

**CHANGE MANAGEMENT STRATEGIES ADOPTED BY SBM
BANK IN ACQUIRING CHASE BANK**

BY


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DECLARATION

I declare that the project is my own work and that it has not been submitted for a degree at any other university for examination reasons.

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This research project has been presented for examination with my approval as the University supervisor.

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DEDICATION

I dedicate this project to my loving family for their unwavering support, patience, and encouragement during my studies, as well as their constant prayers. Throughout the process, you were a rock for me. God's blessings on you.

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I hereby express my gratitude to all people who assisted me throughout my work. I am thankful to the almighty God for enabling me complete this study. Special thanks go to my supervisor who has been an excellent supervisor for the support, encouragement and understanding throughout research and to my entire family for the valuable support. May God bless you abundantly

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ABBREVIATIONS AND ACRONYMS

ADKAR	Awareness, Desire, Knowledge, Ability and Reinforcement
FSD	Financial Sector Depending
HR	Human Resource
HRM	Human Resource Management
KBA	Kenya Banking Association
M&A	Mergers and Acquisitions
NBK	National Bank of Kenya
ROA	Return on Assets
ROE	Return on Equity
SBM	State bank of Mauritius
SME	Small and Medium Enterprises

ABSTRACT

Change management is critical in a business organization's reaction to changes in technology, market dynamics, data structures, the global monetary system, social values, and the political environment in which it works. Commercial banks in Kenya have intensified their response to the financial environmental changes so that they can enhance on the banks' market position. Chase Bank in Kenya was a duly registered and operational in Kenya under the supervision of the Central Bank of Kenya. On sixth April 2016, it was placed under statutory control due to big insider lending and distinct cooperate governance situations similarly to non-performance and compliance to the CBK reporting parameters. In the year 2018 CBK announced that the SBM may acquire strategic assets and liabilities of the financial institution. The goal of this research was to learn about SBM Bank's change management techniques during the Chase Bank acquisition. Organization learning theory, the Adkar model of change management, and Lippitt's stages of change theory were all used in this study. A case study was employed in this research. This is suitable since it is a research method that focuses on a thorough examination. This research gathered both primary and secondary data. Five department heads from SBM bank were interviewed for primary data. Project manager, senior manager strategy, business analytics manager, change management manager, and operations manager were among them. Content analysis was employed in investigating the respondents' views and understanding of change management using various techniques. Various factors have led to change management success in SBM bank, for instance effective communication channels; a conducive environment that supports change management; employee involvement; clear aims and planning; employee training; an appropriate structure, implementing flexibility and leadership; positive attitude towards change management success; support from the top management; teamwork; and capacity building. According to the findings, good change management can only be accomplished in businesses that appreciate and respect each employee's potential contribution. Change management is easy for SBM Bank Kenya Limited because they have a policy of regular, open communication. This guarantees that the need for change is widely recognized within the organization, as well as strong support for successful change management. The study recommended that to ensure that the process of strategic change management takes the appropriate direction; the organization management team have to develop frameworks that will come up with the best decisions possible.

CHAPTER ONE

INTRODUCTION

1.1 Background Information

With today's changing business environment, each enterprise calls for the ability to manipulate and adapt to the business changing environment. If an organization needs to hold competitive advantage, the dynamic surroundings necessitate adjustment of the usual organizational activities, tactics and values (Johnson and Scholes, 2004). Companies that fast adapt to the changing business environment gain competitive advantage while the ones which are probably left behind require an effective alternate control plan. Some of the situations that require organizational change include turbulent monetary times, constraints of globalization, social and political forces, changes in generation, increasing competition and deregulations amongst others. Acquisitions can be driven through financial or non-financial motives.

Numerous theorists and models expound on change management as indicated in this study. ADKAR Model of Change Management is a reason orientated change management model that permits the change the board gatherings to zero in their exercises on explicit business exercises. This study also relies on the learning organization theory which involves the development and use of knowledge to achieve continuous change through capacity building. Lippitt's levels of change concept proposed by Lippitt et al (1958) gives a seven-step idea that emphasizes greater on the duty and obligation of the change.

There are various disturbing situations inside the Kenya's banking sector, these include technological changes, downsizing, mergers and acquisitions and worldwide market

opposition. Those challenges call for an exchange within the banking systems to ensure long term commercial business operations (Peach, 2009). Banks have shifted strategies adopted with the useful resource of banks to strengthen their positioning in the retail and the SME consumer market in Kenya over procurements, change of organizational form, being revolutionary and change of management structures to fulfill customer needs. Earlier before 2016, Chase Bank become a medium tier lender and economic services company with an asset valuation of over Kshs 100 billion and shareholders' value of Kshs eleven billion. After the company had confronted liquidity issues, the economic basic overall performance of the financial group deteriorated from an income of Kshs 2.3 billion to 742 million in earnings within the year ending December 2015 (CBK, 2018). After concerted efforts to restructure the financial institution, Central Bank of Kenya in the year 2018 announced that the state bank of Mauritius (SBM) should acquire strategic assets and liabilities of the financial institution. This covered the acquisition of 75% of the whole assets of the financial institution and paired liabilities, economic institution personnel and branches.

1.1.1 Change Management Strategies

Change is the movement of an enterprise from one state of affairs to some other as occasioned via the use of external and internal factors which influences several elements of the business enterprise. The failure to change, to comply and go along with adjustments in today's commercial enterprise environment leaves a business company susceptible, static and uncompetitive (Beer & Nohria, 2000). One of the most vital duties of managers is to put into effect those changes easily in a way referred to as change management. By

definition change management is a non-stop method that entail tries to match the organization with its changing surroundings inside the most tremendous manner feasible.

