

**MANAGEMENT OF STRATEGIC CHANGE AT ACTIONAID
INTERNATIONAL KENYA**

BY

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DECLARATION

This management research project is my original work and has not been presented for any award for a degree in any other university or college for examination or academic purposes.

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

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DEDICATION

To my mother, Jane Kamau, for her hard work and sacrifices, advice and commitment to my education. To my brother, Dennis Kamau and sister, Josephine Kamau, from whom I have gathered a lot of support over our lives as a family.

ABSTRACT

In the last decade there has been an acceleration of the magnitude and pace of change across the globe. These changes, whether political, economic, social and technological have not spared Kenya. The approach which Kenyan companies use to initiate and implement strategic changes is not clear. This study aimed at establishing the challenges of change programme at ActionAid. The study objectives were: to evaluate the change management process in the light of the models of change management and to determine the effect of organizational change on organizational performance and identify the challenges faced in managing the change program at ActionAid International Kenya. The study used a case study method. Primary and secondary sources of information were used in the collection of data. The primary data was obtained from interactive personal interviews with senior management staff of ActionAid International Kenya. A content analysis was used to analyze the data.

The study established that the change management process at ActionAid International Kenya (AAIK) begins with goal setting and objectives. A variety of objectives are set in ActionAid International Kenya (AAIK). The study found out that the challenges faced in managing the change program at ActionAid International Kenya are due to restructuring of the organization.

From the study findings, the change program at ActionAid follows a planned approach. The findings indicate that AAIK has adopted new technology: HIVE-international communication structure for AAI. This entails a shift from desktop computers to laptops

for most staff and creation of mobile offices. The study concluded that changes in the organisation have preceded growth strategy. This explains why ActionAid has undergone structural changes within a very short period of time that is in less than two years. The study recommended that there is need for the AAIK's management to take a more proactive approach to managing change within the organisation.

Annual planning has an operational focus and is concerned primarily with concrete goal setting and scheduling of specific tasks to meet these goals. Strategic planning gives explicit recognition to the organizations outside environment and places an emphasis on the organization's strategic advantage in meeting the contingencies in the environment.

The AAIK's management can build upon their experience in long term strategic change planning, environmental scanning, goal setting and performance evaluation to develop a strategic plan more practical than an annual plan. There is also need for a structured planning process with designated and sequenced activities such as brainstorming, small group work and listing, summarizing and prioritizing which makes it possible for everyone in attendance to participate fully. This involvement throughout the process will ensure that those who have major responsibilities to carry out the plan understand the plan and the reasons behind it. Employee involvement in the strategic change planning process can contribute greatly to employee commitment to mutual goals and a sense of organization unity.

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CHAPTER ONE: INTRODUCTION

1.1 Background of the Study

It is largely believed that the concept of strategy has been passed down to us from ancient Greeks. Bracker (1980) argued that the word strategy comes from the Greek word 'stratego' meaning 'to plan the destruction of one's enemies through effective use of resources'. The concept remained a military one until the nineteenth century when it began to be applied to the business world, though most writers believe the actual process by which this took place is untraceable (Chandler, 1962). He put forward the view that emergence of strategy in civilian organization life resulted from an awareness of the opportunities and needs created by changing population, income and technology to employ existing or expanding resources more profitably.

Indeed even one of the pioneers of business strategy, Ansoff (1987), warned that strategy is an elusive, somewhat abstract concept. This must be expected when dealing with an area that is constantly developing. Nor should this inhibit the search for a definition or definitions because in doing so, we can see how the debate on strategy is developing and where the main areas of dispute lie.

The eclipse of long-range planning merely heralded the arrival of a range of different perspectives on strategy. As early as 1960s, two schools of thought vied with each other: The planning school, which was based on formal procedures, formal training, formal analysis and a large dose of quantification, with the underlying assumption that a strategy could be put together and work in the same way as a machine and lead to the creation of

strategic planning departments in large organizations reporting directly to the chief executive, whose role was to approve the planner's plan and the design school, which adopted a different, less formal and machine-like approach, that emphasized on the need to achieve a fit between the internal capabilities of an organization and the external possibilities it faces, (Mintzberg et al, 1998).

1.1.1 Concept of Strategic Change

Strategic change is all about identifying and embedding in the organization those changes that will ensure the long-term survival of the organization. The cause of change varies from a steady decline in performance and effectiveness, which ultimately demands a genuine turn-around to a sudden radical shift. Change can be thought of as a condition and process. Change as a condition describes what is happening in the internal and external environment and it is part of the reality that an organization must accept (Hill & Jones 1999).

Mintzberg (1983) notes that strategic change is not a regular or continuous process, rather it is most often an irregular, discontinuous process proceeding in fits and starts. There are periods of stability in strategic change but also there are periods of flux, of piecemeal change and of organization-wide change. This view of strategy change as an irregular process reflects an understanding of the human tendency to continue on a particular course of action until something goes wrong or a person is forced to question the status quo.

Burnes (2004) observes that, given the rise and fall of industries and technologies over the last two decades, organizations and society at large are in a period of rapid and unprecedented change, a period where old certainties no longer hold good, and new ones are yet to emerge. An alternative view is that the pace and uncertainty of change varies from company to company, industry to industry, and even country to country. As a consequence, at any one point in time, some organizations will be experiencing extreme turbulence whilst others appear to operate in a relatively stable environment. However, the pertinent issue is how organizations can cope with both the turbulent environment in which they operate, and the constraints, challenges and threats they face.

1.1.2 Concept of Strategic Change Management

Strategic change management is defined as the actions, processes and decisions that are executed by an organization's members to realize their strategic intentions (Hardy, 1985). According to Thompson and Strickland (2003), change management is the use of systematic methods to ensure that a planned organizational change can be guided in the planned direction, conducted in a cost effective and efficient manner and completed within the targeted time frame and with the desired results. Johnson and Scholes (2005) view change management as a structured and systematic approach to achieving a sustainable change in human behavior within an organization. It involves moving employees to new behavior while retaining key competitive advantage particularly competence and customer satisfaction.

Hill and Jones (2001) see strategic change as the process of moving an organization away from its present state towards some desired future state to increase its competitive advantage. They observe that most organizations have gone through some kind of strategic change, as their management has tried to strengthen their existing core competencies and build on ones to compete more effectively. Reengineering, restructuring, and innovation have been the three kinds of strategic changes pursued in the recent times. Strategic change aims at aligning structures, systems and processes to the new strategy.

Change management is a structured approach to change in individuals, teams, organizations and societies that enables the transition from a current state to a desired future state. The change referred to in this context includes a broad array of topics. From an individual perspective, the change may be a new behavior. From a business perspective, the change may be a new business process or new technology. From a societal perspective, the change may be a new public policy or the passing of new legislation. Successful change, however, requires more than a new process, technology or public policy. Successful change requires the engagement and participation of the people involved. Change management provides a framework for managing the people side of these changes. The most recent research points to a combination of organizational change management tools and individual change management models for effective change to take place (Hiatt, 2006).

1.1.3 ActionAid International Kenya

ActionAid International is a federal body of affiliate national organizations registered in The Hague, with the International Board and International Secretariat as its key distinct structures; is formed, owned and governed by its affiliates. Organizations that join and own ActionAid International and agree to take part in the governance as well as in the fulfillment of ActionAid International's values, vision, mission, strategies, standards and systems, the Governing Body constituted for the governance of ActionAid International. The International Governing Body includes a Representative from the Board of each affiliate organization. International Secretariat refers to the management structure of ActionAid International. A Chief Executive Officer heads the International Secretariat appointed by the International Board. The Regional Office is the part of the International Secretariat located closer to the country programmes or affiliate organizations for representative co-ordination and/or management of international work.

In Kenya, ActionAid International Kenya (AAIK) is registered under the Non-Governmental Organizations Co-ordination Act, 1990. AAIK has been working in Kenya since 1972 to facilitate processes that eradicate poverty and ensure social justice through development programmes, local institutional capability building and public policy. AAIK works in over 20 districts of Kenya under four region offices. The national office in Nairobi links key international, national and local institutions in favour of poor people.

According to (Action Aid International strategy, 2006-2010) the global conscience mobilised through the UN Millennium Declaration is faltering among governments, with the first minimal target – achieving gender equality in primary and secondary education

by 2005 – eluding the world leadership. Nevertheless, the Declaration and the Millennium Development Goals have galvanized social movements, including faith-based, peace and anti-poverty networks, on several continents. Poor people's organizations, social movements and pro-justice groups around the world are coming together, physically and virtually, to organise for change. Breakthroughs include the access to treatment campaign in South Africa, led by people living with HIV and AIDS, and the global campaign for free access to quality education for girls and boys.

