THE PROCESS AND CHALLENGES OF IMPLEMENTING STRATEGIC CHANGE: A CASE STUDY ON KWATOS PROJECT IN KENYA PORTS AUTHORITY

BY

LUCAS M. KATEMA

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

SEPTEMBER, 2009

DECLARATION

This research project is my original work and has not been submitted for a degree in any other University.

Signed: …………………………………..   Date:

      …………………………………

LUCAS M. KATEMA

REG. NO. D61/P/7010/2004

This research work is submitted for examination with my approval as the University Supervisor.

Signed: ……………………………….   Date:

      …………………………………

Name: **MR. JEREMIAH KAGWE**

Lecturer, University of Nairobi

DEDICATION

In memory of my father the late Zachariah Katema, whose exit from this world when I was barely one year old, defined my resilience to change.

ACKNOWLEDGEMENT

ACRONYMS

CATOS	-	Computer Aided Terminal Operating System
CBA	-	Collective Bargaining Agreement
CBS	-	Community Based System
ERP	-	Enterprise Resource Planning
ICD	-	Inland Container Depot
KPA	-	Kenya Ports Authority
KRA	-	Kenya Revenue Authority
KWATOS	-	Kilindini Waterfront Automated Terminal Operating System
MPRO	-	Mombasa Port Release Order
SAP	-	Systems Application Products
TSB	-	Total Soft Bank

ABSTRACT

The phenomenon of change is not something new. Perhaps what is new is the fact that the volume, momentum and complexity of change are accelerating at an increasing rate due to globalization of the marketplace and technological advancements. Change management is considered important because literature is full of examples of change projects that have gone wrong. This research project sought to determine the process and challenges faced by KPA in implementing strategic change.

To achieve the above stated objective, a case study research design was used to collect data on KWATOS change project. Primary data was collected between August and September 2009. A detailed interview guide was used in interviewing ten (10) senior officers in KPA. The respondents were two divisional heads, three departmental heads, the KWATOS Project Manager, three project team members and the Project Training Coordinator. All these were selected because of their functional roles in the implementation of KWATOS. The response rate was 100% as all the 10 respondents were interviewed as intended.

The data collected was analyzed through content analysis technique. This revealed that the KWATOS implementation in KPA adopted Kotter's 8 stages approach. A number of challenges were encountered in moving through the eight stages of pushing urgency up, putting together a guiding team, creating the vision and strategies, effectively communicating the vision and strategies, removing barriers to action, accomplishing short term wins, consolidating gains and producing more change and finally, creating a new culture to make change stick. The biggest challenge was organization culture.

The study recommends that KPA should consider change management programmes targeting culture change. This calls for further research on the role of organization culture in managing change. The concept of resistance to change in public sector also deserves to be investigated further. Finally, there is need for further research to assess the impact of KWATOS on port efficiency in five years time.

TABLE OF CONTENTS

CHAPTER ONE: INTRODUCTION

1.1   Background of the study

1.1.1   Change and Strategic Change.

It is about everything, everywhere every time. The world is changing so rapidly that confusion and dysfunction have become more the rule than the exception (Conner, 2006). Change can be defined as a transformation or a transition from one state, condition or phase to another. Bridges (2003) points out a slight variation between change and transition. He explains that change is situational while transition is psychological; a three phase process that people go through as they internalize and come to terms with the new situation that the change brings about. The phenomenon of change is not something new. Today, there is more change to contend with than ever before. The volume, momentum and complexity of change are accelerating at an increasing rate due to globalization of the marketplace and technological advancements. Change has therefore become a permanent feature that business leaders and managers must deal with daily. Change is a strategy to accomplish some overall goal. Conner (2006) emphasizes that change is not a discrete event that occurs by linear progression; rather it unfolds on many different levels simultaneously. Bridges (2003) further observes that change of any sort finally succeeds or fail on the basis of whether the people affected do things differently.

Strategic change refers to changes in the content of a firm's strategy as defined in its scope, resource deployments, competitive advantage and synergy. It is the difference in the form, quality or state over time in organization's alignment with its external environment. Thompson et al (2007), emphasizes that industry environments characterized by high - velocity change require companies to rapidly adapt their strategies.

1.1.2   Strategic Management and Change Management

Strategic Management is concerned with deciding on strategy and planning how this strategy is put into effect via strategic analysis, strategic choice and strategic implementation (Johnson and Scholes, 1993). According to Robson (1997), successful strategic implementation is just as critical to organizational success as strategic choice, and just as difficult. Such strategic implementation requires that organizations deal with the resources required, organization structure changes and systems and workforce necessities. Thompson et al (2007) view crafting and executing strategy as core management functions. They argue that whether a company wins or loses in the marketplace is directly attributable to the caliber of a company's strategy and the proficiency with which the strategy is executed.

According to Wheelen and Hunger (2008), organizations that engage in strategic management generally outperform those that do not. A survey of fifty (50) corporations in a variety of countries and industries found out that the three most highly rated benefits of strategic management to be (i) clear sense of strategic vision (ii) sharper focus on what is strategically important and (iii) improved understanding of a rapidly changing environment. The attainment of an appropriate match or 'fit' between an organization's environment and its strategy, structure and processes has positive effects on the organization's performance. According to Thompson et al (2007), a good strategy and good strategy execution are the most trustworthy signs of good management. Strategic management has now evolved to the point that its primary value is in helping an organization operate successfully in a dynamic and complex environment (Wheelen and Hunger, 2008). It is used as a tool to drive organizational change.

In seeking to understand the relationship between strategic management and change management, it is important to mention that there are two perspectives on strategy: the prescriptive and analytical streams of strategy. The prescriptive

stream of strategy gives rise to organizational change that flows from and is concerned with implementing an organization's predetermined strategy leading to the planned approach to change as developed by Kurt Lewin (Burnes, 2004). The analytical stream gives rise to organizational change not as an outcome of strategy but the process that is less rational and therefore an emergent process. Burnes (2004) further points out that organizational change cannot be separated from organizational strategy and vice versa.

Change management is the process during which the changes of a system are implemented in a controlled manner by following a defined framework or model with to some extent, reasonable modifications. It is the process, tools and techniques to effectively manage the change process and the resultant human resources issues that surface when implementing business changes. Change management is the unfolding response to, and increased understanding of, a complex and irreversible change.