There are different kind of change in the organization, as well as strategic and operational changes (Nadler, 2006). At the business level, strategic transformation occurs and consists of vital adjustments inside the enterprise of the organization and its destiny course. It is involved with imaginative and prescient, venture, values and employer viewpoint with the motive to gain administrative effectiveness. Operational change occurs at a faster rate in the business world, allowing the organization to achieve higher levels of performance and aggressive growth. Change management may be divided into two categories: planned and emergent (Burnes, 2004).

An appropriate change management approach ensures a nicely-concept-out change management plan that proceeds to minimize pressure and tension and additionally solidifying devotion within the business enterprise (Davis & Holland, 2012). Studies have proposed numerous change management techniques that may be used to correctly manage change. Communication is fundamental to manage change. The sooner in the change procedure that the purpose is communicated, the less complex it will likely be for people to adjust (Balogun, 2003).

1.1.2 Mergers and Acquisitions

From a legal perspective, mergers can be described as a merger of two or more businesses, usually of equal size, in which one of them officially ceases to exist. When one business buys a controlling stake in another, a legal subsidiary of another, or a collection of assets from another, it is known as an acquisition (Depamphillis, 2014). Despite the fact that an acquisition shares certain characteristics with a merger, the acquiring entity is usually the

larger one. The smaller company has to comply and alternate its working techniques and can have lots much less have an impact on the control of the practice. Mergers and acquisitions are growing globally due to the fact they encourage competition amongst agency corporations, additionally they lessen commercial enterprise risk and growth market proportion of the companies. Mergers and acquisitions are types of strategic changes tailored through top most management which have a long-term effect on the overall performance of the commercial organization. Such decisions carry high risks and if successfully completed, they are able to reward notably (Buono, 2003). They're additionally company strategies utilized by corporations to promote growth and create sustainable value (Wang &Xie, 2008).

Sudarsanam (2003) posited that the key cause of conducting M&A is to grow the shareholders' price. Most companies in search of mergers and acquisitions are searching to emerge as the main player in the product line market. M&A are constantly occurring all over the world due to the fact they enhance competition giving the firms greater marketplace proportion and reducing commercial enterprise risk (Kemal, 2011). The general overall performance of companies which have combined or obtained enhances due to the growth of shareholders' price. The motives that inspire M&A encompass economies of scale, sales improvement, tax discount and others. M&A in Kenya in the financial region has given out a discouraging execution in some combined financial establishments and really wonderful standard execution by others. This has made partners inside the financial business undertaking wonder about whether M &A must be suggested or now not (Muniu, 2012).

1.1.3 Commercial Banks in Kenya

The Banking Act, as well as the Central Bank of Kenya's rules and prudential laws, govern and regulate commercial banks. They are the most powerful players in Kenya's banking industry. As a result, they are given more attention through off-site and on-website online examination to verify that they are following all applicable laws and regulations (CBK, 2013). According to the Financial Sector Development (FSD) Kenya (2008), Kenya's banking sector is working to improve its present and future performance presentation with the guide of managing new commercial endeavor improvement, global benchmarking, educating bank customers, and keeping up controllers on their feet. The banking area had 44 commercial banks, 15 miniature account foundations, and 109 forex agencies as of December 2018. The institutions operate under KBA which suits a hall for the local area banking sector.

Throughout the long term, the banking area in Kenya has kept on growing in property, stores, benefit, and product offerings. The development is for the most part supported by an expansion in branch network in Kenya and in the East African region just as the mechanization of an enormous sum of administrations and a move to an accentuation on the client needs in inclination to customary off-the-rack banking practice. Major parts in this industry have encountered high rivalry over a several years due to cutting edge redesigns of the different players and new participants into the commercial center.

Hill and Jones (2011) states that acquisitions can be in the form of take over's where one agency acquires to manage a different entity with the exclusion of the management of the obtained company. The acquirer is often supported by using the shareholders to accumulate the shares of the corporation within the open market in a takeover. Some examples of

acquisitions include, Mashreq financial institution ltd. acquired by Dubai Kenya ltd. to become Dubai bank ltd. In April 2010, credit score Agricole indosuez (okay) ltd by bank of Africa Kenya ltd. to become the Bank of Africa ltd. In April 2014, EABS bank ltd was bought by Ecobank Kenya ltd to form Ecobank Bankltd. In June 2008, Fina Bank ltd with the aid of the use of warranty acquired to form Guaranty Trust Bank (Kenya) ltd. In November 2013, we had acquisition of K-rep bank ltd and currently the purchase Chase Bank by SBM bank. This demands constant research to discover how institutions cope with change management. Sadly, there lacks studies that touch on change management in Kenya within the commercial banking industry that specialize in acquisitions. This is the focus of this study. Moreover, findings from this research will enhance competitiveness in banking industry and strengthen business processes.

1.1.4 SBM Bank

Currently SBM is the second largest Bank in Mauritius with a 25% market share, SBM bank ltd is part of the SBM group, a first-rate bank in Mauritius, with over 1600 personnel in Mauritius and a growing worldwide presence. The bank is also present in Kenya, India and Madagascar and new access in the Seychelles. In 2017, SBM organization obtained a majority stake in Kenya's Fidelity Industrial Bank limited thereafter renaming it SBM Kenya. In 2018 SBM obtained assets and liabilities of Chase Bank (in receivership), which has located the bank as a top tier 2 bank at the Kenyan marketplace, with greater than 60 branches across the country and over a thousand employees.