The vision of the organization is a society without poverty that is just, democratic and equitable in which all people can exercise their right to life of dignity. The mission of the organization is to work with the poor and marginalized people and to eradicate poverty by overcoming injustice and inequity that causes it; in any manner in which now or hereafter may be deemed to be not-for-profit by law in any part of the world and for such other ancillary not-for-profit purposes as the Board may determine thereof.

1.2 Statement of the Problem

In the last decade there has been an acceleration of the magnitude and pace of change across the globe. These changes, whether political, economic, social and technological have not spared Kenya. The approach which Kenyan companies use to initiate and implement strategic changes is not clear. Organizations that have not managed change properly have been faced with a lot of problems and some of the symptoms are closures, industrial unrests and resistance from the staff.

Many studies have been done in Kenya on change management. The attention has been given to the non-governmental sector in previous research. A number of studies on change management in Kenyan institutions have been done (Bett 1995). Those studies have given insights into the challenges and responses of some Kenyan organizations to the changing environmental conditions. Gichohi (2007) looked at the challenge of change management in Unga Group and concluded that the change process was due to liberalization in the Kenya economy. Kinuu (2007) did a research on the management of strategic change at TAMOIL Kenya. His aim was to evaluate the change process in the light of the models of change management. Odhiambo (2005) evaluated the problems and practices of strategic change management in the manufacturing sector in Kenya. He concluded that companies in the manufacturing sector considering implementing planned strategic change should use Kotler's eight stage model. While Kibanga (2008) looked at change management strategies used in the insurance industry in Kenya, her main objective was to determine the change management strategy used by the insurance industry. On the other hand, Amenya (2008) analyzed the management of strategic change at Rift Valley Railways. She concluded that there were internal and external factors that created necessity for change. However, most of these previous studies have not analyzed the concept of change.

Therefore a gap exists in the understanding of the concept of management of strategic change in Non- governmental organizations in Kenya. Previous studies have mostly dwelt on change management alone and not strategic change management. This study will therefore cover this gap by analyzing strategic change management at ActionAid

International Kenya. Every change is unique and will relate the values, resources and skills of an organization to the demands of the prevailing environment. Change has its consequences and as Kazmi 2002 points out, it cannot be worked on a formula that will yield a definite answer for the combination of given variables. As organizations strive to survive and grow amid the environmental turbulence characteristic of today, managers are faced with an ever present challenge of managing organizational change. That there is no strait jacket formula for managing change presents numerous challenges that every change manager and consultant must face. This study aims to answer the question, what are the strategic change management issues at ActionAid International Kenya.

1.3 Objectives of the Study

The study will endeavor to establish the challenges of change programme. Specifically the study will set to:

- a) Establish the change management practices at ActionAid International Kenya.
- b) Identify the challenges faced in managing the change program at ActionAid International Kenya.
- c) Evaluate the change management process in light of the models of change management.

1.4 Significance of the Study

The study will be significant to the international non-governmental organizations' management on how best they will deal with change to improve on their performance. Specifically this study will be useful to the management of ActionAid International Kenya and its affiliates because it will provide an opportunity to gauge their progress, direction and benefits accruing from the change effort. It will also provide a basis for future decision making. The study will also generate literature on strategic management in Non-Governmental institutions, for top scholars and other researchers wishing to carry out research in the field of strategic management.

The study will help international non-governmental organizations to assess their level of change management performance in relation to their peers and other industry players. By gaining an external perspective on their performance, they will be able to review their business direction, set challenging targets and identify new areas where improvements can still be realized. The study will also assist change management managers to evaluate local conditions, key success factors and challenges unique to the Kenyan environment that contribute to the successful implementation of a change management programme.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

This chapter reviews theoretical and empirical literature on the management of strategic change in Non-Governmental organizations. It introduces the concept of change and change management; it looks at the models of change, evaluates change management and finally reviews related studies.

2.2 Strategic Change

Strategic change is the movement of a company away from its present state towards some desired future state to increase its competitive advantage. It is the continuous adoption of corporate strategies and structures to changing external conditions. Balogun (2004) says that change can be a continuous process which occurs in given contexts, with organizations transforming on an on-going basis to keep pace with their changing environment, or a process of punctuated equilibrium where periods of adaptive and convergent change are interspersed by shorter periods of revolutionary change. The objective of these change efforts may vary but they all present significant challenges and risks for companies in their pursuit of sustainable benefits realization. Senior (2002) argues that no matter the nature of the transformation impacting the enterprise, the key to successful completion requires the implementation of some type of change management and mitigate risk. It is not enough to articulate a business strategy - that strategy must be well executed in order to achieve Return on Investment (ROI) and business benefits.

In this literature review, the concern is in organizations taking a step change in a proactive manner in recognition of the need for pre-emptive change given potential threats that may arise in the future, or in a reactive manner in response to an immediate need, such as a direct competitive threat, technological change, change in legislation or financial needs. This is a more radical form of change and challenges all elements of processes or structures that have evolved over time. The concern is intentional, planned change (Worley, 1996): change circumstances in which the leaders of an organization have examined their strategic position and deliberately formulated a new strategy which requires the organization, and the people within it operate differently in some way, for example entering a new market with existing products, divesting or restructuring. Alternatively, it could involve a radical shift in strategy, and therefore the structures, systems and culture of the organization.

Pettigrew (1993) argues that the content of change which includes assessment and choice of products and markets, objectives and assumptions and targets and evaluation, and the way change is formulated/implemented, is determined by the context of change, both internal organizational context which includes the culture, capabilities, resources and politics of an organization, and the broader external context which includes economic, political/government and social. The changes made will in turn alter the context, leading to a different set of change needs. Only with strong organizational capabilities and a focus on execution can true business benefits be realized from change efforts. It is not enough to implement a one time change initiative - change competency must be sustained over time to impact business performance.

Quinn (1980) argues that when engaging in strategic change there are four fundamental mandates the management should do which are defining goals and objectives, stating these goals clearly, explicitly, and preferably quantitatively, assign the goals to individuals or organizational units and finally establish quantitative performance measures and benchmarks to control the organization toward established goals and objectives. As strategic change is the movement of a company away from its present state towards some desired future state to increase its competitive advantage through formulation and implementation of strategies, Andrews (1980, 20) states that the interdependence of purpose, policies, and organized action is crucial to the particularity of an individual strategy and its opportunity to identify competitive advantage. It is the unity, coherence and internal consistency of a company's strategic decisions that position the company in its environment and give the firm its identity, its power to mobilize its strengths, and its likelihood of success in the marketplace. It is the interrelationship of a set of goals and policies, that crystallizes from the formless reality of a company's environment, a set of problems an organization can seize upon and solve.

As change occurs due to changes in the environment within which the organization is operating, when this happens, it gives rise to a need for change to fit within the operating context or meet its future organizational aspirations. Worley (1996) then argues that strategic change refer to relatively major and systemic orientation and to changes that improve either strategic or organizational alignment. Where strategic alignment means aligning the firm's positioning within its environment. On the other hand Andrews (1980) concurs with the others and says that reasons for change is identifying opportunities and

threats in the company's environment and then attaching some estimate or risk to the discernable alternatives.

2.3 Strategic Change Management

Strategy is concerned with the means to meet ends, that is, it is concerned with achieving objectives. A strategy is also a set of rules for guiding decisions about organizational behavior. Strategies may be explicit or implicit, kept within the senior management team or pervading the organization to produce a sense of common direction (Newcomb, Langford, and fellows, 2006). Strategic management is a systematic approach to major and increasingly important responsibility of general management to position and relate the firm to its environment in a way which will ensure its continued success and make it secure from surprises.

Strategic management is concerned with deciding on strategy, and planning how that strategy is to be put into effect. It can be thought of as having three main elements within it. There is strategic analysis, in which the strategist seeks to understand the strategic position of the organization. There is strategic choice which is to do with the formulation of possible courses of action, their evaluation and choice between them. Finally there is strategic implementation which is concerned with planning how the choice of strategy can be put into effect. The three are often seen as sequential in traditional texts, but actually they overlap and interact so that partial implementation may modify strategic choices for example (Newcomb, Langford, and fellows, 2006).