1.1.3 The Kenya Ports Authority (KPA).

The KPA was established by an Act of Parliament (CAP 391 of the Laws of Kenya) on 20th January 1978 to manage the Port of Mombasa which includes Kilindini Harbour, Port Reitz, the "Old Port", Port Tudor and the whole of the tidal waters encircling Mombasa Island. The KPA is also responsible for other small ports (which function basically as social infrastructure ports) such as Funzi, Kilifi, Kiunga, Lamu, Malindi, Mtwapa, Shimoni and Vanga. KPA's presence is only in Lamu while the KRA administers the rest on behalf of KPA. The KPA has undergone many changes over the years including its merger with the Kenya Cargo Handling Services Company in 1986, and the development of the Inland Container Depots (ICD's) in Nairobi in 1984, Kisumu in 1994 and Eldoret in 1995. The objective of establishing these depots is to extend port services closer to its customers. The Eldoret depot has not been commissioned. KPA also opened a

liaison office in Kampala, Uganda in 1996 that caters for all transit countries. (Kenya Ports Authority, 2008).

The Vision of the KPA is "to be rated amongst the top twenty ports in the world in terms of reputation and performance by the year 2010". Its mission is "to facilitate seaborne trade in the most efficient manner by progressively benchmarking the operational targets against internationally acceptable standards". The KPA has embarked on a number of measures to support its vision and mission consistent with the Government of Kenya's latest long term National Planning Strategy, Vision 2030. This aims at making Kenya a globally competitive and prosperous nation by the year 2030 (Kenya Ports Authority, 2008).

The KPA is structured into eight functional divisions namely Human Resources and Administration, Finance, Technical Services, Marine Services, Operations, Corporate Services, Legal and Managing Directors office. These are headed by Divisional Managers who report to the Managing Director. The total number of departments, whose heads report to their respective divisional managers is 29. As at 30th June 2009, the staff population stood at 6,931, of which 4,174 are on permanent and pensionable terms and 2,757 on contract. (Kenya Ports Authority, 2008).

The permanent and pensionable staffs are distributed as shown in the following table:

Table 1: Permanent and pensionable staff distribution

Division	Management	Union	Total
Managing Director	31	203	234
Corporation Secretary & Legal Services	25	23	48
Human Resources & Administration	166	402	568
Operations	379	1,664	2,043
Technical Services	127	545	672
Finance	116	147	263
Corporate Services	64	21	85
Marine Services	58	203	261
Total	**966**	**3,208**	**4,174**

(Source: KPA Personnel records, 2009).

1.1.4 The KWATOS Project

The Kilindini Waterfront Automated Terminal Operating System (KWATOS) is a fully integrated terminal operating system which has been designed and developed to maximize productivity of terminal operations and to increase service quality. KWATOS is a customized version of CATOS which stands for Computer Automated Terminal Operation System. The software was acquired from Total Soft Bank (TSB), in South Korea through competitive bidding and is in use in over seventy (70) marine terminals around the world.

KWATOS is composed of three (3) modules namely Planning, Operation and Management. The Planning module deals with berth allocation, human resource allocation, vessel operation and yard operation. The Operation module is concerned with supervising and controlling the whole operation in real time.

This involves monitoring and controlling gate, yard, ship, reefer, rail and Container Freight Stations (CFS) operations. It also embraces Electronic Data Interchange (EDI) and web internet protocol (Web IP) services. The Management module provides analyzed reports on its performance to help with better planning next time. All these modules are shared as one data base (www.tsb.co.kr 02.03.2009). The project was signed off in August 2005 and went live on 1st July 2008.

KWATOS is one of the components of strategic change in KPA. It is one of the efforts aimed at turning the port into an e – port to eliminate the large number of documentation. This will in turn enhance efficiency and competitiveness of the port of Mombasa. Other on – going change initiatives include Equipment Modernization, Implementation of ISO Quality Management System, and the integration of Information Technology network between KPA, KRA, Rift Valley Railways and other port users through a project dubbed "Community Based System" (CBS). The KPA has already acquired and successfully adopted the Systems Application Products (SAP) software which is an Enterprise Resource Planning (ERP) system.

The implementation of the KWATOS project phased out some paper based transactions for clearing cargo at the port of Mombasa. Documents such as Mombasa Port Release Order (MPRO) and Shipping Orders were replaced with electronic Pick Up Order and electronic Pre Advice respectively. This online system minimizes human interference thus enhancing efficiency.

1.2   Statement of the Research Problem

Change management is considered important because literature is full of examples of change projects that have gone wrong. It is therefore essential to evaluate change processes and the challenges organizations face in implementing

change. Although many organizations have undertaken different change projects in the recent past, the experience with KWATOS is unique in its own right due to the nature of the environment in which it is being implemented. The Port of Mombasa is the only functional port facility in Kenya. It is also one of the largest state corporations in the country both in terms of turnover and staff strength. It is important to note that different sectors and organizations face widely differing challenges and what is appropriate for one organization or sector is not necessarily appropriate for another.

At the onset of KWATOS implementation, there was hue and cry from port users and the entire shipping fraternity who were experiencing delays in securing port services. Delays in clearing import cargo were threatening congestion of uncleared cargo in the port. The negative effects of these had the potential of adversely affecting the national economy. The general public did not know what was happening behind the scenes. This study seeks to reveal the process of implementing change and the challenges that were encountered in implementing the KWATOS project within a period of one year from the inception date.

Several studies have been conducted on strategic change management in both public and private sectors in Kenya. Recent examples include Nyororo (2006) and Muturi (2006) who focused on organizations in public and non – governmental sectors respectively. Tai (2007) examined the strategy implementation in KPA and emphasized the significant role of leadership in executing strategy. Furthermore, unfolding events of the implementation of KWATOS project has not been documented anywhere since the inception of the project. From the foregoing, it is confirmed that there has not been any study conducted on KWATOS in KPA. The researchers' intention to conduct this study is therefore both timely and worthwhile.

1.3   Research Objectives

The objectives of this study are: (i) to determine the change process used in the implementation of KWATOS project at KPA and (ii) to determine the challenges faced by KPA in the implementation of KWATOS.

1.4   Significance of the Study

The experiences learnt from this research will be useful to academicians, practitioners and policy makers in various ways. The research will contribute towards the creation of knowledge because of the unique challenges that may be associated with implementing change in the maritime industry. This may stimulate the desire among other academicians to carry out more research in different aspects of the organization thereby developing suitable case studies that may be used in institutions of higher learning.

Practitioners are the people who are directly affected by the implementation of the project and will therefore be the direct beneficiaries of the research. Through the findings KPA will be able to learn how to better manage their future change initiatives. From the research findings, policy makers will be able to review their change management capabilities and understand their strengths and weaknesses to enable them craft appropriate strategies.

1.5   Scope of the Study

The research will be conducted in KPA's headquarters in Mombasa. It will seek to test whether Kotter's eight stages of the change process was applicable in implementing the KWATOS project at KPA and to determine the challenges faced by KPA in the implementation process. Kotter's eight - stage process was selected because it is more advanced and provides more details of the change process as opposed to other approaches such as Kurt Lewins' three step model, Mintzberg planned and emergent model of technological change and the choice management – change management model.