During the acquisition the agreement with SBM gave right to the transfer of 75 percent of the value of deposits which were in suspension at Chase Bank and the switch of most of the people of body of employees and branches of the prevailing operations. 25 percentage

of the value of frozen deposits was to stay at Chase Bank. Non-moratorium depositors were to be transferred and continue to have unrestricted access to their deposits. As a medium size commercial bank, SBM serves specially the urban regions of Nairobi and Mombasa. The bank had an asset base of ksh70,647,739,000 with shareholder's fairness of ksh6,937,506,000 as of December 2018. After the Chase bank acquisition in 2018, SBM Kenya accounted for 2.4 percentage of all banking possessions within the nation. The total property from chase financial institution in 2018, were worth about \$600 million. With digitalization as truly one among its strategic pillars, the bank is jogging to leverage the industry primary era platform from Infosys Finacle technology, to offer the first-rate possible customer experience in a digital worldwide in addition to improving its operations from inside.

As a financial institution SBM is taking advantage of its multi-pronged banking version through the mobile app, card business, agency banking, and internet banking to support its department network. It dreams of gradually positioning itself as a one stop shop for all retail and consumer products, SME and corporate banking in aid of world financing for business enterprises across Africa, Mauritius, India and Asia's trip.

1.2 Research Problem

Change management in a commercial enterprise organization is crucial in responses to variations in technology, market dynamics, data structures, the global monetary system, societal values, and the political environment in which a company works are all factors to consider (Hoque, 2004). Mckinsey global survey stated that the key cause for organizational change entails acting on the organization's growth, reducing costs and presenting alternatives to a static organization to enhance on competitiveness. Many

organizations are experiencing mergers and acquisitions, retrenchment, proper sizing and appointing new CEO's, but a large number of the companies waver in terms of correctly handling the change. The success of change management process is normally linked to those who facilitate the change and the strategies adopted. Unfortunately, not every approach ends within the predicted consequences (Rosabeth, 2012). Consistent with Michela and Burke (2009), dealing with change in acquisitions is the most tough component managers and organizational leaders have to go through.

Commercial banks in Kenya have intensified their response to the financial environmental changes so that they can enhance on the banks' market position (CBK, 2013). They have carried out changes which include restructuring, mergers and acquisitions, monetary group device reengineering and development of alternative distribution channels like e-banking and culture geared toward delivering financial organization increase, developing productiveness, efficiency, rationalizing prices, enhancing stakeholder price and improving profitability. Chase Bank in Kenya was a duly registered and operational in Kenya under the supervision of the Central Bank of Kenya. The medium tier lender and financial services provider furnished with an asset valuation of over Kshs a hundred billion and shareholders 'equity of Kshs eleven billion. The economic overall performance of the bank deteriorated from an income of Kshs 2.3 billion to 742 million in profits within the year ending December 2015 (CBK 2018). On sixth April 2016, it was placed under statutory control due to big insider lending and distinct cooperate governance situations similarly to non-performance and compliance to the CBK reporting parameters. In the year 2018 CBK announced that the SBM may acquire strategic assets and liabilities of the financial institution. This included the purchase of 75% of the total assets of the financial

institution and matched liabilities, economic organization team of workers and branches. This merged the financial institution with the preceding branches and subsidiaries of SBM Kenya which had earlier acquired fidelity industrial bank (CBK, 2018).

Many studies have been conducted in the subject of change management techniques; Onodugo, Ibe, and Ogosi (2013) used a descriptive survey methodology to assess the organization structure and overall performance of Nigerian banks. The findings revealed that strategic change inside an organization's structure had a positive impact on the banks' overall performance in south-eastern Nigeria. The goal of Zhou, Hu, and Shi (2015) was to see if organizational learning as a change management technique encourages better performance. Statistically a big effective association amongst organizational studying dimensions and company performance was revealed. Achitsa, (2013) studied the role of leadership during change management at Equity bank limited. The findings were in agreement with the argument of this study in terms of the role of leadership during change but different on focus since this study will look at change during acquisition. Mailanyi (2015) analyzed the effect of mergers and acquisition on economic performance of oil groups and found a positive affiliation among the two variables. Mugambi (2014) in his research at the effect of mergers and acquisitions that when done strategically they'll increase overall performance, his attention was on the financial implications of the mergers while this study will focus on the strategy of managing the merger. This study is of the same opinion with Mboroto (2013) in his study on the influence of acquisitions on the general overall performance of petroleum companies in Kenya. His findings knowledge that acquisitions have a great impact on operational overall performance efficiency. Kaol (2017) extended the same study to commercial banks in Kenya and found a strong

correlation among mergers and acquisitions and fiscal overall performance of commercial banks in Kenya.

The studies above disclose a gap of research done in change management during acquisitions. A research gap may be seen in the lack of knowledge in such a critical and concentrated operational sector. As a result, the purpose of this study was to determine SBM Bank's change management methods by answering the following questions: What change management strategies were used by SBM bank during chase bank acquisition?

1.3 Research Objectives

The objective of this study was to find out the change management strategies employed by SBM bank during Chase bank Acquisition

1.4 Value of Study

The study findings will be of great importance to scholars, banking practitioners and policy makers. For scholars, this will enhance existing knowledge on change management practices in Kenya. It will give insight on the various change management strategies, their adoption and possible challenges. It will additionally show the degree to which diverse theories relates to the contemporary study of change management among commercial banks.

Banks will gain from the findings in identifying techniques to manage change effectively. It will facilitate an awareness to banking industry players on how to manage change and the possible solution to challenges experienced as well as the benefits of change management.