Niania (2002), observed that all organizations exist and depend on the environment for inputs and outputs. Organizations consume resources, transform them through the various processes and then release the output to the environment. The environment is important for the success and survival of the organizations. In the recent past, the global environment has been increasingly turbulent, competition in all sectors continues to increase, consumer tastes and preferences are changing fast. This has increased the need for application of strategic change. Hamel & Prahalad (1989) say that companies that have risen to leadership invariably began with ambition that was out of proportion to their resources and capabilities. But they created an obsession with winning at all levels. Hamel and Prahalad (1989) term this obsession “strategic intent”. The concept of strategic intent encompasses an active management process that includes focusing the organization’s attention on the essence of winning, motivating people by communicating the value of the target; having room for individual and team contribution; sustaining enthusiasm by providing new operational definition as circumstances change; and using intent consistently to guide resource allocations. They sum up strategic intent as capturing the essence of winning; it provides consistency to short term action while having room for reinterpretation as new opportunities emerge.

According to Hamel and Prahalad (1989), many companies are more familiar with strategic planning than they are with strategic intent. They say that planning typically acts as a ‘feasibility sieve’. Strategies are accepted or rejected on the basis of whether managers can be precise about ‘how’ as well as ‘what’ of their plans. Are the milestones clear? Do we have the necessary skills and resources? How will competitors react? Has

the market been thoroughly researched? They see inflexibility in management's thought pattern as a drag to strategy, they say, in one form or another, the admonition “be realistic” is given to line managers at almost every turn. While strategic intent is clear about ends, it is flexible as to means. Strategic intent implies sizeable stretch for an organization. Current capabilities and resources will not suffice. This forces the organization to make the most of limited resources.

Johnson & Scholes, (2002) observes that understanding the strategic position of an organization and considering the strategic choices open to it is of little value unless the strategies managers wish to follow can be turned into organization action. According to them organizational change management is described as the process of developing a planned approach to change in an organization. Typically the objective is to maximize the collective benefits for all people involved in the change and minimize the risk of failure of implementing the change. The discipline of change management deals primarily with the human aspect of change, and is therefore related to pure and industrial psychology. Change management can be either ‘reactive’, in which case management is responding to changes in the macro environment (that is, the source of the change is external), or proactive, in which case management is initiating the change in order to achieve a desired goal (that is, the source of the change is internal). Change management can be conducted on a continuous basis, on a regular schedule (such as an annual review), or when deemed necessary on a program-by-program basis. Change management can be approached from a number of angles and applied to numerous organizational processes. To be effective, change management should be multidisciplinary, touching all aspects of the organization.

Hofer (1984) considers management of change as a process, which deals with fundamental organizational renewal and growth with development of strategies, structures and systems necessary to effectively manage the strategy formulation process. What organizational change requires is that people develop not just new skills and knowledge but a whole new way of looking at things. It puts them through a whole internal re-orientation. William Bridges of the respected Leading Organizational, Individual Transition Program focuses on the crucial organization aspect and contends that, unless this reorientation process is handled successfully, things will essentially remain the same. If people don't go through the inner process of organization, they will not develop new behavior and attitudes the change requires.

According to Organizational Change Leaders, managers and supervisors can learn basic transition management strategies. With such strategies, they can bring employees through even far-reaching and wrenching changes with renewed energy and purpose. When they do that, the organization is strengthened not only by the improvements resulting from the change, but also by the renewal and realignment that comes from the transition. The goals of the changes on which the organization's future depends are often threatened by the effects of the changes on the people who must carry them out and the environmental forces.

In general terms, a change program should describe the change process to all people involved and explain the reasons why the changes are occurring. The information should be complete, unbiased, reliable, transparent, and timely. It should also be designed to

effectively implement the change while being aligned with organizational objectives, macro environmental trends, and employee perceptions and feelings. Further, the change program should provide support to employees as they deal with the change, and wherever possible involve the employees directly in the change process itself.

2.4 Triggers of Change

A trigger of change is any disorganizing pressure arising outside or inside the organization indicating that current arrangements, systems, procedures, rules and other aspects of organization structure and process are no longer effective (Huczynski and Buchanan, 2001). The need for organizational change can be prompted or initiated by many different triggers. External triggers for organizational change can include: development in technology; developments in new materials; changes in customers' requirements and tastes; activities and innovations of competitors; new legislation and government policies; changing domestic and global economic and trading conditions; shifts in local, national and international politics and changes in social and cultural values. Internal triggers for organizational change can include: new product and service design innovations; low performance and morale triggering training programmes; office and factory relocation closer to suppliers and markets; recognition of problems, triggering reallocation of responsibilities; innovations in the manufacturing process; and new ideas about how to deliver services to customers.

2.5 Development of Change

Ansoff (1990) argues that since the 1950s, the challenges have increasingly become simultaneous: the need for revival of entrepreneurship, for response to the increasing intensity of global competition, and for societal involvement in determining how the firm is to be run and what role it should play in the post industrial society. Another distinctive characteristic of the twentieth century has been the acceleration of both incidence and diffusion of change. Change became less predictable and surprise more frequently. Change is caused by many factors and on the macro environment it calls for an understanding of political, economic, social, technological, environmental and legal influences (PESTEL), referred to as the five forces framework, Johnson, (2002). Johnson (2002) continue to say that it is of paramount importance that the implications of PESTEL factors are understood since it may be possible to identify a number of structural drivers of change, which are forces likely to affect the structure of an industry, sector or market. It is the combined effect of some of these separate factors that will be so important, rather than the factors separately. For example, factors increasing globalization of some industries and markets such as government influences, cost advantage (Kotter, 1996).

Worley (1996) on the other hand groups these factors into four categories. First is transition to a global economy which provides new markets, for example, through term wins, consolidating gains and producing even more change, and institutionalizing new approaches in the culture. The first four steps in the transformation process help defrost a hardened status quo. If change were easy, you wouldn't need all that effort. Phase five to

seven then introduces many new practices, the last stage grounds the changes in the corporate culture and helps to make them stick. The purpose for any change initiative is to achieve some desired goal or objective which is always for the betterment of the organisation. The achievements have to be measured by for example, as Johnson (2002) says like "setting standards, assessing performance of individuals and units, and intervening to improve performance. Change initiative should be seen to add value to the organisation. This, then leads to the question on performance of the organisation after the change initiative and how it should be measured.

In 1995, Kotter established an eight step model that identifies critical mistakes in the process of change and posited that a change process goes through a series of phases that in total; usually require a considerable length of time. He asserts that skipping any step creates only illusions of speed and never produces a satisfying result. The eight steps are: establishing a great enough sense of urgency; forming a powerful guiding coalition; creating a vision; communicating the vision; empowering others to act on the vision; planning for and creating short term wins; consolidating improvements and producing still more change, institutionalizing new approaches. Kotter strives to prescribe a model that can reduce the error rate in the change process since fewer errors can spell the difference between success and failure.

Kanter, Jick and Stein (1992), give what they call the Ten Commandments to executing change successfully. The Ten Commandments are: analysing the organization and need for change; creating a shared vision and a common direction; separating from the past;

creating a sense of urgency; supporting a strong leader role; lining up political support; crafting an implementation plan; developing an enabling structure; communicating and involving people and being honest; and reinforcing and institutionalizing change are their prescriptions for successful change. In 2006, Smith not to be left behind developed a nine step model of organizational change management. The steps are: ensuring readiness for change, planning for change, leading change, managing change, supporting change, dealing with resistance to change, communicating effectively, following through, evaluating, learning and attending to the human factor.

Beer, Eisenstat and Spector (1990), believe that an approach to change based on task alignment, starting at the periphery and moving steadily toward the corporate core, is the most effective way to achieve enduring organizational change as it provides a way to elicit renewal without imposing it. On their part they state that managers can achieve task alignment through the critical path. The critical path has six overlapping steps: mobilizing commitment to change through joint diagnosis of business problems; developing a shared vision of how to organize and manage for competitiveness; fostering consensus for the new vision, competence to enact it and cohesion to move it along; spreading revitalization to all departments without pushing it from the top; institutionalizing revitalization through formal policies, systems and structures; monitoring and adjusting strategies in response to problems in the revitalization process.

Beer and Nohria, (2000) have proposed the emergence of two theories of change management: “Theory E” and “Theory O”. Their research suggests that an organization

will drive change either from the economic priority (Theory E), the organizational capability (Theory O) or both. This theory identifies significant differences in the way an organization might manage change and how to approach aspects of the change process. Fundamentally, Beer and Nohria (2000), conclude that an organization would benefit by considering both economic and organizational factors in their approach to change.

