyan carbonated drinks market was a cybernetic cartel. Most of these earlier rivals were restrained to detailed sections of the country and did not have as much reach as their main player (Ong'olo, 2002).

The dominant market player here is the Coca Cola Company in Kenya with bottling plants and marketing facilities throughout the country (Abdallah, 2000). The Kenyan carbonated drinks market continues to see an upsurge in development from local manufacturers. On the other hand, the smaller and more recent market entrant is the Pepsi Company which was incorporated in Kenya in 2012. Kevian Kenya Ltd gained fame in the soft drinks market with its flagship brand Afia; a brand that has multiplied attractiveness among children and young adults due to its quality, good distribution network and reasonable pricing. Highlands Ltd has succeeded to advance effective distribution of its products, especially in rural areas where the Club soda brand enjoys popularity. With the rising costs of living, Afia and Pepsi brands have enjoyed growing sales due to their pricing strategies.

The major brands of Coca Cola Company in Kenya are Coke, Fanta, Sprite, Krest, Stoney and Dasani with Coke being their flagship brand. While those for Kuguru foods are Softa cola, Softa lemon, Softa orange and Mecca cola. Milly brands include Picana which is a juice that come in different flavours such as mango, passion and cocktail. The EABL has also entered into the soft drinks with its Malta Guinness and Alvaro brands. The soft drink industry consists of six strategically located bottling companies in Kenya which are Coca Cola Company in Kenya, Softa bottling company, Milly foods, Trufoods, premier foods and East African Breweries Ltd (EABL). Earlier Pepsi company had operations in Kenya but pulled out after a bruising battle with Coca cola during the difficult trading environment of the early 1980s (Abdallah, 2000). Schweppes Company entered the market in the late 1990s but also pulled out in early 2000.

1.1.4 Coca Cola Company in Kenya

Coca Colas flagship product was invented in 1886 by John Pemberton in Columbus, Georgia. The formula and brand of Coca Cola was bought by Asa Candler in 1889 who later incorporated the Coca Cola Company in 1892. Coca Cola Company is a Multinational Corporation which originated from United States of America. The company manufactures, retails and markets non-alcoholic beverages and syrups. Coca-Cola started operations in Kenya in 1948, on a Nairobi plot measuring just a quarter of an acre (Abdallah, 2000). The new beverage proved so popular that another production line was commissioned almost immediately in the coastal town of Mombasa.

The Coca Cola Company in Kenya in November 1995 and followed suit a little over two years later with the purchase of Flamingo Bottlers in Nakuru from the Shah family in December 1997. In 2000, East Kenya Bottling of Machakos was added to the territory, thus reducing the number of bottlers to the current six (Kibera. & Waruinge, 2008). Nairobi Bottlers later formed a corporation in the late 1960s with the Industrial and Commercial Development Corporation (ICDC), which is the government's initiative for promotion of investment. There were eight bottlers in Kenya, the other seven being: Mt Kenya Bottlers, East Kenya Bottlers, Equator Bottlers, Kisii Bottlers, Flamingo Bottlers, Rift Valley Bottlers and Coastal Bottlers. All these have common ownership in ICDC, while the other investing owners differ. Coca-Cola South Africa bottling company (Sabco), together with a local investment partner, acquired Nairobi Bottlers Limited from

According to Mburu (2012), three Coca-Cola bottlers in Kenya are set to merge to form a single entity named Almasi Beverages Limited. The value of the three bottlers, Mount Kenya, Rift Valley and Kisii Bottlers is expected to rise by 26 percent to 5.7 billion shillings ($ 67 million). The three firms are partly owned by listed investment company Centum and the Industrial & Commercial Development Corporation (ICDC). Centum Investment owns a 44 percent stake in Rift Valley, 28.6 percent in Mount Kenya and 23.8 percent in Kisii. The merger has been stimulated by encounters such as the rising cost of doing business, exchange rate risks and rivalry which has slowed increase and reduced profit margins for the distinct companies.

1.2 Research Problem

Strategic change has become a common practice in many national and international organizations. Change management is one of the biggest responsibilities a corporate may be involved in. This does not only entail an important amount of funding but also involve disagreeable commitment in the whole business constituent. It is a considered approach to bring major modifications towards people's prospects to move the business forward smoothly. In most cases when the need of change appears, businesses have no option other than responding it or else losing their competitiveness in market. Changes will be more likely the only way and yet a painful moment for business to survive (Self & Schraeder, 2009).

Soft drink industry in Kenya is one of the sectors of the wider economy that has witnessed immense brand or product proliferation. The fierce competition has forced the players within the industry to try and diversify their product range in an effort to better satisfy the customer. This has led to copy-cat tendencies amongst the players. When an organization changes its management its overall strategy for success, adds or removes a major section or practice, and/or wants to change the very nature by which it operates (Pearce & Robinson, 2005). It also occurs when an organization evolves through various life cycles, just like people must successfully evolve through life cycles. Momentous strategic change management has occurred in Coca-Cola Company in Kenya, for example, Almasi Beverages Limited (ABL) is an unlisted public holding company of three Coca-Cola beverages bottling operations in Kenya. ABL, founded in 2013, came in to being as a consequence of a merger between three formerly independent Coca-Cola bottling plants namely; Mount Kenya Bottlers Limited, Rift Valley Bottlers Limited and Kisii Bottlers Limited.

Ravi (2014), did a study on all major corporate change efforts fail due to poor strategic planning in Oman banks, the study found that failure of change management practices was a major impediment to the use of performance in Oman banks. According to Ravi (2014) there has been a steady decline in the gross on-performing assets as a percentage of the total assets from nearly 10% in 2004 to 2.1% in 2008, before rising marginally in 2009 due to a cyclical downturn of the economy which could be attributed to loopholes in strategic planning. On the other hand, Rex (2010), looked at strategic change management change management challenges in the Danish police reform, the study found that, the fact that the planning of the implementation of the police reform has drawn upon change management technologies which have been developed based on premises other than those of the police organization.

Tuan (2010), studied management accounting and organizational change, impact of alignment of management accounting system, structure and strategy on performance in Western Australia, the study found that significantly different results from those studies conducted in developed countries. Similarly, Sevđm (2010), did a study on change management a case study of sap implementation in a major company in China, the study found that there was lack of focus on information sharing and motivational issues and the level of overall awareness, readiness and willingness to change were relatively low. Kimaku (2010), looked at aspects of change management in the banking industry at Barclays Bank of Kenya. He found that Barclays Bank of Kenya used threats to induce change where resistance was expected, performance appraisal system and communication to manage change. Barclays Bank is a foreign owned bank and some factors influencing change management are quite different from NBK which is a locally owned bank. In general, he noted that organizations fail to implement up to 70% of their changes which affect their strategic initiatives.