The banking sector regulatory authorities will gain by getting insight on matters of change management in the country especially on mergers and acquisitions. This information will be gainful for policy making, setting procedures and guidelines to direct change either internally or externally. The research will facilitate the regulator with essential data on the challenges that are experience when conducting change management in fiscal institutions and how to maneuver the challenges. The findings will benefit the government through the development of policies that enhance the business setting improving the success of the commercial banks.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter offers a review of the literature on change management strategies used in the banking industry from previous research. It contains assessments of the study's basic ideas, empirical research, a literature review, study gaps, and the conceptual framework.

2.2 Theoretical Review

There are hypothesis and models that have offered theoretical explanations on the concept of change management. This research was primarily based on organization learning theory, Adkar model of change management and the lippitt's phases of change theory.

2.2.1 Organization Learning Theory

The concept of organizational theory has been rather cited by many researchers recently (Feldman, Ligett & Sabato, 2021; He & Tao, 2020; Petriglieri, 2020). The theory suggests that learning institutions that have the ability to study quicker, better and sooner than their competitors use this knowledge in their operations to their advantage (Alavi, 2010). The concept has been defined as gaining knowledge, distributing that information and consciously or unconsciously preserving memory for the sake the business enterprise (Templeton, et al., 2002).

The organizational learning model by Neef (2001) was acknowledged by many since it was trendy and current. It consisted of measures that encouraged team work, sharing of information, joint leadership, development of employee skills and competencies as well as systemic thinking (Neef, 2001). Defined as the process by which organizations learn,

organization learning entails production of knowledge, skills and behavior that supports change in an organization (Alerga and Chiva, 2008). This enables an institution to change to new way of doing things. It may be considered as a dynamic system that consists of developing, acquiring and accumulating information with the aim of growing resources and ability for enhanced overall performance of the organization (Perez, 2005). This covers each change within the organizational that is capable of enhancing or conserving operational performance.

Organizational learning is an outcome of organizational analysis. Each time the anticipated outcomes differ from the definite final results; the company will need to inquire to establish why and what is needed to remedy the discrepancy. It's during the route of this inquiry, that the management will interact with different participants of the corporation. Mastering takes vicinity inside the path of this interplay (Argyris and Schon ,1996). This theory is applicable to the current study in regard to assessing the strategies employed in adopting organization learning scopes.

2.2.2 ADKAR Model of Change Management

The model was first distributed with the valuable asset of Prosci in 1998 after examination of 300 organizations endeavoring a significant change programs to act as a training manual for employees during the change process. In essence, to make change successful a man or woman needs to desire the need for change, contribute and back the change, information on how to implement the desired behavior and skills and how to endure them. Consistent with the model, while an organization undertakes an initiative, that change simplest takes place at the same time as the employees who have to do their jobs in a different way (Westwood and Linstead, 2001).

The model was primarily used to determine if change-the-board methods such as interchanges and preparation were achieving the desired results. The model's origins are in adapting the board's usual change to a specific outcome or cause. For example, a serious objective of early correspondences associated with the connection is awareness of the venture's thought processes in change (Kotter and Heskett, 1992). ADKAR proves to be a useful tool for change supervisory teams when it comes to planning and executing their tasks. ADKAR's aims or results are sequential and comprehensive. For the arrangement to be completed and sustained, an individual should obtain all of the components in the arrangement at the same time.

2.2.3 Lippitt's Phases of Change Theory

Lippitt, Watson, Westley, and Spalding (1958) offered the theory as a supplement to Lewin's three-venture substitute statute. The statute establishes a seven-venture concept that focuses on the role and responsibilities of the change expert rather than the progress of the actual transformation. Along these lines, the guideline will be an extraordinary guide in the assessment of initiative, hierarchical learning, correspondence, and partner inclusion as methods of change. The hypothesis stresses on nonstop stream and exchange of data all through the change cycle. The scholars contend that solid and practical changes happen when they spread to structures nearby or to subparts of the framework influenced (Kritsonis, 2005).

The seven stages of Lippitt's idea incorporate assessing the difficulty, checking the inspiration and change limit, evaluating the assets and inspiration of the change specialist, characterizing creative phases of change, guaranteeing the jobs and obligations of change specialists aren't just clear however surely known. This is trailed by keeping up the change

through correspondence, acquiring criticism and gathering coordination, and eventually consistently eliminating the change specialist from the relationship as the change turns out to be essential for the hierarchical culture (Cummings and Worley, 2014). The hypothesis will aid the assessment of the capacity of initiative, correspondence, partner inclusion, and their effect on change management.

2.3 Models of Change Management

There are various models on change management. The first model is Grol's (1997) model. Grol's (1997) model uses a combination of techniques, that specialize in internal processes and external impacts. It has been used more in the context of clinical practice due to uptake and wide scale awareness. The model is a five-step implementation model which may be used as a framework. The preliminary step is to develop a proposal of methods the change will be undertaken. That is followed by the identification of limitations to such desired change. Then after that, the proper intervention to overtaking the desires need to then be related with the obstacles; the fourth step are the development of a proper working plan for implementation while the fifth step is the evaluation in the wake of the intervention to check if in any respect it really works or there is need to readjust the plans.