2.6 Model assumptions and Types of change

Orlikowski and Hofman's (1997) Improvisational Change Model is based on two major assumptions: First, that changes associated with technology implementations constitute an ongoing process rather than an event with an end point after which an organization can return to a state of equilibrium. Second, that every technological and organizational change associated with the ongoing process cannot be anticipated in advance. Based on these assumptions, Orlikowski and Hofman (1997) have identified three different types of change:

Anticipated Change: Anticipated changes are planned ahead of time and occur as intended, for example, the implementation of e-mail that accomplishes its intended aim of facilitating improved communication.

Opportunity-based Change: Opportunity-based changes are not originally anticipated but are intentionally introduced during the ongoing change process in response to an unexpected opportunity. For example, as companies gain experience with the World Wide Web, they may deliberately respond to unexpected opportunities to leverage its capabilities.

Emergent Change: Emergent changes arise spontaneously from local innovation and that are not originally anticipated or intended. For example, the use of e-mail as an informal grapevine for disseminating rumors throughout an organisation.

Orlikowski and Hofman (1997) maintain that both anticipated and opportunity-based changes involve deliberate action in contrast to emergent changes which arise spontaneously and usually tacitly from organizational members' actions over time. Furthermore, they contend that the three types of change usually build iteratively on each other in an undefined order over time. They also argue that practical change management using the Improvisational Change Model requires a set of processes and mechanisms to recognize the different types of change as they occur and to respond effectively to them.

2.7 Related Studies

Nyamache, (2003) did a study on strategic change management process in the public sector. He did a case study of the service reform programme in Kenya between the years 1993-2003. Although a cross sectional approach was necessary since the civil service is wide, he confined his study to the civil service secretariat. Nyamache, in his findings, concluded that the reform process was impaired by resistance to change because the reforms were implemented haphazardly without preparations. Consequently the change programme negatively affected the performance of the civil service. Owing to the gaps left by the above researches, this study aims to bridge the gaps by looking at the strategic change management at ActionAid International Kenya.

Maru, (2004) did a survey of strategic choices of survival within a changing environment in microfinance institutions. Her study was based on the premise that changes due to funding are a threat to the survival of the institutions. Although the study was similar to this study as far as strategic change and performance are concerned, her methodology was a census of microfinance institutions. Although the study attributed factors like competition and client needs as forces for change like in this study, the study specifically looked at the external environment as a motivation of change as a strategy in microfinance institutions. Maru concluded that although the change process led to dramatic increase in client outreach there was insignificant change in performance.

On her part Gathua (2006) evaluated the change management and its impact on performance at Unga Group Kenya. According to the study, competition led to the poor performance of the organization in 1997 and hence necessitated a change program. The research findings showed that there was an elaborate change management process between 1997 to 2005. Like this study Gathua sought to find out if the change management process influenced performance. From the study findings the company made losses during the sixteen years of the change process, it can be concluded that change management had a negative influence on organizational performance.

Kinuu (2007) on the other hand did a case study on the management of strategic change in Tamoil Kenya Ltd. He too did a case study on the oil company. The study noted that the economic performance of the company changed for the better during the change period. The study found out that the force of change was mainly external as a result of

change in the shareholding of the company. A planned approach to change was evident in the role of the new organizational leadership. This study also aims to demonstrate a relationship between change and organizational performance.

Amenya (2008) carried out a study on change management at the Rift Valley railways. The study was a case study of the company. In her study Ameyna found out that the need for the change process was due to external factors. The study revealed that the changes implemented at RVR (K) were both planned and emergent. The planned change is evident from the time when RVR (K) was formed, whereby the new management came in with some new ways of doing things in the company. They came in with their new plans of forming new departments and changing the management structures in others. In addition, the respondents revealed that each department made their own plans of how to achieve their objectives in line with the need to return the company to profitability. Other restructuring exercises were planned with regards to the need to reduce the workforce. Retrenchment of employees was planned and carried out in phases, with a difference of at least four months before the subsequent retrenchment. However, before employees were laid off, the company had to make sure that they received professional counseling.

On a study to evaluate employee perception of strategic change at the Kenya National Audit office, Gathungu, (2008) sort to bridge the knowledge gap on change implementation. Her findings indicated that employees were fully aware of change as required in the organization. She concluded that although employees were involved, they did not feel to be part of the change programme.

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

This section sets out the research methodology that is adopted to meet the objectives stated in section one of this study. The research setting, population of study, data collection instruments and data analysis techniques are discussed.

3.2 Research Design

The research design that will be used in this study is the case study method. This method is preferred because it allows for generalization of research findings. Case studies are particularly useful in depicting a holistic portrayal of a client's experiences and results regarding a program. This study will therefore carry out a case study of ActionAid International Kenya in order to establish the process of strategic change management at ActionAid International Kenya. The advantages of using a case study are that it enables an in-depth understanding of the behavior patterns of the unit under study. It also facilitates intensive study of that unit unlike other methods of study. The case study also enriches knowledge which otherwise had been generalized.

3.3 Data Collection

In this case study, primary and secondary sources of information will be used in the collection of data. The primary data will be obtained from interactive personal interviews with senior management staff of ActionAid International Kenya. The data collection instrument to be used during this interview will be an interview guide. The interview

guide will therefore be administered using the personal interview method. On the other hand secondary data will be collected from internal sources of ActionAid International Kenya. These will include business performance reports, annual reports and departmental strategy as well as in-house information.

3.4 Data Analysis

Before processing the responses, the responses will be edited for completeness and consistency. A content analysis will be used to analyze the respondents' views about the change management program at ActionAid International Kenya. The content analysis is a technique for analyzing and making inferences about data which will then be coded to enable the responses to be grouped into various categories. After the responses are arranged, the different positions or opinions can be identified. The data can then be summarized into the various opinions, assess the degree of consensus or differences expressed by the groups and synthesize the themes or patterns that emerge.

CHAPTER FOUR: DATA ANALYSIS, RESULTS AND DISCUSSION

4.1 Introduction

This chapter details the findings of the study and discussions with respect to the objective of the study. The study was designed with the aim of achieving the objective of establishing the management of strategic change at ActionAid International Kenya. The study involved the collection of primary data through the use of an interview guide which was administered through personal interviews. The research targeted sixteen respondents drawn from different departments of ActionAid International Kenya. The results are presented in order of objectives i.e. establish the change management practices at ActionAid International Kenya, to identify the challenges faced in managing the change program at ActionAid International Kenya and to evaluate the change management process in the light of the models of change management.

4.2 Demographics

4.2.1 Study Respondents

The study targeted 16 heads of departments at ActionAid International Kenya for interview. The researcher was able to interview 12 executives as follows: Fundraising Coordinator and the Impact Assessment and Shared Learning Coordinator. The respondents also included the Head of Finance, Human Resource and Organizational Development Manager, Head of Policy and Campaigns and Head of Programmes. Others were the National Women Rights Coordinator, the National Food Rights Coordinator, the National Right to Health and HIV and AIDS Coordinator, the National Right to

Education Coordinator, the National Governance Coordinator and the Human Security and Conflict Advisor. The list also included the Merger and Alignment Manager, the Sponsorship Coordinator, IT Manager and the Communications Manager. This constituted an 75% response rate for the study.

Table 4.1 below represents analysis of the response rate for the study:

Table 4.1 Response rate for the study

<i>Variable</i>	<i>Frequency</i>	<i>Percentage</i>	<i>Cumulative percentage</i>
<i>Valid</i>			
<i>Responded</i>	<i>12</i>	<i>75</i>	<i>75</i>
<i>Non responded</i>	<i>4</i>	<i>25</i>	<i>100</i>
<i>Total</i>	<i>16</i>	<i>100</i>	

Source: Researcher (2010)

According to table 4.1 the response rate for the study was 75%. The study sought to interview 16 heads of departments at ActionAid International Kenya. Out of the 16 respondents, 25% did not respond.

4.2.2 Years of service

The study sought to establish the number of years the respondents had served with ActionAid International Kenya. The purpose of this question was to correlate the years of experience of the respondents with the application of change management at ActionAid International Kenya.

Table 4.2 below represents the number of years of the experience of the interviewees:

Table 4.2 Years of experience

<i>years of experience</i>	<i>frequency</i>	<i>percentage</i>
<i>valid</i>		
1-3	4	33.33
4-6	5	41.67
6+	3	25
<i>total</i>	<i>12</i>	<i>100</i>

Source: Researcher (2010)

From table 4.2 above, 66.67% of the respondents had served for over 4 years in ActionAid International Kenya. The respondents had served in the organization for a long period and hence were in a position to respond to change management issues.