Wanjiru and Njeru (2014), carried out a study on the impact of strategic response to change on the financial performance of commercial banks in Kenya. According to their study, in order to survive in this dynamic environment, banks need strategies that are focused on their activities and deal with emerging environmental and industry challenges accordingly. The study found that technological innovation has a strong positive relationship with banks performance. Similarly, Nyangau (2011), investigated Effects of Cultural Change on Strategic Planning in the Banking Sector of Commercial Banks in Kisii Central Business District, Kenya. The study found out that cultural change affects strategic planning of commercial banks a great extent.

There is no one universal approach to strategic change management thus, in relation to their unique strategic positioning and structure strategic change management is implemented differently in different organizations. What factors influence strategic change management practices at Coca Cola Company in Kenya?

1.3 Research Objective

To determine the factors influencing strategic change management practices at Coca Cola Company in Kenya.

1.4 Value of the Study

The findings from this study were of importance because they had the capacity of being used to formulate positive fiscal policies which were relevant and sensitive to the forces influencing change management practices in soft drink industry in Kenya. The study benefited the general managers for making policy decisions whose overall objectives are to improve performance in the industry and at the same time accelerate the rate of soft drink processing in Kenya.

The stakeholders and employees in Coca Cola Company in Kenya appreciated and prioritized appropriate management practices as tools of marketing the products in local and international markets. It assisted the management of the company to evaluate how effective they have been in adopting appropriate practices of their management services. This enabled them identify gaps in their practices which enhanced their strategic response as a result move to effectively manage the existing resources which improved their performance in the company. It was useful to the shareholders of the Coca Cola Company in Kenya in evaluating the effectiveness of the management practices as they coped with the increasingly competitive edge in the education sector locally.

To the academicians the study contributed to the existing literature in the field of management practices and performance. It also acted as a stimulus for further research to refine and extend the present study especially in Kenya. Findings of the study were useful to researchers and scholars as they contributed to the body of knowledge in the area of management. It also assisted other researchers to further their studies on areas of interest not yet exploited.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

This chapter presented an overview of the strategic change management, previous studies, related data and studies that were related to the change process. The chapter also provided the theories underpinning the study.

2.2 Theoretical Foundation

The study was guided by the following theories; Lewin's (2001), three step model of change, force field analysis theory and Kanter (2004), model of change management.

2.2.1 Three Step Theory of Change

Lewin (1947), offered a three step model that proposes going through the steps of unfreezing, moving and refreezing. Refreezing seeks to stabilize the organization at the new set of equilibrium. A feature of this model is that it recognizes and takes into account the important fact that with many change programmes, things may revert back to what they were. Moving involves acting on the results of unfreezing i.e. taking action to move to the desirable state of affairs. Unfreezing involves removing those forces maintaining the organization's behavior at its present level.

Directors wanting to bring change should know that change transpires slowly and moves through a successions of stages. First, the need for change must be renowned, and then it is essential to delineate where the organization stands relative to the problem, where it wants to be and how it is going to get there. With respect to the way change process needs to be accomplished, Lewin's three step model can be prolonged to show the following: recognizing the need for change, defining the problems, identifying where the organization is relative to the problem, searching for alternatives, defining goals, preparing for change, unfreezing, moving and re-freezing.

2.2.2 Force Field Analysis Theory

This is a general purpose diagnostic and problem solving technique. Lewin (1947) proposed that it changes results from the impact of a set of driving forces upon restraining forces. In any situation, there are forces that drive for change as well as those that hinder change. If the forces offset one another completely, there is equilibrium. The driving force may be external and internal and are likely to have economic aspects e.g. increase sales, improve profitability, generate new forms of competitive advantage and improve production efficiencies. On the other hand, restraining forces may be existing strategies, existing people who are loyal to the status quo. All of which may be subjective depending on how one looks at them.

This model assumes that most problems or situations have multiple causes; it also assumes that most problems or situations are held in equilibrium between driving and restraining forces, it also assumes that there is likelihood of accomplishing change if these forces identified and that it is frequently easier to make changes by reducing restraining forces.

2.2.3 Kanter Model of Change Management

Kanter (1992), model of change management focuses on managing the political context by providing information, resources and support for the change effort. The main aim is that for the organizational change to be successful, it needs to be holistic and systematic, addressing individual, social and organizational factors. The model suggests a number of actions that should be taken during change management: Building coalitions by seeking support from power sources and stakeholders; Articulate a shared vision of the mission, goals and desired results; Define the structure and process that will guide the change including clear reporting relationships, coordination between activities and teams plus accountability for outcomes; Ensure communication to keep people informed, education and training to increase their capacities; Institute policies and systems review in order to align the strategy with resource allocations. The phases of planned change model developed by Bullock and Battern (1985), have four stages namely exploration, planning, action and implementation.

The process of understanding the organization's problem is the planning phase. It includes the change process of gathering information in order to institute a correct identification of the problem; launching change goals and scheming suitable actions to achieve the goals and getting key decision makers to favor and support anticipated changes. Exploration phase encompasses becoming conscious of the need for change, examining for outside aid and launching a convention with the expert which defines each party's accountabilities. Here a business has to reconnoiter and resolve whether it wants to make specific changes in its procedures and if so obligate resources to scheduling the changes. Action phase comprises change execution and assessment of outcomes in order to make modifications where crucial. It is at this phase where the change process is premeditated to an institute from its current state to an anticipated future state and it comprises gaining sustenance for the action to be carried out (Rainey, 2009).

2.3 Strategic Change

Change can be regarded as a one-off event, an exclusion to the usual running of an organization and, hence, something to be apportioned on an issue-by-issue basis as it rises (Burnes, 2004). The growth of the change management field stems from psychology, business and engineering. The enactment of change is a collaborative, aggregate and reformulation-use process (Pettigrew & Whipp, 2007).

2.3.1 Culture Change

Everybody in an organization influences the organizational culture. The leader has to understand and adjust to the rules of the culture. The employees do not always understand the intention of the leaders' actions, and the value of the action might be quite different than the leader expected because of different interpretation. It may be quite challenging to balance the edge between creating positive energy to obtain the organizations objectives, or creating resistance for the necessary actions or transitions. Sometimes the leaders have an important task as artifacts (Christensen, 2006).

In change management good information of the culture is vital in order to comprehend how different subcultures have to change basic assumptions, values and behaviours, - and it helps to understand individuals and subcultures resistance to the changes. Dawson (2004), suggested that attempts to realign internal behavior with external conditions require change strategies that are culturally sensitive. He points out that organizations must be aware that the process is lengthy, potentially dangerous and demands considerable reinforcement if culture change is to be sustained against the inevitable tendency to regress to old patterns of behavior. Strategic change management is fundamentally a culture and intellectual phenomenon rather than an investigative rational exercise (Burnes, 2003). In any case the planned changes controvert cultural biases and traditions, it is obvious that they will be challenging to establish in the business. In a similar vein, Davidson (2006), also stressed that change can be slow specifically where contrivances and advancement structures continue unconcealed.