CHAPTER TWO: LITERATURE REVIEW

2.1 The Nature of Organizational Change

There is no general consensus on what the term change means since every definition may have different implications. The theory and practice of change management draws on a number of social science disciplines and traditions (Burnes, 2004). As Strickland (1988) points out, the problem with studying change is that it parades across many subject domains under numerous guises such as transformation, innovation and transition to name but a few. Conner (2006) suggests that the magnitude of change today can prompt a doom – and – gloom vision, or it can be seen as an opportunity for a fundamental shift in how we humans define ourselves, where we are going and how we will accomplish our goals.

Change management deals with managing employees perceptions. According to Pugh (2007), the psychological implication of change have always been important in terms of motivation, resistance and the impact of psychological issues on the staff of organization. There are two approaches to change management; planned change and emergent change. Planned change is a term first coined by Kurt Lewin to denote change that was consciously embarked upon and planned by an organization (Burnes, 2006). A successful change project involves the three steps of unfreezing, moving and refreezing. Bullock and Batten (1985) developed an integrated four – phase model of planned change that includes exploration phase, planning phase, action phase and integration phase.

2.2 Drivers of Change

Today, everything has changed. According to Wheelen and Hunger (2008), globalization, the internationalization of markets and corporations, has changed the way modern corporations do business.

The most powerful of the change agents are called driving forces because they have the biggest influence in reshaping the industry landscape and altering competitive conditions. Connor (2006) has identified seven fundamental issues that seem to be contributing to the dramatic increase in the magnitude of the changes we now face as detailed below:

i) Faster communication and knowledge acquisition

ii) A growing worldwide population

iii) Increasing interdependencies and competition

iv) Limited resources

v) Diversified political and religious ideologies

vi) Constant transitions of power

vii) Ecological distress

At any point in time an organization's capacity to efficiently and effectively assimilate the transitions it encounters is limited by its level of resilience. There are four distinct roles critical to the change process: sponsors, agents, targets and advocates. A change sponsor is the person championing the change process. The change sponsor in KPA is the MD. The change agents are responsible for translating the vision to a realistic plan and carrying out the plan. These were the KWATOS team members. Targets are the aspects of the organisation earmarked for change. Advocates are those who have believed in the envisaged change and are critical in influencing others to buy in.

2.3 Strategic Change Management Practice

The strategic management of change draws extensively upon general strategic management principles (Robson, 1997). According to Wheelen and Hunger (2008), strategic management consists of four basic elements: (i) Environmental scanning. (ii) Strategy formulation (iii) Strategy implementation and (iv) Evaluation and control. The study of strategic management emphasizes the monitoring and evaluation of external opportunities and threats in light of firms'

strengths and weaknesses. Wheelen and Hunger (2008), observes that strategy implementation is a process by which strategies and policies are put into action through the development of programmes, budgets and procedures. It might involve changes with the overall culture, structure and management systems. It is the element that ties very well with change management.

Strategic change involves strategic decisions. Strategic decisions are those that determine the overall direction of an enterprise and its ultimate viability in light of the predictable and unpredictable changes that may occur in its most important surrounding environment (Quin, 1980). According to Conner (2006), success in today's complex markets and work environments require that many skills be incorporated into the manager's bank of resources. Managing change is only one of these skills, but it has become among the most crucial. Pugh (2007) argues that for information systems strategy, the need for reassessing strategy is greater because information systems itself experiences an evolutionary change.

2.4 Change Management Process

There are various change management models available for application in different situations. Lewins three step model comprises three steps of unfreezing, moving and refreezing (Burnes, 2004). According to this model, successful change project involves the three steps. This approach is less relevant to larger scale and more radical transformational changes but is more suitable in the wider social arena. The planned and emergent model of technological change (Mintzberg, 1990) emphasizes how to plan for the unexpected. It highlights that the strategy formation process involves both management planning and design and the need to allow for emergent learning to occur. Kotter (2003) has developed an eight stage process of creating successful changes. The approach seems more appropriate for system wide changes that many organizations are experiencing today.

These Kotter's eight stages are as follows:

    i)   Establishing a sense of urgency

    ii) Creating a guiding coalition

    iii) Developing a vision and strategy

    iv) Communicating the change vision

    v) Empowering broad - based action

    vi) Generating short term wins

    vii) Consolidating gains and producing more change

    viii)   Anchoring new approaches in the culture

The first four stages in the transformation process defrost a hardened status quo. Stages five to seven introduces many new practices. The last stage grounds the change in the corporate culture and helps make them stick. He further observes that successful change of any magnitude goes through the eight stages, usually in the sequence shown above. Kotter (2006) offers a particularly refreshing fable of a penguin family to demonstrate the change process. In the story, the penguins were living in an iceberg and when the same was melting away, they had to scout for an alternative habitat. And it was a very challenging process.

2.5   The Challenges of Implementing Change

It is an undeniable fact that managers consistently identify the difficulty of managing change as one of the key obstacles to the increased competitiveness of their organizations. Wheelen and Hunger (2008), in a survey of 93 Fortune 500 firms revealed that more than half of the corporations experienced the following ten (10) problems when they attempted to implement a strategic change. Listed in order of frequency, these were:

    i)   Implementation took more time than originally planned

    ii) Unanticipated major problems arose

    iii) Activities were ineffectively coordinated

iv) Competing activities and crises took attention away from implementation

v) The involved employees had insufficient capabilities to perform their jobs

vi) Lower – level employees were inadequately trained

vii) Uncontrollable external environmental factors created problems

viii) Departmental managers provided inadequate leadership and direction

ix) Key implementation tasks and activities were poorly defined

x) The information system inadequately monitored activities

Other challenges that surface during implementation of strategic change are discussed below:

2.5.1 Organization Culture and Change

Organisation culture is the element that ensures that, faced with the same set of circumstances in the environment and internal resource constraints, organizations respond in different ways (Robson, 1997). This argument is agreeable to Conner (2006) who sees culture as a frame of reference that helps distinguish one group of people from another. Corporate culture has a strong tendency to resist change because the very reason for its existence often rests on preserving stable relationships and patterns of behavior (Wheelen and Hunger, 2008).

The process of organizational change is inherently a political one with various vested interests from many parties. The distinctive characteristic of an unhealthy corporate culture is the presence of counterproductive cultural traits that adversely impact the work climate and company performance (Thompson et al, 2007). The organizational culture reflects the interrelationship of shared behaviours, beliefs, and assumptions that are acquired over time by members of an organization. Thompson et al (2007) further observes that what makes a politicized internal environment so unhealthy is that political infighting

consumes a great deal of organizational energy with the result that what is best for the company takes a backseat to political maneuvering.