4.2.3 Organizational Profile of ActionAid International Kenya

In Kenya, ActionAid International Kenya (AAIK) is registered under the Non-Governmental Organizations Co-ordination Act, 1990. AAIK has been working in Kenya since 1972 to facilitate processes that eradicate poverty and ensure social justice through development programmes, local institutional capability building and public policy. AAIK works in over 20 districts of Kenya under four region offices. The national office in Nairobi links key international, national and local institutions in favor of poor people. The study established that at present ActionAid International Kenya have 110 members of staff. The senior management team which is headed by the Country Director comprises 22 Heads of Departments. The researcher in her interviews however excluded the

Country Director, 4 Region Coordinators and the Internal Audit Manager to focus on 16 interviewees.

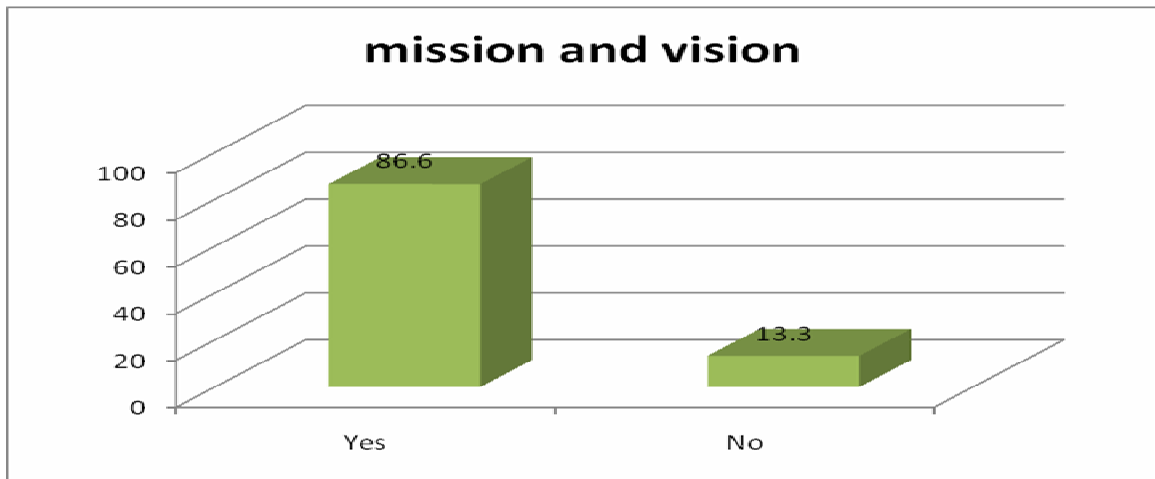
4.3 Change management practices

4.3.1 ActionAid International Kenya vision and mission

The study set out to establish whether ActionAid International Kenya (AAIK) had a vision and a mission. 86.7% of the respondents indicated that the organization had a vision and a mission while 13.3% said it did not. The figure below illustrates the findings.

Figure 4.1 below represents the vision and mission of ActionAid International Kenya:

Figure 4.1 Vision and mission



Source: Researcher (2010)

From figure 4.1 Vision and mission above, 86.6% said ActionAid had a vision and mission while 13.3% said they were not aware. According to the study findings the vision and mission statements are communicated in both verbal & written format. The Country Director communicates the vision and mission to employees and external stakeholders by way of speeches during official functions. The statements are communicated in written

form in the organization's information brochures and in-house magazine. The organization's vision is "a world without poverty and injustice where everyone enjoys life with dignity", while the mission is "to work with poor and excluded people to overcome poverty and inequality".

4.3.2 Setting of Goals and Objectives

The respondents were required to indicate the process of goal setting and objectives. The study established that a variety of objectives are set in ActionAid International Kenya (AAIK). These objectives are hierarchical and linked to each other. The main strategic objectives are the organisational objectives contained in the strategic plan. The other objectives, namely departmental objectives and individual employee objectives are derived from the organizations objectives. The process of objective setting in ActionAid International Kenya is participatory. Below is an analysis of the departmental objectives and individual employee objectives.

Table 4.3 below represents the general objectives of all departments at ActionAid International Kenya:

Table 4.3 Departmental objectives

<i>Departmental objective</i>	<i>Frequency</i>	<i>Position</i>	<i>Rank</i>
<i>To achieve efficiency and effectiveness</i>	8	1	3
<i>To get the best value for money</i>	6	2	4
<i>To improve operational processes</i>	11	3	1
<i>To improve staff performance,</i>	10	4	2
<i>To achieve staff motivation and satisfaction</i>	6	5	4

Source: Researcher (2010)

From table 4.3 the departmental objectives were ranked as follows: improvement of operational processes was ranked first with a frequency of 11 followed by the need to improve staff performance with a frequency of 10. The third departmental objective was achievement of efficiency and effectiveness followed by a tie between getting the best value for money staff and motivation and satisfaction.

4.3.3 Overall objectives for change

Subsequently the respondents were asked to indicate the overall objectives for change. From the study findings, the respondents indicated that the main objective was to develop and revamp partnership and returns in order to influence donors and like-minded institutions to support AAIK's work. According to the respondents, to achieve this goal, many changes in AAIK are proactive and purposeful. They are usually intentional with

goal-oriented activity. This seeks to improve the ability of AAIK to adapt to changes in its environment and secondly it seeks to change employee behavior. Below is an analysis of the overall objectives.

Table 4.4 below represents the overall objectives of ActionAid International Kenya as an affiliate:

Table 4.4 Overall objectives

<i>Overall objectives</i>	<i>Frequency</i>	<i>Position</i>	<i>Rank</i>
<i>To recover from financial crisis</i>	5	1	6
<i>To achieve financial stability and financial growth</i>	15	2	1
<i>To achieve programme effectiveness</i>	13	3	2
<i>To achieve operational effectiveness and efficiency</i>	10	4	3
<i>To improve communication within the organization</i>	6	5	5
<i>To better manage costs and budgets</i>	8	6	4

Source: Researcher (2010)

According to table 4.4 above, overall objectives for change were led by the need to achieve financial stability and financial growth with a frequency of 15 followed by need to achieve programme effectiveness with a frequency of 13 and operational effectiveness and efficiency with a frequency of 10. The need to better manage costs and budgets was ranked fourth with a frequency of 8 and in fifth position was improvement of communication within the organization followed by recovery from financial crisis which was ranked sixth. According to the respondents the change management strategy is based

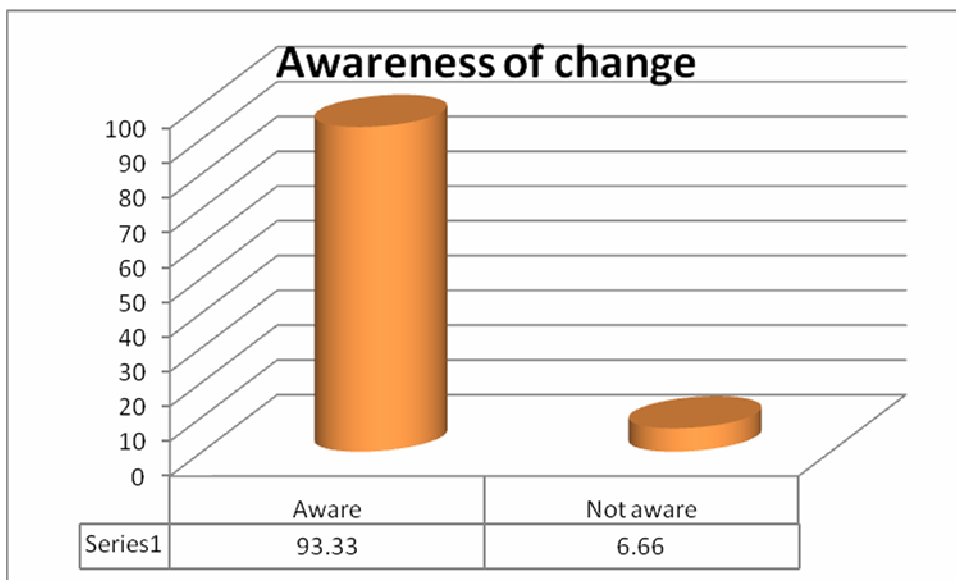
on three methods: redefining and reinterpreting norms and values and developing commitments to these; appealing to the rational self-interest of staff by communicating desired changes and attendant benefits and finally, using authority and sanctions when required to safeguard the values and standards of desired change.

4.3.4 Structured changes in the organization for the last 10 years

The respondents were required to indicate if there had been any structured changes in the organization for the last 10 years, the purpose of the challenge question was to establish the change management programme practices at AAIK. The figure below illustrates the findings.