2.3.2 Business Process Re-engineering

Global competition, economic pressures and the potential offered by the emerging technologies are pushing firms to fundamentally change their way of operating and rethink their organization processes (Rainey, 2009). Many organizations have agreed that effective business process re-engineering is one effective way of gaining competitive advantage.

Tuan (2010), advocated that the semi-autonomous nature of each part of a network diminishes the need for and corrodes the power of centrally accomplished formalities which in turn leads to change and alteration being driven from the bottom up rather than from the top down. This is seen as playing a critical role in describing how people relate to each other and in impelling the impetus for change.

One result that attempts to respond quickly to fluctuating conditions by breaking down internal barriers, propagating familiarity and emerging synergy across functions is the creation of a network organization. Therefore, a suitable organization structure can be a significant lever for triumphing change, but its efficiency is considered as dependent upon the recognition of its informal as well as its prescribed features.

As a result, business process re-engineering differentiates from other management concepts such as total quality management. While both are based on the assumption that business process performance is critical to competitiveness, they are quite different regarding objectives, methods, results and business circumstances. Quality management programs emphasize incremental improvement, which may often take a number of years to complete (Chinowsky, 2007). On the other hand, although there are different business processes re-engineering methodologies, which suggest either incremental or radical improvement, the results of a business process re-engineering initiative can be realized in a shorter time using stronger links with enabling technologies.

2.3.3 Strategic Planning

Strategic planning is one controlling tool that has lately generated reputation among both public and private administrators. It is a process-oriented field. Unlike the organizational development model that reflects a broader change process intended to produce improved agencies through humanistic approaches, strategic planning focuses on managing strategically by employing stakeholder analysis and environmental scanning (Rainey, 2009). According to Bryson (2004), the purpose of strategic planning is to integrate practices that develop a continuing commitment to the mission and vision of the organization. In other words, the outcome of this practical process is a culture supporting strategic-thinking with a clear focus on moving an agency toward its desired vision. While there are diverse planning process recommendations, typically strategic planning efforts for public agencies revolve around various steps.

One effective way of tailoring a premeditated process is to articulate goals in terms of latitude of services provided. Effective planning entails a process that focuses on the fundamental issues facing an organization. Public agencies specifically must be in tune with their unique encounters. Simply borrowing private sector performances is not an operative method for public organizations. For example, private multinationals can pilot stratagems and test efficiency using productivity feedback and thus, readdress planning ingenuities properly. Public agencies face greater vagueness and uncertain outcome measure making the goal phase of old-fashioned planning processes perplexing (Rainey, 2009).

2.3.4 Total Quality Management

Total quality management is viewed as an inclusive approach to improve competitiveness, efficacy, and suppleness through planning, organization, and understanding each activity (Oakland, 2000). The involvement of everyone at all altitudes including the implementation of a strategic view for management value. Converging on averting issues before they transpire requires attention to remove prevailing barriers. Total quality management means an obligation to meet or surpass the needs of the receiver. Total quality management can be well-defined through the depiction of the basis implemented by the principle of "total dedication to the beneficiary". The portrayal of the output to achieve beneficiary’s allegiance, to reach time and cost effectiveness. The continuous improvement through conversing various mechanisms and procedures to generate climate of support and reassurance team work.

Changes in organization may affect the entire organization or considerable part due to various reasons such as; organization diversification in goods and services, or organization culture including policies, strategies, procedures and working methods (Rainey, 2009). Organizations of all sorts and forms are not fixed, but are in persistent changes. Dealing with changes is so significant for both beneficiaries and members of organization.

2.4 Empirical Studies and Research Gaps

Several studies have been carried out on strategic change, Tuan (2010), studied management accounting and organizational change, impact of alignment of management accounting system, structure and strategy on performance in Western Australia, the study found that significantly different results from those studies conducted in developed countries. Similarly, Sevđm (2010), did a study on change management a case study of sap implementation in a major company in China, the study found that there was lack of focus on information sharing and motivational issues and the level of overall awareness, readiness and willingness to change were relatively low. The main conclusions and recommendations drawn from this research were that it is important to establish organizational readiness prior to roll-out, and a change management process should include attention to human factors.

Rex (2010), looked at strategic change challenges in the Danish police reform, the study found that, the fact that the planning of the implementation of the police reform has drawn upon change management technologies which have been developed based on premises other than those of the police organization. Wanjiru and Njeru (2014), carried out a study on the impact of strategic response to change on the financial performance of commercial banks in Kenya. According to their study, in order to survive in this dynamic environment, banks need strategies that are focused on their activities and deal with emerging environmental and industry challenges accordingly. The study found that technological innovation has a strong positive relationship with banks performance. This means that the better the technological innovation adopted by the bank the better the performance of the commercial banks.

Okoth (2013), studied the challenges of strategic change management at The Kenyatta National Hospital in Kenya. The study found that, challenges of strategic change management at KNH has systemic and behavioral resistance, poor communication of strategies, poor training on the new system, and inconsistent support from the senior management. Mutindi (2013), did a research on effects of strategic management drivers on organizational performance, a survey of the hotel industry in Kenyan coast the study found that, Hotel managers, like any other managers, can use the feedback on performance to make adjustments to policies and other modes of organizational operations.

Similarly, in his studies Ogwora (2003), investigated strategic change management at the National Cereals and Produce Board, He concluded that change management has tremendously improved the efficiency of service delivery in the organization. Change management is a subject studied extensively in Kenya. Most studies in this area have focused on the process of change management. Mbogo (2008), studied strategic change management process at Kenya Commercial Bank, He concluded that the main factors that adversely affected the change process were non supportive organizational cultures.

Strategic change management has increasingly become a necessity rather than an alternative or a choice. However, major studies of strategic change management, mainly focus on the public sector, underplaying the changes taking place in the private sector and the need to develop change management approaches in this sector. Public and private sector organizations are today competing on the same platform, targeting the same consumers and are faced by the same environmental factors, thus their differences are minimal. From the local studies above little has been done on factors influencing strategic change management practices at Coca Cola Company in Kenya, hence the research gap.

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

This chapter provided a discussion of the outline of the research methodology that was used in this study. It concentrated on the research design, data collection methods and came to a conclusion with the data analysis and data presentation methods that were used in this study.

3.2 Research Design

The research was undertaken through a case study. A case study was preferred because it enabled the researcher to have an in-depth understanding of the single instance, Coca Cola Company in Kenya. According to Cooper and Schindler (2006), case studies place more prominence on a full contextual analysis of fewer events or condition, and their inter relations. According to Kothari (2000), research design is the arrangement of conditions for collection and analysis of data in a manner that aims to combine relevance to the research purpose with economy in procedure.