The successful implementation of strategic change is dependent upon the gaining of acceptance of the required behavior changes (Robson, 1997). Unless strategy is in complete agreement with the culture, any significant change in strategy should be followed by a modification of the organization culture (Wheelen and Hunger (2008).

Leaders, through questions can build a culture in which questions are welcomed, assumptions are challenged, and new ways to solve problems are explored. Questions establish an inquiring culture in organizations and such culture builds a learning organization (Marquardt, 2005)

2.5.2 Change Leadership

There are usually no guarantees that a new change initiative will succeed. Managers consistently identify the difficulties of managing change as one of the key obstacles to the increased competitiveness of their organizations (Worrall and Cooper, 1997). Visionary leadership can facilitate organizations to break the obstacles to change. Much credit for the role of leadership in managing change goes to Kotter and Cohen (2006) who have pointed out that change is more effective when people are shown the truth that influences their feelings than if they are given analysis to shift their thinking.

The extent to which change is embraced within an organization depends on how adept the leader is at engaging the staff in designing the organization's response to change. Effective leaders use questions to both motivate and guide the change effort (Marquardt, 2005). They achieve this by posing strategic questions and challenging their people to pursue the answers.

2.5.3   Resistance to Change

Hostility to change is most often found in companies with multilayered management bureaucracies that have enjoyed considerable success in the past (Thompson et al, 2007). By definition, change upsets the status quo (Carnal, 2003). It is something that presses us out of our comfort zones and therefore people are bound to react to change in a way that is not supportive of the change. The approach used in introducing and managing change may determine to what extent the change will be acceptable to the members of the organization.

According to Marquardt, (2005) knowing when, where, why and how can help leaders strengthen relationships with staff, build powerful teams, create strong learning culture, build relationships with customers and other stakeholders and support strategic change.

2.5.4 Communicating Change

An effectively communicated vision is a valuable management tool for enlisting the commitment of the company personnel to actions that set the company moving in the intended direction. Thompson et al (2007) observed that the executive ability to paint a convincing and inspiring picture of a company's journey and destination is an important element of effective strategic leadership.

Conner (2003) advises that if you anticipate why and how strongly a particular group will resist a change in your office before it is announced, you may be able to modify your announcement in some way to avoid or minimize their concerns. Carnal (2003) has captured the fact that to achieve change, we must first recognize that change is desirable and feasible. All these facts reinforce the critical role of communicating change issues well because change creates anxiety, uncertainty and stress even for those managing change even if they are fully committed to the change at hand.

2.5.5 Training and Change Readiness

If change depends upon the people who must implement them then one must be concerned to ensure that those people possess the necessary skills (Carnall, 2003). This motivates them to pursue the challenges of change. Conner (2003) suggests that learning the patterns and principles that allow us to manage change and increase our resilience is not just a luxury but a necessity. Pugh (2007) observes that trust, self awareness, openness, listening and dialogue skills are universal requirements in change management. He further points out that important skills required in change management includes people handling skills, project management skills, the skills of self management, decision making and problem solving and learning skills, in particular self – learning skills and learning from work.

2.5.6 Organizational Learning

A learning organization is an organization skilled at creating, acquiring and transferring knowledge and at modifying its behavior to reflect new knowledge and insights. It is a critical component of competitiveness in a dynamic environment (Wheelen and Hunger, 2008). According to Senge (2006), organizations that will truly excel in the future will be the ones that discover how to tap people's commitment and capacity to learn at all levels in the organization. Senge has identified what he calls the five disciplines as the key characteristics which everyone must develop if they wish to create a learning culture which produces an organization capable of facing the challenge of making sense of emerging complexity. The five disciplines are: systems thinking, personal mastery, mental models, building a shared vision and team learning. Wheelen and Hunger (2008), further points out that those learning organizations are skilled at four main activities:

   i)   Solving problems systematically
   ii) Experimenting with new approaches

iii) Learning from their own experiences and past history as well as from the experience of others

iv) Transferring the knowledge quickly and efficiently throughout the organization.

In this regard, organizations that are willing to experiment and are able to learn from their experiences are more successful than those that do not. Marquardt, (2005) concludes that organizations that create a learning environment make change a part of their organizational life as learning means changing. Learning creates an agile, change friendly organization.

2.5.7 Organization Structure

To be competitive in dynamic environments, corporations are becoming less bureaucratic and more flexible (Wheelen and Hunger, 2008). A responsive organization structure facilitates strategic flexibility which is the ability to shift from one dominant strategy to another. This demands a long term commitment to the development and nurturing of critical resources and ensures the company becomes a learning organization.

2.5.8 Project Management

A relatively new growth area in the use of project management is the use of projects as a way of accomplishing organizational change (Meredith and Mantel, 2006). A project is a temporary endeavour to create a unique product or service. Businesses regularly use project management to accomplish unique outcomes with limited resources under critical time constraints. According to Wheelen and Hunger (2008), projects that command the most public attention tend to be large, complex and multidisciplinary. Often such endeavours are both similar to and different from previous projects with which we may be more or less familiar with. Meredith, and Mantel, (2006) are of the view that the organizational responses to the forces driving change cannot take the form of an instantaneous

transformation from the old to the new. To be successful, the transition must be systematic, but it tends to be slow and torturous for most enterprises. Many firms set up projects to implement their goals for strategic and tactical change.

CHAPTER THREE: RESEARCH METHODOLOGY

3.1   Research Design

This research was undertaken using a case study approach. Yin (2003), defines the case study research method as an empirical inquiry that investigates a contemporary phenomenon within its real life context; when the boundaries between phenomenons are not clearly evident; and in which multiple sources of evidence are used. Some of the recent researchers who have used the case study approach to explore strategy and change management related studies in Kenya include Muturi (2006), Nyororo (2006), Ichangi (2006), Muchui (2006), Ateng (2007) and Tai (2007). The beauty of case study approach is that it excels at bringing out complex issues or object and can extend experience or add strength to what is already known through previous research. Case studies emphasize detailed contextual analysis of a limited number of events and their relationships

3.2   Data Collection

3.2.1   Instruments

Both primary and secondary data was collected in this study. For primary data, the researcher employed interview guide as a tool to extract the required information. The interview guide (attached as appendix II) was designed to collect information on the change process and specific implementation challenges and recommendations for overcoming them. Secondary data was collected from sources such as Project management reports, training reports, Business plans and other company publications.

3.2.2   Respondents

The researcher interacted with and interviewed senior managers who held key roles in the implementation of KWATOS. These included the Chief Operations Manager, the Harbour Master, the Container Terminal Manager, the Manager

Conventional Cargo, the Manager Information Technology and the KWATOS Project Manager. Others were the KWATOS Training Coordinator and three project team members. These officers were identified because their functions, roles and responsibilities had direct or indirect input in making decisions pertaining to the implementation of the KWATOS project.