The second model is John Kotter's Model. Kotter (1995) built up top notch of elements that he accepts lead to a triumph changes and those that cause disappointment. Kotter analyzed eight pivotal strides of a triumph change management. The initial step is setting up a desire to move quickly by dissecting market and forceful real factors, sorting out and examining emergencies and openings. The subsequent advance is shaping a successful directing alliance. This involves gathering a group with sufficient competency to direct the change and urging them to fill in as a group (Kotter, 1995). Thirdly, building up a dream

and making a way for achieving that vision. Fourthly, offering the vision to individuals through successful correspondence and making new conduct through the model set by the managing group. The fifth step is engaging others to follow up on the vision and by getting rid of limits to change, changing over frameworks or constructions that definitely sabotage the vision and motivating danger taking and nontraditional contemplations, exercises and developments (Kotter, 1998). The 6th step is making arrangements for and growing transient successes through getting ready for obvious execution accomplishments, perceiving and compensating work force engaged with the accomplishments. In the seventh step, the association need to solidify the enhancements and produce more alluring changes. The eighth step comprises of regulating new procedures by articulating the associations between new practices and hierarchical accomplishment and developing the way to guarantee management improvement and progression (Kotter, 1998, Paton and Mccalman, 2000).

The last model is Kurt Lewins Change Process. Kurt Lewins (1958) defined the change of an administrative system as a series of transitions among 3 unique states. Inside the unfreezing stage, the fundamental state shows some state of near strength. While a problematic power impacts the state of affairs, individuals are motivated to stop some component of their conduct (Mecca, 2004). This in flip creates strain, vagueness and disarray with regards to what's reasonable. Individuals feel an extreme requirement for a pristine working structure. In the course of the transition stage people are no longer performing or active as they employed to neither are they set in a contemporary conduct pattern (Mecca, 2004). During the refreezing, the vulnerability of the progress along with

the requirement for balance starts an interaction of settling and coordinating the change. This method of learning new conduct styles is alluded to as refreezing.

2.4 Change Management Strategies

Scholars have proposed several change management strategies that can be used to successfully manage change. Their effectiveness depends on the form of change desired and their mode of application. Some of the strategies include communication, human resource management, risk management, planning and stakeholder involvement. This study will examine four of those strategies. Those are communication, leadership, planning and human resource management.

Communication offers opportunities for members to understand their roles and duties as the change process progresses. Open and thorough communication during change management helps to build trust among the members involved (Kaufman 1992). Communication is also a critical way for establishing a common understanding and knowledge of organization's desires and direction. One of the goals of communication is to inform the employees what the change is about: the objectives of the change, what components of the company are affected and what are its targets and schedules. Once more, without communication the real energy of setting goals, envisioning and making plans is not unleashed (Kotter 1996).

Leaders can facilitate change through exemplifying it in their own conduct and help blend system, personnel and strategy. Whereas leadership and management are different, both are required for successful change process. This is in line with Senior & Fleming (2006) who stated that managers have a tendency to emphasis on strategy, structures and the systems while pioneers concentrate on issues like individuals' issues, common perspective,

correspondence, and inspiration. They portray the part of pioneers as that of affecting others in quest for the achievement of hierarchical objectives. As per Zeffane (1999), able pioneers are needed to oversee change under the correct climate of trust essential for authoritative learning. Chiefs can make persuasive environmental factors by driving the workers in the association and deciding critical components of their inspiration (Pugh, 2007).

Planning has been identified as a not unusual change management practice throughout organizations. It includes creating and recording the goals to be accomplished by the change and the means to attain it. Planning is an essential requirement for a successful change management which involves; perceiving what's to be completed and what the future would look like after the change. Details of precisely who, what, in which, why and how the change will be completed have to be documented and applied. As (Berry, 2009) put it the starting point for a successful change planning is having a clean end goal, the scope and the impact of the future changed state. This acts as a unifying factor in any organization and a bridge to the realization of a strategic change.

Benedict (2007) states that change management pioneers need to advance mindfulness and data of the change activity to propel workers' eagerness to exemplify the change. Besides, she examined the inclusion of HRM in change management and found nine vital parts of HR in change management. HR can possibly make a tremendous impact and commitment to the business endeavor by starting change, driving change, and estimating change viability. Among the highest territories where HR exhibit an incentive during change management are; communicating plans and wants in regards to change activities, recruiting and developing reasonable pioneers, planning and forcing straightforward prize

frameworks, allowing individuals the chance to be engaged with the techniques, and making every exchange with internal clients a positive encounter .

2.5 Empirical Studies

Moctar and Xiaofang (2014) did examine the influence of acquisitions on the fiscal performance of West African banks that carry out business within the ECOWAS district in West Africa. They took the investigation on banks that had gone through acquisitions. Records product gathered from banks yearly surveys. Three factors utilized during this examination were liquidity proportion, Performance proportion (ROE and ROA) and speculation valuations. The discoveries from the investigation were that obtaining improves liquidity both in long and short. It was further certain that presentation and financing factors decline inside the time of acquisitions and increment two or after 3 years.

Meier and Servaes (2014) stated that there exists enough literature and empirical works to prove acquisitions as a turnaround strategy for distressed companies. Pulvino (1998) discovered that to overcome financial misery, airlines in the United States and Europe were often obtained by way of way of acquisition. Similarly, some of the airlines disposed off their belongings to investors as a turnaround method. Eckbo and Thorburn (2008) mentioned that good discount sales or piecemeal sale of agency subsidiaries and non performing or non-center commercial enterprise branch has proved to be a turnaround approach successfully utilized in Sweden. This is supported by Campbell, Giglio and Pathak (2011) who found that over 27% of real estate agencies handling financial distress in Massachusetts frequently disposed off non performing houses to investors as a turnaround strategy.

A study conducted in Egypt by Badreldin and Kalhoufer (2009) had an objective of analyzing the effect of acquisitions amongst banks in Egypt that had been caused by prevailing economic reforms. The investigation estimated the general performance of Egyptian banks that had gone through consolidations or acquisitions at some stage in the time frame 2002-2007. This was performed utilizing ascertaining their profit from value utilizing fundamental ROE plan to gauge the level of satisfaction of banking changes in fortifying and merging the Egyptian financial territory. The examination's discoveries recommend that not all banks that had gone through proposals of consolidations or acquisitions had confirmed colossal upgrades in performance and return on value when contrasted with their performance before the offers.