This design also allows a detailed, scrupulous and methodical data collection on the research problem. Further, it gives a deep indulgent of the subjects, and allows data collection using in-depth interviews, and document analysis. The significance of a case study is emphasized by Kothari (2004), who concede that a case study is an influential form of qualitative analysis that involves a careful and complete scrutiny of a social unit, regardless of what type of unit is under study.

3.3 Data Collection

Primary data was collected using an interview guide which was administered to strategic manager of Coca Cola Company in Kenya at the headquarters in Upper hill. An interview guide was used as it facilitates oral administration of questions in a face-to-face encounter therefore allowing collection of in depth data. In order to collect primary data, interview guide was designed with 20 questions to establish strategic change management practices by Coca Cola Company in Kenya.

Interview method was used since it generally yields highest cooperation and lowest refusal rates, offers high response quality, takes advantage of interviewer presence and its multi-method data collection. The interview guide is semi-structured, with some closed and open ended items. This involved in-depth discussion through individual meeting with the strategic manager. With unstructured questions, a respondent's response may give an insight to his feelings, background, hidden motivation, interests and decisions and give as much information as possible without holding back (Cooper & Schindler, 2006).

3.4 Data Analysis

Data collected was scrutinized using content analysis technique. According to Mugenda and Mugenda (2003), the main purpose of content analysis is to study the existing information in order to regulate factors that explain a specific sensation. According to Kothari (2000), content analysis uses a set of classification for making valid and replicable implications from data to their context. Content analysis is the best method of analyzing the open-ended questions because of its elasticity and sanctions for objective, efficient and qualitative explanation of the content of communication.

Qualitative data requires some creativity, for the challenge is to place raw data into logical meaningful categories, to examine them in a holistic fashion, and find ways of communicating this interpretation to others. Cooper and Schindler (2006), defined qualitative data analysis as working with data, organizing it, breaking it into practicable units, amalgamating it, incisive for patterns, ascertaining what is important and what is to be learned, and deciding what you will tell others.

CHAPTER FOUR: DATA ANALYSIS RESULTS AND DISCUSSION

4.1 Introduction

This chapter presented data analysis and discussions. The study objective was to determine the factors influencing strategic change management practices at Coca Cola Company in Kenya. Primary data was collected through in-depth interview which was administered to strategic manager of Coca Cola Company in Kenya. The data was afterwards scrutinized based on the objectives of the study and the findings are as presented as per the different classes featured below.

4.2 Factors Influencing Strategic Change Management Practices

4.2.1 Strategic Change Management at Coca Cola Company in Kenya

The respondent was asked to explain how he views strategic change management. He said that strategic change management is a plan for how to make something different. It implicates moving workers to new behaviour while retaining key competitive advantage predominantly proficiency and client satisfaction. He further went on to say that systematic change management is the use of methodical methods to ensure that planned structural change can be directed in the scheduled directions, accompanied in cost effective manner and finalized within directed time frames and with the anticipated results.

He also stated that change management practice is the process where directors establish the companies long term direction, set precise performance objectives, develop strategies to achieve these aims in the light of all significant internal and external circumstances and commence to implement the chosen action plans.

4.2.2 Adaptation to Strategic Change Management Practices

Under this question, the respondent stated that the company has adopted new strategies in the face of financial distress for the purpose of breaking the critical situations. It has controlled fundamental inertia that it inclines to keep its previous structure and stratagem to advance effectiveness and performance. He further explained that the company has come to increasingly control key markets and heightened the general level of competitiveness among its competitors through effective strategic change management practices such as technology and innovation that has enabled it protect market share, enhance operational efficiency and improve performance.

4.2.3 Effect of Internal and External Environments Change

The interviewee responded to this question by stating that, for any industry to develop and succeed, administrators of the industry must be able to antedate, diagnose and deal with alteration in the internal and external environment. Change is an inevitability, and for this purpose business managers must dynamically participate in a process that classifies change and renovates business activity to take best advantage of change. The respondent said that technology is the single most essential ecological factor that impacts change in the Company. Competitors and international trends influence change in the industry especially due to globalization. The consumer prospects significantly influence change management practices as they are a replication of the economic environment.

The interviewee was asked how employee internal behaviour affects strategic change management practices in the company. He indicated that the company has the responsibility to train the employees as it adapts a strategic change. A massive obligation falls upon the change management team hence the business have to give backing to the change agents in order for them to inspire others to deal with change complications. Modification demands new acquaintance, assistances and aptitudes and since the company is engaging in change, it should train and re-train, have on-the-job counselling and tutoring in order to embolden rather than portend staff. For successful change process, fortification of the anticipated behaviour through rewards like upsurge of pay, gratitude and circumventing disparagements could be significant.

4.2.4 Effect of Internal Barriers at Coca Cola Company in Kenya

The study sought to determine from the interviewee how internal barriers influence strategic change management in Coca-Cola Kenya Ltd. The respondent indicated that the odds of successful change management hinge on procedural factors, the convolution of change and communal features. These facets are prevailing and encompass top manager obligation and open communication, social culture and employees' response to change, especially confrontation.

The interviewee further went to say that Coca cola Company in Kenya relies on its personnel to adjust to changes however the alteration is usually slow, often hard and sometimes even disastrous. Resistance to change is recognized as a natural retort. It is one of the main hindrances facing the organisation when trying to implement change. Workers fear and resist change for a variety of reasons, fear of termination, fear of extra work and others.

4.2.5 Effect of Organizational Structure and Culture

The interviewee was asked how strategic change management is affected by organizational structure and culture. The respondent indicated that when the company failed to design its organization structure according to the needs of the strategy and the relationships among various positions, the strategic change management failed to succeed. He further stated that lack of organizational structure to fit the strategy affect the strategy implementation. He asserted that the Company needs to be innovative to ensure its existence. Coca Cola Company in Kenya should extend the search for new concepts, release exaggeratedly tight controls and inelastic structures, counterfeiting better acquaintances between reformers and mainstream tasks, and nurture communication and alliance skills. Inventions comprise concepts that create the future.

He stated that organizational culture is one of the most problematic magnitudes of change management in the company and comprises both formal and informal operational components. The operationalization of the company has also been affected. So, besides contenders, organizational culture has also been the attention of the firm. Organizational culture has constantly developed as a pivotal variable in determining the success of efforts to implement change in Coca Cola Company in Kenya. A lack of accepting of how the strategy should be implemented; clienteles and workforce not fully appreciating the strategy; hitches and hindrances not accredited, renowned or acted upon; and disregarding the day-to-day business essentials affects the company’s strategic change management practices.

4.2.6 Effect of Strategic Change Management Practices on Organizational Life

Organizational life consists of periods of incremental change, however, where there are discontinuous changes in the environment then frame breaking changes take place and they involve major changes in strategy, structure, processes and people behaviour.