Figure 4.2 below represents the analysis of awareness of change amongst the respondents:

Figure 4.2 Awareness of structured changes



Source: Researcher (2010)

According to figure 4.2 above, 93.33% of the respondents were aware of structured changes in the organization in the last ten years while 6.66% were not sure. The respondents observed that the challenge process started in early 2003 with the coming into power of a new government. According to the findings for AAIK to survive it has had respond to changes in its environment with efforts to stimulate innovation, empower employees and introduce work teams being examples of planned change activities directed at responding to changes within AAIK. Changing conditions demand structural changes as has happened in AAIK. This involves making an alteration in authority relations, coordination mechanisms and job redesign. These strategies for managing change were necessary especially in the last 10 years due to a decrease in funding for the organization hence restructuring of the AAIK's operations. Also reduction in funding meant new strategies to address new contexts of working environment.

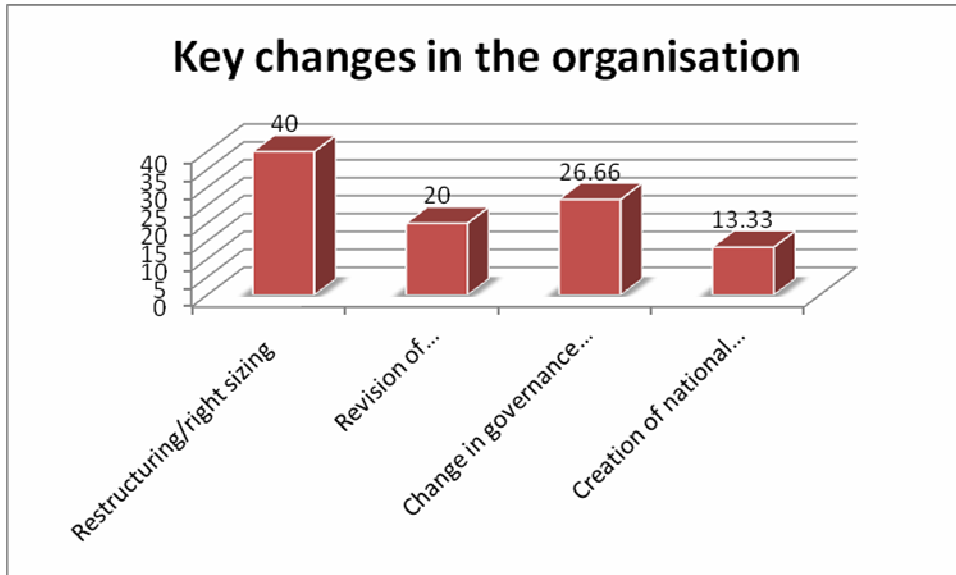
4.4 Challenges faced in managing change at AAIK

4.4.1 Key changes in the last 10 years

In line with the second objective of the study, the respondents were required to identify the key challenges faced in managing the change program at ActionAid International Kenya. The aim of this challenge question was to identify the key changes that the organization had gone through and the challenges of managing these changes. Below is an analysis of the findings.

Figure 4.3 below represents an analysis of the key changes in the organization:

Figure 4.3 Key changes



Source: Researcher (2010)

According to figure 4.3 the key changes according to the respondents were: Restructuring/right sizing at 40%; the next key challenge was change in governance structure at 26.66% followed by revision of management structure at 20% and the least challenge was creation of national board/governance structure at 13.33%. Accordingly the respondents agreed that restructuring as key change was the merger with MS Denmark in April 2010; the transition of the merger is expected will last until December 2011 when the MS country strategy comes to an end. AAIK country strategy ends in December 2010 but has been extended to December 2011. Another milestone in the change process was the affiliation of AAIK to international status in June 2009.

According to the study findings all the respondents agreed that the factors that necessitated the change were due to the declining funding hence the need to look at the structure of the organization and the change in the governance context in Kenya. According to the respondents, the reasons for AAIK merger with MS were: to avoid duplication of processes with other NGOs hence merger includes also NIZA, Austcare, compete with UN through direct implementation of programmes and avoid bureaucracy.

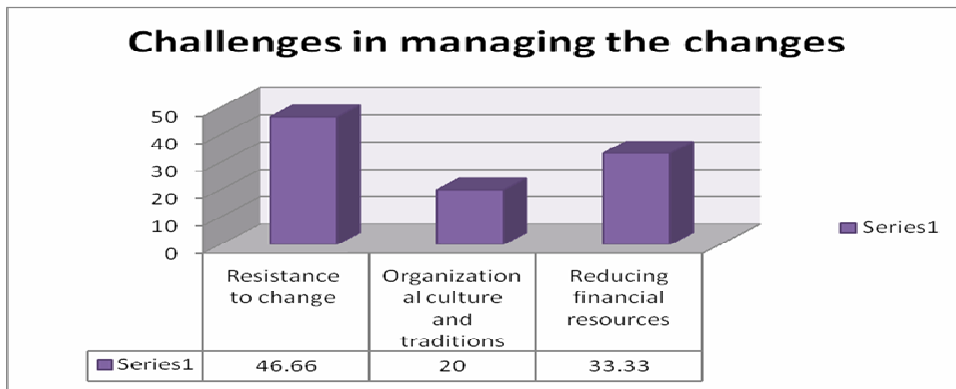
The interviewees indicated that the ongoing changes had affected structures, systems, processes, resource allocation, technology, products and behavior each to a varying extent. In the area of resource configuration, AAIK identified resource requirements and how these resources were to be deployed to create competencies needed to underpin particular strategies. A well-cited example is the staff retrenchment in 2007. This led to work-load increase for the staff retained delaying implementation of several projects; human resources reduced to a bare minimum to correspond to the needs of the new Rights Based Approach (RBA) approach; loss of jobs by staff doing service delivery.

4.4.2 Challenges in managing the changes

According to the study findings, AAIK also faced challenges in managing the changes from the internal environment. The respondents agreed that there is resistance from staff who want the status quo. The figure below illustrates the findings.

Figure 4.4 below represents analysis of challenges faced in managing changes:

Figure 4.4 Challenges in managing the changes



Source: Researcher (2010)

From figure 4.4 above, the main challenge in managing the changes was staff resistance to change at 46.66% followed by the challenge of reducing financial resources at 33.33%, and the challenge of organizational culture was 20%. The study established that there was employee resistance to change and that getting employees to accept new ways of doing things was challenging to implementation of strategies. The respondents indicated that in order to deal with this barrier the organisation has embarked on provision of training staff and equipping them with the necessary skills. Regular training sessions by external consultants are arranged in-house for various departments. According to the study findings, challenges which had not been responded to were to deal with rationalization and capacity gaps for staff.

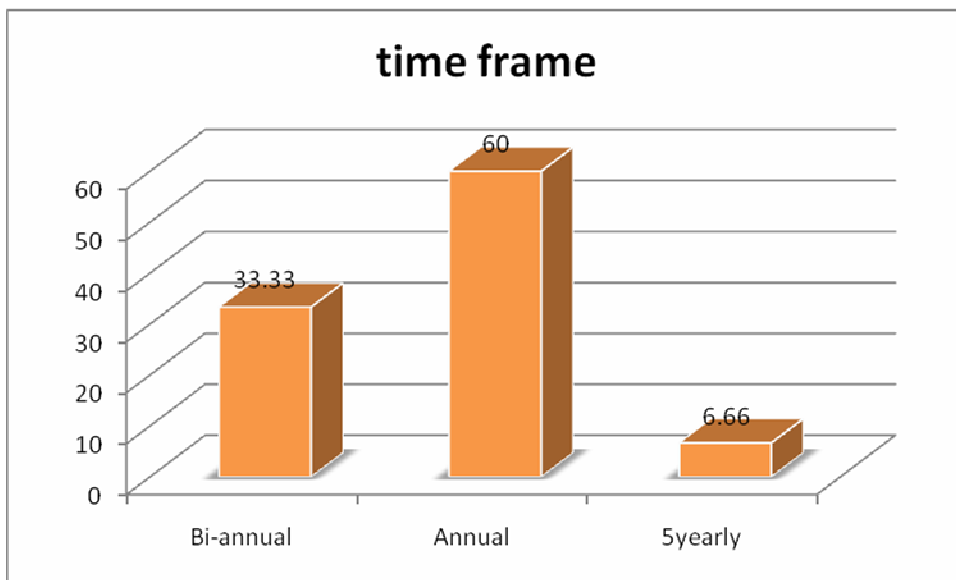
4.5 Change management process in light of the models of change management

The study established that each department had objectives that had been set in line with the overall AAIK objectives. The senior managers set these objectives together with their

staff members in formal meetings. Each staff with his/her immediate supervisor sets their individual objectives during formal meetings, i.e. performance evaluation meetings. Evaluation is done bi-annually through performance-based appraisal. The senior managers are evaluated by the Country Director on the contribution that their departments have made to the attainment of the AAIK goals.