Mugambi (2014) did an examination at the impact of consolidations and acquisitions at the money related performance of business banks in Kenya. The number of inhabitants in his investigation comprised of fourteen banks that had converged in the time frame 1998 to 2013 in Kenya. Results showed that there has been improvement in money related performance of business venture banks after a consolidation or acquisitions. This was a direct result of an increment consequently on resources, return on value and cost to pay proportion after the consolidation. Various examinations on consolidations show clashing outcomes on the financial ramifications of consolidations and acquisitions in the financial business in Kenya.

At Equity Bank Limited, Achitsa (2013) investigated the administration and management of significant change. This research aimed to examine the role of authority during significant change with the goal of increasing initiative activity, general performance and administration of the bank as well as other Kenyan Companies. Different authority styles

were employed to manage change in various scenarios inside the company, according to the findings of this study. Given the necessity of taking the right initiative during a moment of big change in a business endeavor, the analyst said that companies must choose the right kind of pioneers with the right combination of abilities and skills to ensure that change management is managed properly.

Maina (2013) did a gander at the difficulties of change management, just as the change management rehearses saw at NBK. The examination confirmed that few requesting circumstances have been looked in change management. An authority exercise from this investigation is that for a venture to effectively embrace change there should design, reliable communication, preparing and assessment of the change interaction.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter depicts the methodology the researcher was used in exploring the change management strategies at SBM Bank Kenya during acquisition of chase bank. The chapter underlines the research design, data gathering process and analysis of the data for the study.

3.2 Research Design

Rajendra (2008) described research design as the organization of the criteria to be used in gathering and assessment of data in a manner that is aligned with the study objectives (Kothari and Garg, 2014). A case study was employed in this research. This is suitable since it is a research technique that focuses on a thorough examination. A case study allows you to acquire information on a specific topic that you wouldn't be able to get any other way. Kothari (1990) defined a case study as "a qualitative review that comprises a careful and holistic investigation of a social aspect, regardless of the type of unit under study." Case studies are the most ideal approach for performing an in-depth examination in a specific setting without an overview since they generally investigate a single individual or a group of persons.

3.3. Data Collection

Data collection involves collecting and determining facts based on the variables of study. This research gathered both primary and secondary data. Five department heads from SBM bank were interviewed for primary data. Project manager, senior manager strategy, business analytics manager, change management manager, and operations manager were

among them. These respondents provided the preferred facts considering that they were in a main role for the duration of acquisition and they are the individuals who carried out the managerial competencies played key roles on change management during acquisition of Chase bank. Secondary data was acquired from records which include annual reviews, statistics, print media, academic works and journals

3.4 Data Analysis and Presentation

Data analysis, according to Cooper and Schindler (2006), begins after data collection and concludes with the explanation and presentation of useable information. The obtained data will be analyzed using content analysis in this study. Using multiple approaches, content analysis was used to investigate the respondents' attitudes and understanding of change management. The data acquired was compared with existing literature to be assess the extent of agreement with previous findings. Inferences were made by Making interpretations by thoroughly and accurately identifying unique features of messages and employing them to relay to trends (Bryman & Bell, 2007).

CHAPTER FOUR

DATA ANALYSIS AND INTERPRETATION OF RESULTS

4.1 Introduction

This chapter presents the data analysis, findings and discussion of the study based on the research question and objective. This study sought to identify the change management strategies employed by SBM bank during Chase bank Acquisition. This formed the objective of the research. Interviews were used to gather the core data. The interviewees were selected from a group of senior executives and department heads. The five interviewees included a senior manager of strategy, a manager of change management, a business analytics manager, a project manager, and an operations manager. The researcher was able to make inferences from the replies of the respondents after subjecting the qualitative data to content analysis.

4.2 Demographic Information

In order to determine the respondents' familiarity and capabilities in terms of comprehending the bank's stance as well as their information receiver scale, the research conducted a demographic and professional-level analysis. People who responded to the survey had been identified as senior managers who were either in charge or subordinatedly in charge of the bank's various divisions. Examples include: senior managers in charge of strategy; managers in charge of change; business analysts; project managers; and operations managers. More than 70% of individuals surveyed said they had been with the bank for at least 6 years before answering the question. Respondents with six years of work experience and a strong bank culture were judged to be more reliable and valid in their

answers. As a result, it was thought that they were capable of deliberating on bank matters in a representative manner.

4.3 Change Management Practice

This section presents the strategic change management practices employed by SBM bank during Chase bank Acquisition and the factors that led to Change employed by SBM bank during Chase bank Acquisition. SBM bank utilized different strategic change management techniques during the Chase bank acquisition, according to interviewees, to successfully cope with organizational strategic changes. SBM bank used a variety of strategic change management techniques during the Chase bank acquisition, and different reactions arose from the departmental level and across the business as a whole. The researcher inquired of the respondents. They ranged from traditional methods such as strategic planning to more innovative ones such as technology-enhanced methods that included new techniques like as mentorship and capacity-building. The company is also attempting to rethink its strategy in order to expand its offerings internationally.

Senior managers are paid to attend seminars and workshops conducted by relevant organizations both locally and abroad to learn more about their professions and new ideas that may help them become more competitive in order to accomplish the shared objective of the company. They benchmark often to remain competitive in the Kenyan banking sector as well as the rest of the world.