The study sought to determine from the interviewee how strategic change management affect Coca-Colas Company organizational life. The interviewee stated that strategic change is long term in nature, affects the entire company and aims at achieving effectiveness. Change affects sections of the company and focuses on efficiency. Strategy enables the company to cope with environmental challenges as it matches resources and activities of the company in the environment in which it operates. A strategic fit developed by identifying opportunities in the environment and adapting resources and competencies so as to take advantage of them is essential and must be maintained at all times for the success of the company.

4.2.7 Effect of Technological Change and Business Process Re-Engineering

Companies rely on technology from the decision of a solo entrepreneur to purchase a new laptop to a growing company's roll out of time-management software. The respondent said that the company relies on technology for its day-to-day operations. He further stated that technology has a very deep impact in the field of the organization and management as well. It assumes a direct correlation to ease and efficiency, as it does in every other field.

Essentially, progress in technology has ensured higher efficiency in the company especially when it comes to every step of a process, from research to planning to execution. Technology, especially IT, has seeped through each and every pore of the company and managerial operation, without the use of which the business could not easily achieve its ambition or even run smoothly today.

The respondent was asked how business process re-engineering affects strategic change management practices in the company. He stated that the intent of process reengineering is to make Coca Coal Company in Kenya significantly more flexible, responsive, efficient, and effective for its customers, employees and other stakeholders. The company has been able to re-invent the way it works to satisfy its customers, to be competitive, to cure systemic process and behavioral problems, to enhance capability to expand to other industries, to accommodate an era of change, to satisfy its customers, employees, and other stakeholders who want them to be dramatically different and to produce different results, to survive and be successful in the long term and to invent the rules of the game.

4.2.8 The effect of Globalization at Coca Cola Company in Kenya

The interviewee stated that globalization has increased the company's markets and opportunities for more growth and revenue. Coca Cola Company in Kenya concern for performance has led frequently to adopting some strategic options that has gone beyond the national space of origin and rely, to a greater extent, on the globalization phenomenon of production, market and capital. The success, under these circumstances, has been conditioned to an impressive extent by the cultural context and by the managerial competence of capitalizing the aspects that resulted from this diversity of values, customs, beliefs and local traditions.

4.2.9 Strategic Planning Influence on Strategic Change Management Practices

The respondent was asked whether strategic planning influence strategic change management in Coca-Cola Kenya Ltd. He said that strategic planning influences strategic change management in the company since for the business growth and prosperity, has been enacted by managers who have anticipated, recognized and dealt with change in the internal and external environment. He said that change is a certainty and for this reason managers in the company are actively engaging in a process that identifies change and modifies business activity to take best advantage of change.

He further stated that effective strategic planning efforts in employees are taken as an input in developing the vision, mission, strategies, and objectives by the company. They facilitate acceptance and support of strategic quality plans by the employees. They also take into account the possible side effects of the plan to the environment prior to the production. This manifests and improves social responsibility of Coca Cola Company in Kenya.

4.2.10 Influence of Shifting Customer Preference and New Product Development

The respondent indicated that the way customers feel about changes of the company's products is influenced just as strongly by their own attitudes toward change as by the changes themselves and the way they are managed. He stated that understanding about customer preference is essential for the company because it enables them to identify and target those customers who are most likely to purchase.

According to the interviewee, Coca-Cola Kenya Ltd has shifted customer preference by introducing more brands and pack sizes. Currently, the consumers have a variety of products to choose from and they are able to get what they want from the market. The respondent gave an example of some drinks like Fanta Pineapple, Fanta Strawberry, Coke Zero and Krest Bitter lemon flavor in plastic. The drinks are packaged in all sizes so as the meet the customers desires. With the variety, the customer's preferences are shifted and they are able to make sensible beverage choices compatible with their lifestyle.

The dynamics of markets, technology, and competition have brought changes to virtually every market sector and have made new product development one of the most powerful business activities. The respondent stated that the monumental changes that constantly impact commerce have forced Coca Company in Kenya to innovate with increasing speed, efficiency, and quality. In turn, this has made new product development one of the most complex and difficult business functions. He said that it would be hard for the company to survive without new product development.

4.2.11 Influence of Public Agencies and Government Policies

On the question on whether government policies influence strategic change management practices, the interviewee indicated that the government policies has effects on the market economy through not only laws that govern the market system but also specific policies, regulations, judicial decisions, taxes, and government spending. These government actions are constantly changing and are part of the dynamic operating environment for Coca Cola Company in Kenya.

The government has enabled the company define the rules for business transactions, enforcement of contracts, and granting patents and copyrights that encourages inventions and new products and services. Public agencies influence strategic change management practices. The respondent opined that public agencies mechanisms are healthy feedback for fine tuning and adapting strategic change to make it succeed for the best interests of present and future stakeholders in the company.

4.2.12 Influence of Total Quality Management

Under this question, the interviewee indicated that Total quality management (TQM) affects the company in a wide range. He stated that it has helped in continuously improving the quality of the company's products and services by focusing on the customers' needs and expectations that has helped them enhance customer satisfaction and firm's performance.

Through TQM, the company is giving training to all their employees to improve their proficiencies in their tasks. The respondent said that effective training in management and improvement in quality bring success for the firms. Employees' effective knowledge and learning capability will provide sustainability of quality management in the firm.

4.2.13 Future for Coca Cola Company in Kenya

The interviewee pointed out that the adaptation of strategic change management practices is often what separates rapidly growing companies from slow-growing or stalled companies that started at the same time, serve the same market and offer similar merchandise. Coca-Cola Company in Kenya has succeeded in a highly competitive market because, while it certainly produces competitive products, it out-markets its rivals since it has learnt to adapt strategic change management practices.

Coca-Cola Company in Kenya always addresses future priorities in what would be termed as the spirit of constructive discontentment. The respondent also echoed confidence that Coca-Cola is well placed to maintain its leadership in the market. He asserted that even though the future is unpredictable and that the company may experience headwinds along the way, he believes that there is no better consumer business to be in than the non-alcoholic ready to drink manufacturing business which is Coca Cola Company in Kenya.

4.3 Discussion of the findings

This section will compare the findings of the study with the theories and findings from other empirical studies.

4.3.1 Comparison with Theory

The study was anchored on three theories namely: three step theory of change, force field analysis theory and the Kanter model of change management. Through the strategic change management practices, the responses received during the research confirmed the existence of the practices at Coca Cola Company in Kenya. Three step theory of change recognizes the need for change, defining the problems, identifying where the organization is relative to the problem, searching for alternatives, defining goals, preparing for change, unfreezing, moving and re-freezing. This can be related to the findings that indicated that monumental changes that constantly impact commerce have forced Coca Cola Company in Kenya to innovate with increasing speed, efficiency, and quality. The dynamics of markets, technology, and competition have brought changes to virtually every market sector.