3.2.3   Instrument Administration

The researcher held face to face interviews with the respondents. The interview sessions were prearranged with the respondents and each was interviewed independently at the comfort of their offices.

3.3   Data Analysis and Presentation

The data collected was analyzed using the content analysis approach. This approach is employed to make inferences by systematically identifying the themes and developing relationships with emerging trends. The approach is useful in revealing and understanding hidden issues under investigation. The content analysis approach has been used extensively to analyze qualitative data in case study designs. Recent researchers who used this approach successfully include Muturi (2006), Ichangi (2006) and Nyororo (2006).

CHAPTER FOUR: DATA ANALYSIS AND FINDINGS

4.1   Introduction

This chapter presents the findings of the study. The study was carried out using an interview guide that was specifically designed to collect information on KWATOS project to address the research objectives. A total of ten (10) persons were interviewed representing 100% response rate. The major divisions /departments that were selected for the study were Operations, Marine Services, Container Terminal, Conventional Cargo, Information Technology and the KWATOS Project office.

The objectives of the study were to determine the change management processes used in implementing KWATOS project and to determine the challenges faced by KPA in the implementation of the project.

The presentation starts with a discussion of the change management approach adopted in implementing KWATOS project followed by the challenges faced in the implementation process. Some suggested measures to overcome these challenges are presented at the end.

4.2   The Change Management Approach

4.2.1   Sense of urgency

Urgency defines why change is needed. It is evident from the responses that there was a high sense of urgency in implementing the KWATOS project in view of competition from other ports e.g. Dar-es-salam and Durban, the role of information technology in improving business processes, the changing global trends specific to the maritime industry, the need to satisfy changing customer requirements, the need to reduce costs and meet the government's requirement

on profitability and the need to reduce cross functional deficiencies. From the year 2002, KPA initiated a programme of automating all its operation in order to operate as a paperless port and gain the status of an e – port. The first project in this ambitious programme was the SAP project which has so far been very successful. The lessons learnt from SAP project served to fuel the implementation of KWATOS. The KPA had earlier in 2004 embarked on a company – wide change management training. This training prepared the ground for change initiatives that were to be implemented later. This contributed to the high sense of urgency experienced with KWATOS.

It is worth noting that when urgency exists, it becomes much easier to obtain the cooperation necessary to make the change happen and to sustain its momentum over the long-haul. As a result, the transformation has a better chance of getting off the ground and of making it to the finish line.

4.2.2 Effective guiding team

The responses confirmed that KPA assembled an effective guiding team to champion the KWATOS project. The top decision making team was the KWATOS Steering Committee appointed by the MD. This comprised the Terminal Manager as Chairman and the KWATOS Team leader as secretary. Other members were Manager Information Technology, Manager Conventional Cargo, Procurement and Supplies Manager, Assistant Harbour Master, Employee Relations Manager, Manager Inland Container Depots and Senior Projects and Design Engineer. Below the steering committee was the KWATOS project secretariat headed by the project manager. Members of the secretariat were appointed competitively as the positions were advertised internally. Those who showed interest were interviewed and appointed subject to meeting some minimum requirements specified in the advertisement. A total of 23 team

members were appointed. These team members, commonly referred to as super users were reporting to the project manager.

The project team played a vital role in generating the support, energy and speed needed for the KWATOS change effort to succeed. The team motivated and inspired other employees to participate in the project activities by briefing them in departmental meetings. It is in such forums that they would answer employee's queries and address any issues of concern. It is important to point out that in a successful large-scale change, a well-functioning guiding team is responsible for creating a clear sense of direction and vision. This was the case with KWATOS.

4.2.3 Getting the vision and strategy right

From the responses it appears that KPA has set a clear direction for their change effort and it has embraced a vision that is sensible. The KWATOS project was part of the overall Information Technology strategy for KPA whose vision was "to achieve paperless port transactions". This vision was very motivating and compelling. In an environment where almost all transactions were conducted manually barely ten years ago, there was a lot of enthusiasm to shift to online transactions. Employees were therefore eager to play their role in facilitating the move to the desired destination. Most of the people who were affected by KWATOS can articulate the vision in less than five minutes. This shows that the vision was practical and realistic. A practical vision for any project or undertaking is important in ensuring that people can visualize and internalize it and therefore becomes easier for the guiding team to make good decisions. This in turn helps people to feel motivated so they want to take action in the right direction. As a result, the change initiative has a much better chance of success.

4.2.4 Communicating the vision

The responses indicate that the frequency and/or quality of communication on KWATOS appear to be adequate. The project secretariat used intranet to communicate any issue pertaining to the project every day. This was very effective as all project team members had e –mail accounts and could therefore respond to any issue instantaneously. To a very large extent, communication about KWATOS was simple, candid and heartfelt. It is therefore correct to sum up that communication about KWATOS was usually effective. Communicating effectively sets the stage for the following step in the change process: getting people to act. With a shared understanding of the business vision and the strategies used to achieve it, people are more likely to buy-in to the change and to overcome resistance caused by confusion, anger, mistrust and anxiety.

4.2.5 Empowering action

The responses suggest that KPA empowered people to take action. The leaders championing KWATOS were empowered with relevant skills to enable them to help people carry out the vision. Managers and supervisors used retreats and team building exercises to remove barriers and encourage people to take risks and to be innovative. KPA engaged professional consultants to guide the teambuilding events. These were useful in ensuring that KPA avoided falling into the common trap of thinking that empowerment means taking power away from some and giving it to others. As a result, KWATOS had a better chance of enlisting the broad-based support it needed to carry through to completion. To a large extent, new ideas were acceptable in the implementation of KWATOS. This helped the project super users in reviewing the KWATOS software to ensure that it captured the specifications given by the different users at the inception of the project.

4.2.6   Creating short - term wins

Short term wins are important for recognizing performance improvements within the short term time frames. Feedback received from respondents suggests that KPA was creating short-term wins as far as implementation of KWATOS was concerned. The KWATOS project was planned in different phases each of which had defined time schedules. Successful completion of each project phases such as project management training, system customization, internal testing, training of end users, and installation of relevant equipments were recognized as important accomplishments. Recognizing these short term achievements served as a basis of providing evidence that that resources KPA had put in the project were worth it. This also helped to boost morale and motivation amongst all project team members and staff. Feedback on these short term wins were important evidence to management that the KWATOS project was on track and this was crucial in generating momentum. KPA management used the results of the short term wins to give more material and moral support needed for the project to move on. Important achievements were recognized and communicated regularly though the company intranet and company magazines.