Figure 4.5 below represents analysis of the time frames for implementing changes:

Figure 4.5 Time frames for implementing the changes



Source: Researcher (2010)

From figure 4.5 above, the respondents indicated the time-frame for implementation as annually at 60%, those who indicated bi-annually were 33.33% while only 6.66% thought it was after 5 years. According to the study findings the time-frame in implementing changes is therefore one year. The respondents agreed that AAIK provides quality time for reflection and learning. The communications unit together with Impact assessment

and shared learning develops and spearheads documentation and have an organizational databank where stories of change will be shared across the organization for learning (both positive and negative) and without negative through the media for profiling AAIK. Staff of AAIK is encouraged to develop a positive attitude towards learning and helping others to learn and change management training is conducted.

4.5.1 Planning of change

The respondents were required to indicate whether change was planned or unplanned.

Table 4.5 below represents analysis of planning versus unplanned changes provided by the respondents:

Table 4.5 Planning of change

<i>Variable</i>	<i>Frequency</i>	<i>Percentage</i>	<i>Cumulative percentage</i>
Planned change	16	100	100
Unplanned change	00	00	

Source: Researcher (2010)

The respondents were unanimous in that the change effort was planned, that there is a clear line of sight to a future desired state. Though not quite distinct, the researcher could remotely pick out Lewin's three steps for successful change namely unfreezing the present level, moving to the new level and refreezing to the new level. Part of the evidence gathered towards unfreezing was a re-education and teambuilding workshop attended by all employees. These two events created in the employees' mind, the need

and will to change. The respondents further added that a powerful guiding coalition to lead the change effort was instituted at the earliest opportunity. In all cases, the change effort was led by the Country Director, both present and the immediate past. Employees' involvement in initiating change, though initially limited, is now increasing day by day. All respondents indicated that external consultants were invited to train trainers on the principles and practices of management by projects. It is important to note that these consultants were neither involved in initiating the change process, nor in tracking progress. However, functional specific consultants, such as in "Human Resources management", were invited on a need basis only.

It was noted that though the change effort was planned, it was interactive, cyclical and called for constant evaluation, in this case on a quarterly basis. This is hardly surprising given that the environment is dynamic. This planned approach was greeted by mixed reactions from the respondents. While some argue that they should stick to the original plan, others argued that changing times and environments give no room to a static plan.

4.6 Systems and strategies in place to support implementation of change

According to the study findings, an implementation and oversight team composed of junior management team was formed to oversee that the change decision-making in AAIK will be clear and transparent, free of confusion, tension and is the responsibility of line management to make sure that relevant information that will lead to informed decision making is sort at all levels and shared and requisite feedback given. The

communications unit is to collect, collate and package case studies that will be used as information in decision making. Below is a summary of adopted technology.

Table 4.6 below analysis of adoption of technology as provided by respondents:

Table 4.6 Adopted technology

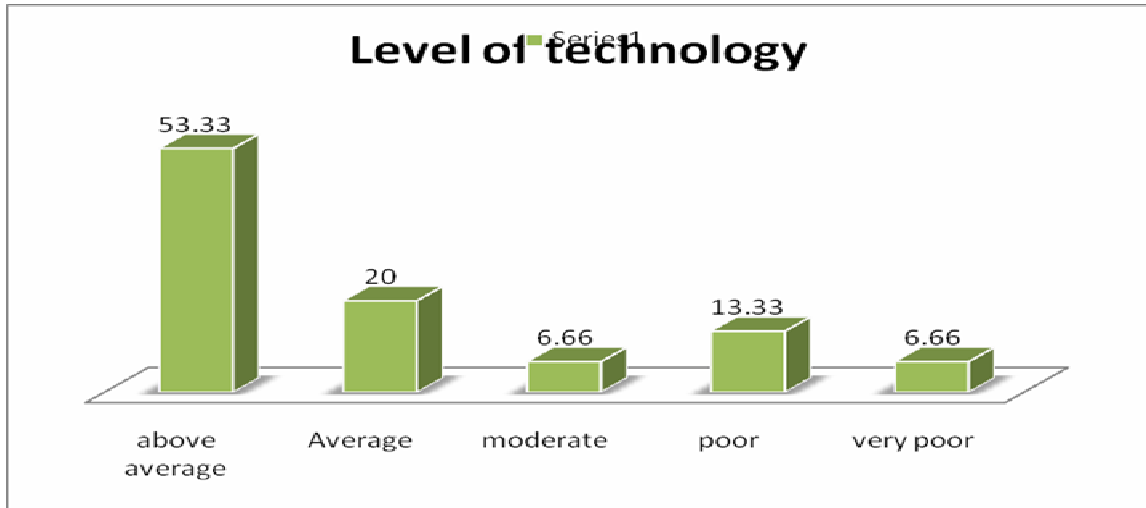
<i>Technology</i>	<i>Frequency</i>	<i>Percentage</i>	<i>Cumulative percentage</i>
<i>IP phones</i>	<i>7</i>	<i>43.75</i>	<i>43.75</i>
<i>SUN and Vision</i>	<i>3</i>	<i>18.75</i>	<i>62.5</i>
<i>Intranet/The Hive</i>	<i>6</i>	<i>37.5</i>	<i>100</i>
<i>Total</i>	<i>16</i>	<i>100</i>	

Source: Researcher (2010)

According to table 4.6 the most adopted technology was IP phones at 43.75% followed by the intranet at 37.5%; SUN and Vision was least at 18.75%. The study findings indicate that AAIK has adopted new technology: HIVE-international communication structure for AAI. This entails a shift from desktop computers to laptops for most staff and creation of mobile offices. The study established that the use of information technology has re-shaped the way the organisation conducts its business. All the strategic business units and support units are electronically linked through this system. To this effect on a scale of 1-5 the respondents were required to rate the organization in terms of modernization. Below are the study findings.

Figure 4.6 below represents analysis of the level of modernization as provided by the respondents:

Figure 4.6 Level of modernization



Source: Researcher (2010)

According to figure 4.6, the level of modernization was above average at 53.33% followed by average at 20%. This was an indication that over 73.33% was overly modernized. From the findings, 6.66% thought it was moderate while 13.33% said it was poor and another 6.66% indicated that the level was very poor. The respondents were required to indicate if they had formal training in implementation of change programs and all of them agreed that they had the necessary training to function within the changes. To this effect respondents were required to indicate if management communicates strategic plans effectively. From the findings the respondents indicated that AAIK has improved communication within the organization itself (internal) and with the outside world as well (external) by developing a communication policy/framework that act as a guide to staff on what is expected at all levels of the organization and who shares which information, to whom and when.

CHAPTER FIVE: SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Summary

The objective of the study was to establish the management of strategic change at ActionAid International Kenya (AAIK). The results were analyzed and presented in order of objectives i.e. establish the change management practices at ActionAid International Kenya, to identify the challenges faced in managing the change program at ActionAid International Kenya and to evaluate the change management process in the light of the models of change management. The objective of the study was met since the study was able to establish that ActionAid International Kenya experienced organisational change and had adopted a number of strategic management practices.

ActionAid International Kenya has well documented vision and mission statements, which are communicated to employees and external stakeholders in both written and spoken form. The management of ActionAid International Kenya is involved in communicating the vision and mission statements. ActionAid International Kenya has put in place mechanisms for environmental scanning and uses tools such as SWOT analysis. Planning takes place in the organisation.

5.1.1 Change management practices

Change management process at ActionAid International Kenya begins with goal setting and objectives. A variety of objectives are set in ActionAid International Kenya. These

objectives are hierarchical and linked to each other. The main strategic objectives are the organisational objectives contained in the strategic plan and the overall objectives of the organisation. The departmental objectives identified were: improvement of operational processes, the need to improve staff performance; the third departmental objective was achievement of efficiency and effectiveness and getting the best value for money as well as motivation and satisfaction while the overall objectives for change were the need to achieve financial stability and financial growth, the need to achieve programme effectiveness and operational effectiveness, the need to better manage costs and budgets, improvement of communication within the organization and finally the need to recover from financial crisis.