4.4 Strategic Changes at SBM bank during Chase bank Acquisition

During the Chase bank acquisition, respondents were questioned about the strategic changes that had taken place at SBM bank. They responded that technical change had occurred, personnel had changed, the bank had diversified, and there had been

restructuring. In addition, the board of directors has changed due to the entrance of new directors and joint ownership of the business.

The study found out that the bank includes other parties in the change-processing procedure. All of the people who responded agreed. When SBM wanted to implement a technical update, such as when the bank was bringing money transfer technology to the market, they needed to get feedback from other people who were interested in the change process, and the top management wanted to learn more about the change. Stakeholders were all in agreement that they were constantly and timely informed of the developments that were taking place.

Competent individuals and internal organization processes are required for effective strategic change management in a company. Organizational failure occurs when change is not implemented in a timely and suitable manner. The individuals engaged and the type of the organization have a huge impact on the success of embracing change. Any organization that needs to achieve strategic change management should be in a position of linking bottom-up resource management to top down strategies.

The researcher requested the respondents whether they have realized any change management practices within the bank. Respondents pointed that the SBM bank opted for the phased steps models at varying degrees where the human behavior is unfrozen to unlearn the old ways and new behavior successfully adopted. To implement changes, the bank increased finances and resources resulting in the introduction of more sophisticated equipment and systems that are more modern.

On the topic of how the organization manages strategic changes that have impacted the business in recent years, respondents gave different methods including strategic planning as one solution. SBM bank, according to two directors and the chairman, began strategic planning via a five-year strategy plan to allow it to react to changes in its external environment and to ensure strategic fit.

4.4.1 Communication

The study found that SBM Bank embraces both vertical and horizontal communication in the change management process, according to the findings. When questioned about it, the respondents uniformly agreed that SBM banks employ both vertical and horizontal communication in the change management process. The respondents agreed that no business can thrive without effective communication, motivated workers, and engaged stakeholders. Other organizations that offer services or collaborate with the changing organization are included in the stakeholder community. The broader public is also included. They stated that in order to implement change effectively, the changing organization must completely engage all stakeholders in a step-by-step process.

Employees and stakeholders must grasp both the advantages and the reasons for the change in order to achieve this. During this common understanding formula, each participant should be given the chance to exercise their right to free speech while also expressing their opinions, and even assist in the development of implementation modalities. Communication was also shown to be the most often used of all the change management techniques in the study. It is only via communication that a healthy inclusion based on change communication is thought to exist. It's also worth mentioning that the success of change is determined by how all stakeholders in the company view the change.

To how organization strategy is communicated, most of the respondents were of the opinion that communication is moderate, some pointed that it was immediate while few posited that it was slow. On whether top management offers adequate support on strategic change management practices, most of the respondents pointed that the support offered by top management is adequate, few pointed that it is not adequate where high turnover of the officers affects efforts directed towards supporting change management practices. To monitor the practices, respondents pointed that information systems were used to monitor strategic management practices while few were of the opinion that it was partly used in the process.

4.4.2 Change Leadership

According to the findings of the research, managers at all levels have the ability to lead change. The responders were unanimous in their assessment of supervisory leadership skills. The bank's executives, according to the respondents, were successful change agents. They've been in the vanguard of the process of change management, demonstrating a comprehensive, integrated approach to execution as well as conception. As a consequence of these executives' success, the bank was able to make a smooth transition throughout the change management process.

Change agents' workability and quality of connections to organizational decision makers have a substantial effect on the success of change, according to operations department respondents. As a result, the bank has invested in training for both employees and management in order to acquire the essential abilities to deal with change. At the same time, she pointed out that, as change agents, the managers had no choice but to thoroughly

grasp their company's history, employees, and even operational methods in order to stay optimal in change processes inside the existing change platforms.

The interviewees agreed that change management leadership techniques necessitate a comprehensive approach to problem-solving knowledge, social evaluation, and general abilities. Social systems and dynamic assessment are required for issue resolution success. Social evaluation, on the other hand, is highly reliant on the social competence that may be used to interpret social occurrences. The developer's leadership skills are greatly enhanced as a result of the implementation of functional solutions. As a result, each attribute's reliance on each other within the mentioned level sets of proximal leader qualities is established.

Leaders who create drive spirit on the promotion of process principles that benefit the company as a whole always obtain organization spirit from their followers. As managers transfer duties to younger employees, they must ensure that they coach on requirements while also providing assistance that allows for acceptable outputs. According to findings, one of the most important aspects in the bank's change management success was its leadership. It was discovered that leadership was highly dependent on at both the operational and governance levels.

4.4.3 Planning

The study found that since the bank's management took over the planning and implementation of the transformation process, the process has progressed according to plan and resources have been effectively employed. The study also revealed that change management is viewed as a vital activity within the bank, and that adequate resources are available. time, money, and other resources are committed to ensure its success. The bank's

senior management is also actively engaged and supportive of the process, and they are urged to include their subordinates in order to guarantee that it is widely accepted. SBM Since then, the Bank has taken steps to ensure the success of its change management processes, including creating an action plan with specific goals, identifying effective change management behaviors among its employees, and carefully carrying out a process that includes training, leadership support, and effective communication. For years, the bank has followed these principles to remain current and competitive in today's ever-changing business climate.

4.4.4 Human resource management

The studies found SBM bank workers are involved in the decision-making process for transformation. When asked if they are an integral component of the change implementation process, the respondents agreed. Employees, for example, are asked questions and make recommendations on the change process. The interviewees all agreed that greater job satisfaction, team performance, and staff morale were the outcomes. Group training offered by the consultants, according to the respondents, provided another effective venue for workers to actively participate in the strategic transformation process.