4.2.7   Consolidating gains and producing more change

From the responses obtained it is evident that KPA is committed to continuing waves of changes until a complete transformational vision becomes a reality. Major change in KPA is bound to take a lot of time because of the large size of the organization. Consolidating gains achieved at any stage of a project is therefore essential. KPA has been implementing KWATOS simultaneously with other initiatives such as ISO. Such initiative of getting ISO certified had a complementary role of consolidating the gains made in KWATOS the former called for efficiency and effectiveness in delivery of service to satisfy customer needs. This required a change in performance culture and employees attitudes towards work.

KPA therefore used these situations opportunistically to further the gains made by KWATOS and produce more change. KPA has managed to avoid let up too soon because successes along the implementation path of KWATOS could have sent the message that all was well and the pressure could have been relaxed. Effective KWATOS leaders guided the team around this obstacle by keeping urgency up while keeping a feeling of false pride down and by not declaring victory prematurely. New practices are very fragile until they have been driven into the culture of the organization.

4.2.8   Making change stick

Tradition is a powerful force that can reverse the progress of a change effort with remarkable speed. The responses indicate that KPA appears to be creating a new, supportive and sufficiently strong organizational culture to anchor the change created by KWATOS. Employees across the board are seeking to understand what they need to do and what is expected of them to be successful in the new environment. People are able to recollect what the old habits, values and traditions were before the introduction of KWATOS. The speed and accuracy of work has improved tremendously since the introduction of KWATOS and people now appreciate that is was worth the effort. This brings to the fore the fact that cultural shifts tend to occur at the end of the change process only after the new ways of operating have been shown to succeed over some minimum period of time. KWATOS team leaders and promoters are increasingly gaining more influence and people are actively and enthusiastically supporting the transformation brought about by KWATOS.

4.3   Challenges faced in the implementation of KWATOS

Three years prior to go – live, the project has gone through various milestones that included Project Management Training and Methodology, Collection of User Requirements, System Design, System Customization, Internal Testing, Training

of Internal and External Users, Gate Modernization and Installation of weighbridges. During the go – live however, many constraints were encountered that threatened to derail the entire project. The following discussion shows the extent to which these factors affected the implementation of the project:

4.3.1 Organization culture

The organization culture of KPA influenced the implementation of KWATOS to a very large extent. The responses suggest that the culture at KPA was not supportive of change. Some of the counterproductive cultural traits that adversely affected KWATOS were negative attitude towards work, lack of seriousness and mindset issues. It is a common mindset issue amongst KPA staff that since the sea never dries, the port will always exist and there is no threat from competitors. This is false and misleading. Culture is such an important factor that when one understands the existing culture, it is easier to figure out how to push the urgency level up, how to create the guiding coalition and how to shape the vision.

The KWATOS project objectives and time lines called for a lot of commitment and teamwork amongst the workforce. With a culture that is not receptive to new ideas it took more time than necessary to navigate the change process. It was suggested that KPA should endeavour to implement a culture change programme to make the organization more receptive to change.

4.3.2 Leadership

The responses suggest that there were no specific leadership challenges encountered in the implementation of KWATOS. The top management of KPA displayed bold leadership and support for KWATOS project thereby enhancing ownership of the change process. Necessary approvals were obtained in good time to minimize any interruption of the project activities. This served to

motivate the project team members overcome other challenges.   During the life of the project, consultation between various parties was clearly evident. These consultations helped in gaining commitment of employees which was very necessary in implementing the KWATOS project successfully. It was suggested that KPA should continue embracing bold and visionary leadership at all times.

4.3.3   Resistance to change

Resistance is a natural and normal reaction to change. Resistance to KWATOS project was there to a large extent especially prior to the project implementation. The responses obtained suggest that the reasons for resistance to KWATOS were: natural fear for the unknown, insufficient communication, misunderstanding between the Dock workers' union and KPA management and vested interests by some parties who were comfortable with manual processes. The timing of the effective date of KWATOS implementation, 1st July 2008, also contributed to the level of resistance and tension experienced at that time. First, the go – live date coincided with the implementation of twenty - four hours working system. This new working system had been directed by the President of the Republic of Kenya, His Excellency Mwai Kibaki. Secondly, relations between the Union and Management were at an all time low as negotiations for the 2008/09 Collective Bargaining Agreement (CBA) between the two parties had hit a deadlock. The Union had issued a strike notice and workers were staging a go – slow. It was at this point that the Minister for Transport, Hon. Chirau Ali Mwakwere intervened and ordered that full implementation of the system be halted to allow for parallel implementation of the new online system and the old manual processes.

The responses suggest that it is incumbent upon KPA management to determine and understand why resistance exists and deal with it. KPA could deal with the problem of resistance to change by embracing effective communication and consultations with all concerned parties to ensure resistance to change does not

spread and become a threat to business and project success. People usually feel valued and strive to give their best when consulted over important matters that affect their lives. Timing of an event such as the go – live date is also a key ingredient in minimizing friction.

4.3.4   Communication and awareness creation

The KPA spent a lot of resources to communicate the vision of the KWATOS project to its workforce and stakeholders. However, there were many communication challenges along the implementation path. The responses suggested that some employees were not computer literate. This inhibited their level of understanding as the project at hand involved automation and required computer literacy. It appears that communication about KWATOS project was mainly within the project team members and top management. The KWATOS end users were not informed of the progress of the project as frequently as possible. It is little wonder therefore, that when it came to implementation there were pockets of resistance not for the sake of it but due to misinformation.

4.3.5   Training

Training is a very important element of any project. The KWATOS software was procured from Total Soft Bank (TSB) of South Korea. One of the initial phases of the project involved training key project personnel at TSB's headquarters in South Korea as part of the project contract. A total of 17 project personnel were trained during this phase. These included the Project Manager and the super users of the various modules. Training of end users was mounted in – house in KPA's premises. A total of 50 training sessions targeting different user groups were conducted between August 2007 and March 2008. Training of super users was conducted by TSB instructors while that of end users were conducted by the Super Users. Language barriers between the Korean instructors and training

participants impacted heavily on the training output. These instructors did not have a good command of English language. The training programme was also very intensive and had defined timeframes. However, between the training period and the project go – live date, many participants lacked opportunities for practicing what they had learnt thereby creating a scenario for retraining during the project implementation.

4.3.6   Organizational learning

The responses suggest that organizational learning was applicable to KWATOS project to some extent. From the experiences learned from the SAP project that KPA implemented in the year 2002, KPA had learnt how to experiment with new approaches and to solve problems systematically. In the year 2004, KPA also carried out a change management training covering all its employees. During these training sessions, employees were made aware of the fierce competition in the business environment and the need for change if the organization is to survive and prosper. When the KWATOS project came into being, it was not very surprising as employees' had been psyched to expect many changes meant to streamline the operations of KPA. To some extent therefore, this training contributed to the smooth implementation of the KWATOS project.