5.1.2 Challenges faced in managing the change program

From the study findings the challenges faced in managing the change program at ActionAid International Kenya are due to restructuring of the organization, this is so especially with the merger with MS Denmark in April 2010. According to the findings the factors that necessitated the change were due to the declining funding hence the need to look at structure of the organization and the change in the governance context in Kenya. Accordingly the ongoing changes had affected structures, systems, processes, resource allocation, technology, products and behavior each to a varying extent. AAIK also faced challenges in managing the changes from the internal environment.

From the findings, the time-frame in implementing changes is one year for the change; this time frame is short for any meaningful change programme to be instituted. According

to the study findings, an implementation and oversight team composed of junior management team was formed to oversee the change decision-making in AAIK with the aim to be clear and transparent free of confusion and tension. Although it is the responsibility of line management to make sure that relevant information that will lead to informed decision making is available at all levels and shared with requisite feedback given, there is no evidence to show that this aspect of information management to meet the challenges of change management actually takes place.

5.1.3 Change management process in light of the models of change

From the study findings, the change program at ActionAid follows a planned approach. The findings indicate that AAIK has adopted new technology: HIVE-international communication structure for AAI. This entails a shift from desktop computers to laptops for most staff and creation of mobile offices. The study established that the use of information technology has re-shaped the way the organisation conducts its business. All the strategic business units and support units are electronically linked through this system.

5.2 Conclusions

Strategic change management discussed in the analysis at ActionAid takes the three step model by Lewin. A planned approach to change management model is evident in the role of management at ActionAid International Kenya. From the study findings, it is also evident that changes in the organisation have preceded growth strategy. This explains why ActionAid has undergone structural changes within a very short period of time, that is, in

less than two years. The challenges of change management are evident in the reorganization and resistance to change, changing of organizational structure by head of strategy development, balance between planned and emergent change and restructuring especially downsizing human resources. From the study findings, another conclusion pertinent to this study is that other levels of change process like technology and information management are not well taken care of as part of the change management process.

5.3 Recommendations

The study found that resistance to change by employees has hindered implementation of AAIK's strategies. As the organisation prepares to embark on strategic planning, resistance to change by employees may impede the process. There is need for the AAIK's management to take a more proactive approach to managing change within the organisation. Currently the change management practices involve the management setting goals, clarifying desired outcomes, providing feedback, giving rewards for desired performance and taking action when goals are not met. The focus of these change management practices is on performance driving cultural change. The study found out that the AAIK's management had not formulated and documented a strategic change management plan but had prepared and documented an annual change plan. Annual planning has an operational focus and is concerned primarily with concrete goal setting and scheduling of specific tasks to meet these goals. Strategic planning gives explicit recognition to the organizations outside environment and places an emphasis on the organization's strategic advantage in meeting the contingencies in the environment.

The AAIK's management can build upon their experience in long term strategic change planning, environmental scanning, goal setting and performance evaluation to develop a strategic plan more practical than an annual plan. There is also need for a structured planning process with designated and sequenced activities such as brainstorming, small group work and listing, summarizing and prioritizing which makes it possible for everyone in attendance to participate fully. This involvement throughout the process will ensure that those who have major responsibilities to carry out the plan understand the plan and the reasons behind it. Employee involvement in the strategic change planning process can contribute greatly to employee commitment to mutual goals and a sense of organization unity. Based on the study findings, it is recommended that the process of designing any changes must be accepted by all, also the implementation of change must be continuous and should be continuously monitored so that the objectives of the changes are met.

5.4 Limitations of the study

The main challenge faced was the administration of the questionnaires; most management employees of the AAIK were not readily available for a face to face interview due to their tight schedules. There was also concern on breach confidentiality in the disclosure of information. At a time when new management issues are coming up with new strategies to enhance service provision given, this may breach confidentiality due to information technology leakages. The researcher took time in explaining them that the study was for academic purposes only.

5.5 Suggestions for further research

Further research is recommended on the issue of strategic change management on related industry players. There is need to also carry out research to determine how well organizations in the country are prepared on the application of strategic change management. Further research should also be undertaken to determine the success levels of organizations that are using strategic change management.

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APPENDICES

Appendix I: Introductory Letter

Dear Sir/Madam,

TO WHOM IT MAY CONCERN

I am a Master of Business Administration (MBA) student at the University of Nairobi. As part of the requirement for the award of the degree, I am required to conduct a research in order to establish the management of strategic change at ActionAid International Kenya.

The purpose of this letter is to request you to avail the necessary information. The information obtained from you is to be used for academic purposes only and will be treated with at most confidentiality.

A prompt response to the attached questionnaire is highly appreciated.

Thank you in advance.

Yours faithfully

Kamau Judy Wanjiru

Appendix II: Authorization Letter to collect data



UNIVERSITY OF NAIROBI
SCHOOL OF BUSINESS
MBA PROGRAM – LOWER KABETE CAMPUS

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

P.O. Box 30197
Nairobi, Kenya

DATE... 1 October 2010

TO WHOM IT MAY CONCERN

The bearer of this letter Judy Wanjiru Kamau

Registration No: 661/71111/2008

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

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

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

Thank you.

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

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

Appendix III: Interview Guide

1. What is your position in the institution?

2. What is the name of your department?

3. How long have you worked in the institution?

4. How many employees does ActionAid International Kenya have?

5. What is the vision of ActionAid International Kenya?

6. What the mission of ActionAid International Kenya?

7. What are your key departmental objectives for change?

8. What are the overall objectives for change at ActionAid International Kenya?

9. Have there been any structured changes in the organization for the last 10 years?
What were the causes of these changes?

10. Which key changes has your organization gone through?

11. What are the factors that necessitated change?

12. How important was the need for change and why?

13. What factors were considered in making the changes above?

14. Did these changes affect your organization in any way? If yes, please describe the problems encountered.

15. Describe the major changes that have been implemented in your department.

16. What was the time frame in implementing these changes?

17. What systems are in place to support implementation of these changes?

18. What new technology has been adopted in the past 10 years?

19. How can you rate the organization in terms of modernization?

20. Do you have formal training in implementation of change programs?

21. How do you assess the institution after change program?

22. Does management communicate strategic plans effectively?

23. What strategies have you applied to manage change?

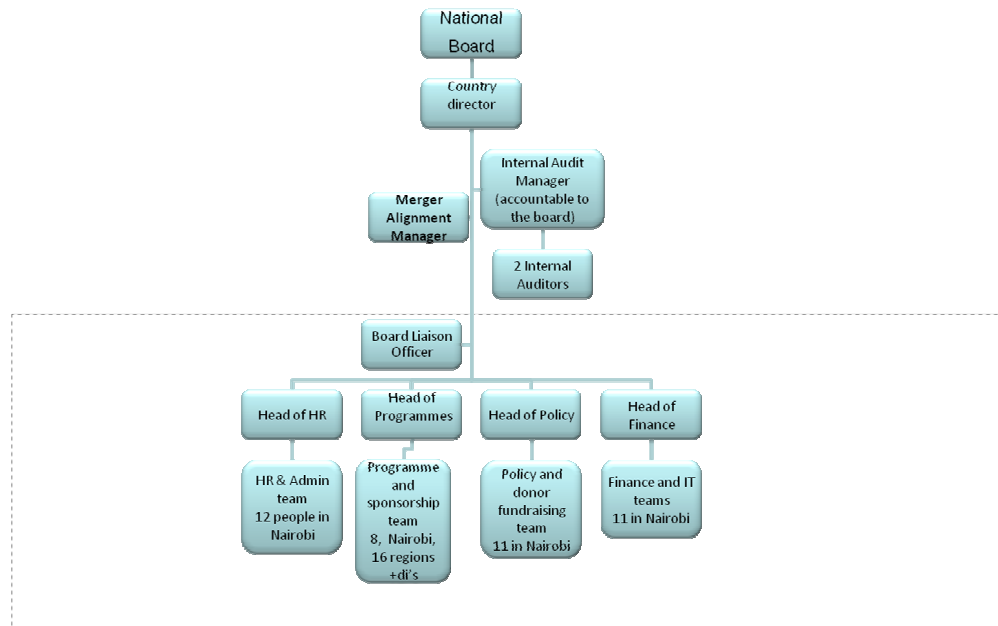
24. What challenges have you faced in managing these changes?

25. What challenges have you not responded to?

26. What results have you observed after implementing change?

27. What are your suggestions and recommendations?

Appendix IV: Organizational Structure



ActionAid Kenya Country Team Structure