Force field analysis theory indicates that there are forces that drive for change as well as those that hinder change. The driving force may be external and internal and are likely to have economic aspects e.g. increase sales, improve profitability, generate new forms of competitive advantage and improve production efficiencies. The interviewee indicated that Coca Cola Company in Kenya has gone through many internal and external changes since it has been in existence. The company has used techniques of change management in order to survive from the consequences of those events. He further stated that, for any business to grow and prosper, managers of the business must be able to anticipate, recognize and deal with change in the internal and external environment.

According to the respondent the odds of successful change management depend on methodological determinants, the complexity of change and social aspects. These aspects are dominant and comprise top manager commitment and open communication, social culture and employees' reaction to change, especially resistance. The interviewee further indicated that the government policies has effects on the market economy through not only laws that govern the market system but also specific policies, regulations, judicial decisions, taxes, and government spending. These government actions are constantly changing and are part of the dynamic operating environment for Coca Cola Company in Kenya. This is from a view from Kanter model of change management which focuses on managing the political context by providing information, resources and support for the change effort. The main aim is that for the organizational change to be successful, it needs to be holistic and systematic, addressing individual, social and organizational factors.

4.3.2 Comparison with other Empirical Studies

The study identified the effect of technological change on strategic change management in Coca Cola Company in Kenya. It stated that technology has a very deep impact in the field of the organization and management as well. It assumes a direct correlation to ease and efficiency, as it does in every other field. The findings are in line with Anderson et al., (2001), who stated that the strategic management of technology involves the top team in making a commitment to certain goals, analyzing the organisations performance in relation to its technologies and future prospects and producing a vision and a mission statement.

The study found the effect of globalization in strategic change management. It stated that globalization has increased the company's markets and opportunities for more growth and revenue. Coca Colas Company in Kenya concern for performance has led frequently to adopting some strategic options that has gone beyond the national space of origin and rely, to a greater extent, on the globalization phenomenon of production, market and capital. The study findings are in line with Nyaboga (2013), who stated that effective strategic change management has become essential for the survival of any company since there have been extreme changes in the competitive forces due to globalization. These changes have greatly affected the management of businesses.

The study found the effects of internal and external environments change on strategic change management practices. For any business to grow and prosper, managers of the business must be able to anticipate, recognize and deal with change in the internal and external environment. Change is a certainty, and for this reason business managers must actively engage in a process that identifies change and modifies business activity to take best advantage of change. Burnes (2000), assert that, to cope with environmental changes, strategic management has taken center stage in organizations that intend to succeed in the turbulent business environment. Unstable markets and frequent product changes have rendered strategic change management critical to the survival and prosperity of organizations.

The study found how strategic change management affects Coca-Cola Company in Kenya organizational life. A strategic fit is developed by identifying opportunities in the environment and adapting resources and competencies so as to take advantage of them is essential and must be maintained at all times for the success of the organization. Hill and John (2001), assert that organizational life consists of periods of incremental change, however, where there are discontinuous changes in the environment then frame breaking changes take place and they involve major changes in strategy, structure, processes and people behaviour.

The study showed how business process re-engineering affects strategic change management practices in the company. The intent of process reengineering is to make Coca Cola Company in Kenya significantly more flexible, responsive, efficient, and effective for its customers, employees and other stakeholders. Hammer (2009), recommends that business process re-engineering should be organized around outcomes and not tasks. There should be a leading coalition made up of management and people who have a vision of what the outcome should be.

The study found internal barriers influencing strategic change management in Coca-Cola Company in Kenya. The respondent indicated that the odds of successful change management depend methodological determinants, the complexity of change and social aspects. These aspects are dominant and comprise top manager commitment and open communication, social culture and employees' reaction to change, especially resistance.

Prosci (2002), pose that resistance to change is accepted as a natural reaction. It is however cited as one of the major obstacles facing organisations when trying to implement change.

The study found how organizational structure influence strategic change management practices. If an organization fails to design its organization structure according to the needs of the strategy and the relationships among various positions, the strategic change management cannot succeed. He asserted that the Company needs to be innovative to ensure its existence. Coca Cola Company in Kenya should widen the search for new ideas, loosen overly tight controls and rigid structures, forging better connections between innovators and mainstream operations, and cultivate communication and collaboration skills. Innovations involve ideas that create the future. The is in line with Yap & Ferreira (2010), findings that indicate that change management process mostly affects an organizations' structure, systems and processes with employee behavior being the least affected by the process. Organization structure change involves combining departments with the aim of reducing management layers. This can be successfully achieved with least impact on the beneficiaries of the projects undertaken by the organization.

CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter presented summary, conclusions and recommendations of the study. This study focused on factors influencing strategic change management practices at Coca Cola Company in Kenya.

5.2 Summary of the Findings

From the findings, a change management strategy is a plan for how to make something different. It encompasses moving personnel to new behaviour while recollecting key competitive advantage predominantly proficiency and client satisfaction. Change management practice is the process where supervisors create the firms long term direction, set detailed performance aims, cultivate strategies to attain these purposes in the light of all pertinent internal and external conditions and commence to implement the chosen action plans.

From the findings, it has been apprehended that Coca Cola Company in Kenya incline to adopt innovative strategies in the face of monetary distress for the purpose of breaking the critical situations. Furthermore, the company would retain operational inactivity that it tends to keep its previous structure and strategy to improve affordability and performance. The company have come to gradually control key markets and intensified the general level of attractiveness among its participants through effective strategic change management practices to protect market share, enhance operational efficiency and improve organizational performance.

The findings show that strategic change is long term in nature, affects the entire organization and aims at achieving effectiveness. Change affects sections of the organization and focuses on efficiency. Strategy enables the organization to cope with environmental challenges as it matches resources and activities of the organization in the environment in which it operates. A strategic fit developed by identifying opportunities in the environment and adapting resources and competencies so as to take advantage of them is essential and must be maintained at all times for the success of the organization.

From the findings, it has been realized that strategic change management is affected by organizational structure and culture. The respondent indicated that if an organization fails to design its organization structure according to the needs of the strategy and the relationships among various positions, the strategic change management cannot succeed. Lack of organizational structure to fit the strategy affects strategy implementation.

The findings has shown that employee internal behaviour affects strategic change management practices in the company. Coca Cola Company has the responsibility to train the employees as it adapts a strategic change. An enormous responsibility falls upon the change management team hence the organization have to give support to the change agents in order for them to motivate others to deal with change difficulties. For successful change process, reinforcement of the desired behaviour through rewards like increase of pay, recognition and avoiding criticisms could be important.

From the findings, Total quality management (TQM) affects the company in a wide range. Total quality management has helped in continuously improving the quality of the company's products and services by focusing on the customers' needs and expectations that has helped them enhance customer satisfaction and firm's performance. Through TQM, the company is giving training to all their employees to improve their proficiencies in their tasks. Effective training in management and improvement in quality bring success for the firms. Employees' effective knowledge and learning capability will provide sustainability of quality management in the firm.