In order to improve organizational learning, it was suggested that KPA could conduct benchmarking studies by visiting other port terminals where the CATOS software has been implemented. This would facilitate comparative analysis on the performance of this product in similar environments. Such a comparison improves the capacity within an organization to improve performance based on experience.

4.3.7 Organization structure

The extent to which the organization structure of KPA inhibited the implementation of the KWATOS project was evident through staffing problems experienced during the implementation period. It was reported that some key personnel who had been identified for KWATOS project training could at times not be released from their departments to attend training because they had been assigned other duties. Occasionally, an employee seconded to the project would find himself or herself in crossfire when expected to perform two separate and distinct roles. The organization structure of KPA is too hierarchical and bureaucratic. It contains ten different levels from the lowest to the highest level making it rather inflexible in decision making and therefore not change friendly. The findings suggest that KPA's organization structure needs to be reviewed to make it more flat and leaner.

4.3.8 Project Management

Project management issues that constrained the implementation of KWATOS were mainly procedural in nature. First, the project had adequate budgetary allocation for all the project activities ranging from training to procurement of relevant tools and equipments for the project. However, due to company policies guiding training and procurement issues, approvals had to be obtained from the Personnel and Procurement departments to get anything done. Any delays in securing these approvals interfered with the project schedules. In summary, it is evident from the responses that KWATOS implementation took more time than originally planned because competing activities and crises took attention away from implementation, end users were inadequately trained and uncontrollable external environmental factors creped in.

CHAPTER FIVE: CONCLUSIONS AND RECOMMENDATIONS

5.1   Introduction

This last chapter summarizes the research findings. The chapter offers a summary of salient issues, conclusions and recommendations as well as highlighting limitations of the study.

5.2   Summary

These findings suggest that KPA is successfully using Kotter's eight stages model to further its KWATOS change efforts. This confirms that successful large-scale change is a complex affair that happens in 8 stages. Although the steps do not always have to be followed in order, each must typically be addressed at some point in order for the effort to succeed. The flow is: push urgency up, put together a guiding team, create the vision and strategies, effectively communicate the vision and strategies, remove barriers to action, accomplish short term wins, keep pushing for wave after wave of change until the work is done, and, finally, create a new culture to make new behavior stick.

The central challenge in all eight stages is changing people's behavior. Strategy, systems and culture are very important, but the core problem is behavior. Therefore, there is need for significant shifts in people's behavior for change to occur successfully.

5.3   Conclusions

This research helps to emphasize that changing behavior is less a matter of giving people analysis to influence their thoughts than helping them to see a truth to influence their feelings. Both thinking and feeling are essential, both are found in successful organizations, but the heart of change is in our emotions.

5.4   Limitations of the study

The study on KWATOS was carried out in KPA, Mombasa. The port of Mombasa is the only functional port in the country and the only port in Africa that has implemented this software. The researcher therefore did not have the opportunity of comparing the performance of this system with similar system as implemented elsewhere. Literature specific to this system is also locally unavailable.

Most of the respondents in this study were members of the top management team in KPA. These are very busy individuals and it was not easy to secure interviews with them on first trial.

Budgetary constraints were another factor that limited this study. The researcher was required to travel from Mombasa to Nairobi to consult with the project supervisor from time to time. This was costly and difficult in terms of time and money. Although such travels were minimized through online communication, it was unavoidable at times.

5.5   Recommendations

It is recommended that for KPA to realize optimum value of the KWATOS system it is important to continuously train the users of the system in order to drive the organization to a new level of business as usual. It is equally essential to strive towards improving the organization culture to create a learning organization. A learning environment makes change a part of their organizational life as learning means changing. Learning creates an agile, change friendly organization. The organization may therefore consider change management programmes targeting culture change. Employees' attitudes towards work should be addressed through consistent management actions that support any positive improvement.

5.6   Suggestions for further research

Many organizations find it difficult to implement change and navigate through change successfully. There is need to undertake further research on different aspects of managing change in organizations especially on the role of organization culture in managing change. The concept of resistance to change in public sector organizations also deserves to be investigated further. Five years after the implementation of KWATOS, its impact on port efficiency may need to be investigated.

References

Ateng, F.L.B.O (2007). **"Challenges of Strategy Implementation at the Ministry of Finance in Kenya"**. Unpublished MBA Project report, University of Nairobi.

Bullock, R. J and 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, 383 – 412.

Burnes, B (2004). **Managing Change.** Pearson Education Limited: Essex.

Bridges, W (2004). **Managing Transitions: Making the most of change.** 2nd Edition. Perseus Books Group, Cambidge, MA.

Carnal C.A (2003). **Managing Change in Organizations**. Prentice Hall: London

Conner, D. R (2006). **Managing at the Speed of Change: How Resilient Managers succeed and prosper where others fail.** Random House Inc, New York.

Ichangi, M. M (2006). **"Managing Resistance to change in strategy implementation in Public Universities in Kenya: A case study of the University of Nairobi"**. Unpublished MBA Project report, University of Nairobi.

KPA (2008) - **Business Plan, 2007/08 – 2009/10.**

Kotter, J. P (2005). **Leading Change.** Harvard Business School Press. Boston, MA.

Kotter, J and Rathberger, H (2006). **Our Iceberg is Melting: Changing and succeeding under any conditions.** St. Martin's Press, New York.

Kotter, J. P and Cohen, D. S (2002). **The Heart of Change: Real Life Stories of how people change their organizations.** Harvard Business Press. Boston, MA.

Marquardt, M. J (2005). **Leading with Questions: How leaders find the right answers by knowing what to ask.** Jossey – Bass, San Francisco.

Mintzberg, H (1995). **The Strategy Process: Concepts, Context and Cases.** Prentice Hall, 3rd Edition.

Meredith, J. R and Mantel, S. J (2006). **Project Management: A Managerial Approach.** John Wiley & Sons (Asia) Pte Limited.

Muchui, W. M (2006). **"Challenges of Managing Change after transition of ownership: The case of Celtel Kenya Limited".** Unpublished MBA Project report, University of Nairobi.

Muturi, S. N (2006). **"Management of Strategic Change at Plan International Inc - Kenya"**. Unpublished MBA Project report, University of Nairobi.

Nyororo, C. N (2006). **"Strategic Change Management and Performance of National Social Security Fund".** Unpublished MBA Project report, University of Nairobi.

Pugh, L (2007). **Change Management in Information Services,** 2nd edition, Ashgate Publishing Limited. Hampshire, England.

Quin, J. B (1980). **Strategies for Change: Logical incrementalism**. Irwin.

Robson, W (1997). **Strategic Management and Information Systems**, Prentice Hall/ Financial Times

Senge, P. M (2006). **The Fifth Discipline: The Art and Practice of the Learning Organization.** Random House; London.