Finally, the study found that strategic change management process has not been a smooth sailing due to numerous challenges faced in implementation. Some of the challenges as revealed by the respondent indicated resistance to change, poor communication, lack of adequate resources and funding, ineffective management support and incompatibility of the new change with existing organization structure, information technological innovations, political interference, social factors and consumer behaviour.

5.3 Conclusion

This study focused on factors influencing strategic change management practices at Coca Cola Company in Kenya.

The findings has helped in drawing a conclusion of the study, strategic change is long term in nature, affects the entire organization and aims at achieving effectiveness. Despite the challenges faced by Coca-Cola Kenya Ltd, it has adopted some strategies to cope with them in its quest to remain the market leader. It has adapted the new technology which will help in curbing competition and globalization. Coca-Cola Kenya Ltd is also continuing to shift consumer preferences so that each customer will have a favorite drink from the company.

Coca-Cola Company in Kenya has been one of the most successful companies and in Kenya it dominates the soft drink industry. The company has managed to get ahead of its competitors. However, the company still finds it necessary to engage in strategic change management practices. The company still monitors changes in the environment and has put in change management practices to address the changes. From the findings of the study therefore, strategy is still important for a company that has managed to beat its competitors and dominate the market. This is because environmental changes can still drive the company out of the market and force it to wind up.

5.4 Recommendations

The study recommends that understanding that change is inevitable, therefore, it is important for all members of the organization to understand that change is not only inevitable but also necessary. This is because there are such forces as technological, economic, social, legal, competition, political and ecological among others which will always affect organizational operations. The company need to be proactive in its operations by initiating the required change that could give them a competitive edge.

All the employees and managers in the company should own the process of change. They should make sure that they do not oppose change for the sake of it, but seek to identify the positive effects of such change. This will ensure that time and resources are not spent fighting change, but preparing for, and if need be, initiating change. There is need to offer a genuine opportunity to employees to participate in all the aspects of the new programme.

The organization should develop a learning culture which will encourage all the employees to learn from their mistakes and successes. There should be no culture of blame in the organization and people should not be afraid of making mistakes as they will sometimes do when looking for better ways of doing things in the organization. A learning culture supports innovation, which would help the firm develop better products and services for its customers. The organization should be able to anticipate change and plan for it accordingly. This is especially important because the environment in which Coca Cola Company in Kenya operates is very dynamic. Technology is a very critical tool that must be exploited to give the organization the much desired competitive edge in such a turbulent environment.

Some of the findings in this study call for a review in some of the policies and practices that are undertaken by the Coca Cola Company in Kenya. This study is important to policymakers because it will help them provide a framework upon which more efficient and effective strategic change management practices can be built on. Policy formulation and implementation needs to be reviewed to support Coca Cola Company in Kenya among all other strategies implemented.

Policy makers at various levels of management will be able to gain value added information on adapting strategic change management practices in response to the changing business environment. For instance, the managers responsible for strategy may use the findings to formulate effective monitoring and control systems to mitigate against the challenges while formulating and adopting change management practices.

The management of Coca Cola Company in Kenya should use this study as it will assist their management practices by systematically building on the strategies that have already been employed. To the soft drink manufacturing industry and other manufactures in the fast moving consumer goods industry, this study will be a source of reference material to give insights to management on how to employ strategic change management practices in addressing business changes in their respective markets.

5.5 Limitations of the Study

The limitation of this study was the limit of time and scale of the research. The Strategic Manager was very busy in his office and so it was difficult to get an ample time to interview him. Some of the conversations would be interrupted and left hanging after he received important calls from the various industrial departments. The interviewee kept rescheduling our meetings due to circumstances he said were unavoidable. In two instances, after reaching the interview venue, I had to leave without carrying out any interview because he was held up in meetings.

The study also faced financial limitations. Due to limited finances the study could not be carried out on all bottlers in Kenya. This study analyzed the strategic change management practices as a whole without recognizing that each company that deals with soft drinks probably has different perceptions of change management practices, since what may be useful to one company may not be to another.

5.6 Suggestion for Further Research

The study investigated factors influencing strategic change management practices at Coca Cola Company in Kenya. A further study should be carried to investigate the effects of strategic change management practices on the performance of the Coca Cola Limited. The study suggests that a study should also be carried out to investigate the effects of staff resistant to strategic change management in the Coca Cola Company in Kenya. The sample size of the study should also be increased in order to realize the most important determinants at a more generalized level.

Strategic change management practices also applies in other organizations. The study focused on Coca Cola Company in Kenya thus a further study need to be carried out in other organizations to enhance more understanding in this area of strategic change management practices. This will help show where there are similarities and differences in the strategic change management practices.

REFERENCES

Abdallah, G.H. (2000). “An empirical investigation of the strategic marketing practices of the soft drink industry in Kenya”, *Unpublished MBA* Research Project, University Of Nairobi, Nairobi, Kenya

Armstrong, M., & Taylor, S. (2014). *Armstrong's handbook of human resource management practice*, Kogan Page Publishers

Bryson, J. (2004). *Strategic Planning for Public and Nonprofit Organizations: A Guide to Strengthening and Sustaining Organizational Achievement*. San Francisco: John Wiles & Sons Inc

Bullock, R.J. & Batten, D. (1985) ‘it’s just a phase we’re going through: a review and synthesis of OD phase analysis’, Group and Organization Studies, 10, December, pp. 383-412

Burnes, B. (2004). *Managing Change*, Prentice Hall, Cambridge, Massachusetts

Byeon, I (2005). *Human resource management: a contemporary perspective*; London: Pitman Publishing Company

Chinowsky, P. (2007). Learning Organizations in Construction, *Journal of Management in Engineering*, 23 (1). Retrieved from web.ebscohost.com

Christensen, C. (2006). *What is an Organization's Culture*? Boston: Harvard Business School Publishing. Retrieved from www.hbr.org on 2/1/2013

Cooper, D.R & Schindler, P.S. (2006). *Business Research Methods (8th edn)* McGraw-Hill: New York.

Cox, T. H., & Blake, S. (2006). Managing cultural diversity: Implications for organizational competitiveness. *The Executive*, 45-56

Davidson, D.S. (2006). *Strategic Change, in Building Issues*, Lund Centre for Habitat Studies, Lund University, Sweden, 3(8)

Dawson, P. (2004). *Organizational change: A processual approach*, Paul Chapman publishing, London

Gekonde C. (1999). A Survey of the Strategic Change Management Practises by Kenyan Companies: A case of companies listed in the Nairobi stock Exchange. *Unpublished M.B.A Project*, University of Nairobi

Giathi, C. W. (2003). *Management perception of the influence of organizational learning on strategy development at Sarova Hotels limited*, Kenya. Diss. University of Nairobi, 2003.

Gordon J.R. 2001). *Management of Organizational Behavior*, Needham Heights, Massachusetts, U.S.A

Hayes, K. P. (2002). "Performance Measurement System Design; a Literature Review and Research Agenda" *International Journal of Operations & Production Management* Vol. 24, No. 12 (2005): 1228-1263

Johnson, G. & Scholes, K. (2004). *Exploring corporate strategy:* Prentice Hall: London.

Jones G.R. (2004). *Organizational Theory, Design and Change*, Prentice Hall

Kanter, J.P. (1992) 'Leading Change: Why Transformation Efforts Fail', *Harvard Business Review*, 73, 2, pp. 59-67

Kanter, R. M. (2004). T*he change masters; Innovation and Entrepreneurship in the article corporation*, Simon and Schuster, New York.

Kaplan, R. S., & Norton, D. P. (2002). *Execution premium: Linking to operations for competitive advantage*, Boston, Harvard Business School Publishing co. USA

Kazmi, D. R. (2002). Enhancing the success of organizational change: Matching readiness strategies with sources of resistance, *Leadership & Organization Development Journal*, Vol. 30, No. 2, pp. 167-182

KE, S. O. (2015). Socio-economic Foundations of the Democratization in Modern Azerbaijan Society, *Journal of Civil & Legal Sciences*, 2015

Kibera. & Waruinge, U. (2008). *Fundamentals of marketing: An African Perspective Nairobi*: Kenya Literature Bureau

Kimaku, P. M. (2010). Change management practices adopted by Barclays Bank of Kenya limited; *Unpublished MBA Project*, School of Business, University of Nairobi

Kothari, C. R. (2004). *Research methodology: methods and techniques*, (2nded.). New Delhi. New Age International (P) Limited

Lewin, K. (2001). *Field Theory in Social Science*, New York: Harper & Row

Mbogo, M. (2008). Influence of Managerial Accounting Skills on SME's on the Success and Growth of Small and Medium Enterprises in Kenya. *Journal of Language*, Technology & Entrepreneurship in Africa, 3(1), 109-132.

Mburu, G. (2012). "The impact of perceived quality on brand choice: The case of soft drinks", *Unpublished MBA Project*, School of Business, University Of Nairobi, Nairobi, Kenya

Mburu, P. (2001). "The impact of perceived quality on brand choice: The case of soft drinks", *Unpublished MBA Project*, School of Business, University Of Nairobi, Nairobi, Kenya

Mugenda, O. M., & Mugenda, A. G. (2003). *Research Methods: Quantitative and Qualitative Approaches*. Nairobi: Acts

Mutindi, U. J. M. (2013). *Effects of strategic management drivers on organizational performance: A survey of the Hotel Industry in Kenyan Coast.*

Nyangau, P. M. (2011). Effects of Cultural Change on Strategic Planning in the Banking Sector: A Case of Commercial Banks in Kisii Central Business District, Kenya

Oakland, J. (2000). *Total Quality Management*. Butterworth Heinemann.

Ogwora, E. M. (2003). Strategic Change Management at the National Cereals and Produce Board, *Unpublished MBA Project*), School of Business, University of Nairobi, Kenya

Okoth, H. W. O (2013). *Governing the environment: political change and natural resources management in Eastern and Southern Africa*, Acts Press

Ong'olo, D. (2002).Regulating Competition in Kenya's Beverages Industry; *Bulletin of the Institute of Economic Affairs* [Issue No. 53: July 2002

Otley, D. (2009). Management control in contemporary organizations: towards a wider framework. *Management accounting research*, 5(3), 289-299

Pardo del Val, M., & Martínez Fuentes, C. (2003). Resistance to change: a literature review and empirical study. *Management Decision*, 41(2), 148-155.

Pearce, M. & Robinson, H. (2005). *Strategic Management, Formulation, Implementation and Control,* 8thEdition, McGraw Publishers

Pettigrew, A.M & Whipp, R. (2007).*Managing Change for Competitive Success*. Basil Blackwell, Oxford

Rainey, H. (2009). *Understanding and Managing Public Organizations*. San Francisco: John Wiley & Sons, Inc.

Ravi, C. R., (2014). Organizational culture as a Root of Performance Improvement: Research and Recommendations. *Contemporary Management Research*, Vol. 4, No. 1, pp.43-56

Rex, M. J. (2010). A Case Study of SAP Implementation in a Major Company Master of Science, *Thesis in International Project Management*, Doctoral School of Organisation and Management Studies

Self, D. R. & Schraeder, M. (2009). Enhancing the success of organizational change: Matching readiness strategies with sources of resistance, *Leadership & Organization Development Journal*, Vol. 30, No. 2, pp. 167-182

Sevđm, A. M. (2010). Change management a case study of sap implementation in a major company in China. Business Process management journal, 7(3), 266-275

Tuan, A. H. (2010), *Management Accounting and Organizational Change, Impact of Alignment of Management Accounting System, Structure and Strategy on Performance in Western Australia*

Wanjiru, K. & Njeru, A. (2014). Impact of strategic response to change on financial performance of commercial bank in Kenya, *International Journal of Social Sciences and Entrepreneurship*, 1 (13), 162-184

APPENDIX I: INTERVIEW GUIDE

1. Could you please explain how you view strategic change management practices?
2. What effect does technological change have on strategic change management practices at Coca Cola Company in Kenya? Explain?
3. Does internal and external environments change affect strategic change management practices at Coca Cola Company in Kenya? Explain?
4. What effect does new product developments have on strategic change management practices at Coca Cola Company in Kenya? Explain?
5. What is the role of globalization in strategic change management practices at Coca Cola Company in Kenya? Explain?
6. Does shifting customer preference influence strategic change management practices at Coca Cola Company in Kenya? Explain?
7. How does Coca Cola Company in Kenya adapt to strategic change management practices? Explain?
8. What are the challenges faced by Coca Cola Company in Kenya in the implementation of strategic change management practices? Explain?
9. How do strategic change management practices at Coca Cola Company in Kenya affect its organizational life? Explain?
10. How does organizational culture influence strategic change management practices at Coca Cola Company in Kenya? Explain?
11. How does cognitive phenomenon influence strategic change management practices at Coca Cola Company in Kenya? Explain?

12. How do employee internal behaviors influence strategic change management practices at Coca Cola Company in Kenya? Explain?
13. What is the effect of business process re-engineering in strategic change management practices at Coca Cola Company in Kenya? Explain?
14. Does organization structure have influence on strategic change management practices at Coca Cola Company in Kenya? Explain?
15. What are the internal barriers influencing strategic change management practices at Coca Cola Company in Kenya? Explain?
16. Does strategic planning influence strategic change management practices at Coca Cola Company in Kenya? Explain?
17. What is the influence of public agencies on strategic change management practices at Coca Cola Company in Kenya? Explain?
18. Does total quality management influence strategic change management practices at Coca Cola Company in Kenya? Explain?
19. How do government policies influence strategic change management practices at Coca Cola Company in Kenya? Explain?
20. What do you think about the future of Coca Cola Company in Kenya?