Stickland, F (1988). **The Dynamics of Change: Insights into Organisational Transition from the National World**. Routlegde; London

Tai, J. K (2007). **"Strategy Implementation in KPA"**. Unpublished MBA Project report, University of Nairobi.

Thompson A, Strickland III, A. J and Gamble, J (2007). **Crafting and Executing Strategy,** McGraw- Hill, 15th edition

Total Soft Bank (TSB) Limited Company website. www.tsb.co.kr 02.03.2009

Wheelen, T. L and Hunger, J. D (2008). **Strategic Management and Business Policy: Concepts and Cases.** 11th edition. Pearson Education Inc, New Jersey.

Worrall, L and Cooper, C.L (1997). **The Quality of Working Life: The 1997 Survey of Managers Changing Experiences.** Institute of Management: London

Yin, R. K (2003). **Case Study Research Design and Methods**. 3rd edition. Sage Publications, New Delhi.

Appendix I: Request for authorization to conduct research

Lucas Katema
Health Safety & Environment Department
MOMBASA.

11th June 2009

The Personnel Manager
MOMBASA

RE: REQUEST FOR AUTHORIZATION TO CONDUCT AN ACADEMIC RESEARCH IN KPA.

I am seeking permission to conduct an academic research in the KPA in partial fulfillment of the requirements for a Master of Business Administration degree course that I am pursuing at the University of Nairobi.

My research is entitled: *"The Process and Challenges of Implementing Strategic Change: A case study on the Waterfront System (KWATOS) project in KPA.*

The objectives of this study are determine the processes used in implementing KWATOS and the challenges faced in the implementation process.

The findings will be used for academic purpose only and confidentiality will be observed. The researcher will be available to share the learning experiences and assist the organization in future change initiatives.

Please accord your approval.

Lucas Katema
C/No. 90815
Safety Officer (Training)

Appendix II

Letter of introduction

Lucas M. Katema
School of Business
University of Nairobi
Bandari Campus
P. O. Box 30197
NAIROBI

21st August 2009

Dear Respondent,

REF: INTERVIEW

I am a postgraduate student of the University of Nairobi pursuing a Master of Business Administration (MBA) degree in Strategic Management.

As part of the requirements for this degree, I am undertaking an academic research project entitled: "The process and challenges of implementing strategic change projects: A case study on KWATOS in KPA". KWATOS being a strategic initiative by the KPA, you have been selected to be part of this study by virtue of the position you hold in the organization.

I am therefore kindly requesting you to allow me to interview you on a few areas of interest as highlighted in the interview guide attached. Please note that the information that you provide will be treated with utmost confidentiality and that it will be used for academic purpose only.

I thank you in advance for your cooperation.

Yours faithfully,

Lucas M. Katema
MBA Student
University of Nairobi

Appendix III: Interview guide for Data collection on the Implementation of KWATOS.

Dear Sir/Madam

The following guidelines have been constructed in order to get your opinion regarding the process and challenges of implementing KWATOS in KPA, and suggestions on how these challenges can be overcome. The information provided will be treated with utmost confidentiality.

A.   The change process

Step 1) Establishing a sense of urgency

i) Was there a sense of urgency for the implementation of KWATOS?

ii) What did KPA do to ensure that the need for KWATOS was clearly understood by everyone in KPA before the project implementation?

Step 2) Creating the guiding team / coalition

i) Was there a guiding team for the KWATOS project?

ii) If yes, how was such a team assembled?

ii) Was the KWATOS guiding team getting the resources, information and support it needed to progress rapidly?

iii) How did the team motivate and inspire others to participate in the change effort?

Step 3) Developing a vision and strategy

i) What was the vision for KWATOS project?

ii) To what extent was the vision compelling and desirable?

iii) Can most people who were affected by the KWATOS articulate the vision in five minutes or less?

Step 4) Communicating the change vision

i) How frequent were the KWATOS leaders discussing the vision, goals and strategies in routine management meetings as well as in formal and informal gatherings?

ii) To what extent was communication about KWATOS simple, candid and heartfelt?

Step 5) Empowering employees for broad - based action

i) Were there any recognition and reward systems to inspire people and promote optimism for KWATOS project?

ii) How were managers and supervisors actually trying to remove barriers that keep people glued to old behavior?

iii) To what extent were new ideas acceptable in the implementation of KWATOS?

Step 6) Generating short-term wins

i) Regarding the KWATOS project, were quick results made visible to all?

ii) To what extent were executives using the results of the short term wins to demonstrate progress?

iii) How regular were important achievements recognized and celebrated?

Step 7) Consolidating gains and producing more change

i) Are there new project initiatives being launched to make more significant changes to the organizations' processes, technology and systems?

ii) Are leaders seeking to use new situations opportunistically to further the change process?

iii) Are leaders seeking to convince everyone that KWATOS is "complete" when there is still a lot more work to be done?

Step 8) Anchoring new approaches in the culture

i) To what extent are people seeking to understand what they need to do and what is expected of them to be successful after the implementation of KWATOS?

ii) To what extent do people use old habits, values and traditions to describe how things have changed after the implementation of KWATOS?

ii) To what extent are KWATOS change leaders and promoters gaining more influence?

iii) To what extent are people actively and enthusiastically supporting the transformation brought about by KWATOS?

B.   Challenges encountered in the implementation of KWATOS?

1. General challenges

To what extent were the following common challenges true with respect to the KWATOS project?

   i)   Implementation took more time than originally planned

   ii) Unanticipated major problems arose

   iii) Activities were ineffectively coordinated

   iv) Competing activities and crises took attention away from implementation

   v)   The involved employees had insufficient capabilities to perform their jobs

   vi) Lower – level employees were inadequately trained

   vii) Uncontrollable external environmental factors created problems

   viii)   Departmental managers provided inadequate leadership and direction

   ix) Key implementation tasks and activities were poorly defined

   x)   The information system inadequately monitored activities

2. Specific challenges

i)   Organization culture

To what extent did organization culture influence KWATOS implementation?

ii)   Leadership

Were there any specific leadership challenges encountered in the implementation of KWATOS?

iii)   Resistance to change

To what extent was there resistance to the KWATOS project?

iv)   Communication

What were the specific communication challenges encountered in the KWATOS implementation?

v)   Training and Change readiness

Were all the people affected by KWATOS adequately trained before the project implementation?

vi)   Organizational Learning

Learning organizations are skilled at solving problems systematically, experimenting with new approaches, learning from past experiences and transferring knowledge quickly and efficiently throughout the organization. To what extent was this applicable to KWATOS in KPA?

vii)   Organization structure

To what extent did the organization structure of KPA inhibit the implementation of KWATOS?

viii)   Project management

Were there any project management issues that constrained the implementation of KWATOS?

C.   What are your recommendations for overcoming these challenges?

Thank you for sacrificing your time to participate in this interview.