The study found out that when it comes to change management, SBM Bank encourages workers to work together as a team. When it comes to change management techniques that begin to minimize employee resistance to change, all interviewees agreed that the bank values teamwork. If multiple management change projects were to be implemented, teamwork was necessary. SBM bank management hired team building services to guarantee that change champions work together to adopt management change strategies at the bank.

In addition, some interviewees indicated that coercion was also used to compel individuals who were insistent about working as a team or undermined the transition process, according to several interviews. They claimed that as a result of disciplinary measures, these individuals were compelled to leave through a voluntary retirement program, fired, or moved to hardship regions. Creating corporate and institutional banking divisions as a way of change management to meet the needs of medium to big enterprises and institutions, according to SBM bank senior management, is part of the bank's transformational agenda.

The study found out SBM Bank's personnel are trained when changes occur. For example, all participants agreed that SBM Bank trains its workers when change occurs. Employee training and empowerment were important, according to respondents, if various strategic change activities were to be implemented in order to embrace the strategic change process. Consultants were hired by SBM bank management to guarantee that change champions before disseminating the information to other system users, they got sufficient training on the modification procedure. Employees were also educated in customer service as a consequence of the branch network's continued expansion. As a result of the credit department's consolidation, another group was trained in credit management. According to several respondents, compulsion was also used to persuade individuals who were resistant to change or who undermined the change process to embrace it. They claimed that as a result of disciplinary measures, these individuals were compelled to leave through a voluntary retirement program, fired, or moved to hardship regions.

4.5 Discussion of findings

The employees are also empowered with the necessary skills to effectively manage and cope with changes in the organization. This ensures that they are up to date with relevant

technology and skills needed to enhance performance within the organization. The findings revealed that change agents were selected from employees who went through training to equip them with the necessary skills they require to implement changes. They were identified from the various operational areas on the basis of their competence, willingness to change, and potential to influence other staff in respective operational areas. The findings confirmed Odundo (2013) findings that change agents have been identified in many organizations undergoing change and plans are made to train them to undertake the tasks. Reform-minded staffs are identified to spearhead the reforms in various departments as project managers or project members

This study showed that a well-defined and operationalized change management methodology yields, and pushed the notion of change to the back burner as an afterthought. However, a thorough synergy involving all levels of the organization is required, with top-level management taking the lead. Clearly, for success and organizational thriving, the bank must recognize the benefits of an agile workforce that can successfully respond to, adapt to, and perform excellently in the present business climate, which is connected with a fast-paced and chaotic market. This is in line with Senge's (2017) conclusions, who believes that learning organizations and professions have a bright future. Senge went on to say that only those organizations that learn from their surroundings and make the necessary adjustments will survive. This indicates that it is every organization's responsibility and best interest to process people's changes and to sensitize them to change and its obligations. The current event, as well as possible consequences, must be included in the sensitization. While scanning SBM Bank, these views were identified and deemed to have a plausible connection to the bank's general and particular strategies It was discovered that it aided in

the continual growth of one's true production capacity, the invention of new and extended methods of doing things, the promotion of high-quality patterns, and organizational integration and responsibility. According to the findings, all available human resources must be in continuous information flow and acquisition mode in order for the change process to support all modalities, events and their effects must be established in a timely manner. These viewpoints back up Schneider, Parkington, and Buxton (2016)'s findings and position, which found that participating and feeling a part of the total brings happiness while also increasing morale. They also suggest that contentment and morale may promote customer satisfaction.

These study findings indicated that transformational leadership was found to be the most frequent kind of leadership at SBM Bank. It was also discovered that one of the most highly valued aspects in the Bank's leadership scheme is leadership, specifically leadership-trait-mapping, demonstrating that the bank's strategy and overall drive are truly focused on developing strong leadership. Respectful leadership that reacts when and how it is needed. These findings were found to be consistent with those of Mwendwa (2011), at Kenya's Barclays Bank, who performed study on strategic planning procedures. In her research, Mwendwa looked into and discussed the role of Barclays Bank's successful leadership in motivating and inspiring employees. She also complimented the bank's leadership for making "every effort" before and after the change management process to minimize bottlenecks. Unlike other banks, where change credit may be traced across the organization, the CEO of SBM Bank Limited was entirely accountable for change initiatives and leadership.

In a case when a single person is effectively driving change, the bank's CEO may be regarded as devoted, clever, a quick thinker, totally committed, industrious, and a CEO who is trustworthy. The study discovered that the bank's management was successful in uniting the bank's stakeholders' and employees' ideas, values, and culture around a broad picture termed "change image," making it considerably easier to modify the bank's change strategy on a regular basis. Many respondents believe the CEO is a transformational leader because he utilizes his power to try to change the organization's values and attitudes on a regular basis in order to meet the organization's change objectives. Bass and Steidlmeir (1999) further on this leadership attribute by observing that such leaders create and carry out leadership directions that include visions, strategies, missions, objectives, goals, and values in an orderly and principled manner. They also say that when these ideas perceive followers as a goal in and of themselves, rather than a means to an end, more success is attained.

The study equally established the Bank's use of several leadership styles at various times, based on the context Tannenbaum and Schmidt (2017) fought for this shift in leadership styles, recognizing that leadership may take a variety of forms, from boss-centered to subordinate-centered. Marshal (2014) also supports the adoption of a variety of leadership styles because he believes they can assist the firm introduce diverse traits that can aid with newer and recurring transformation issues.

Leaders that are highly productive focus not just on what they know and do well, but also on new ideas and are constantly prepared to face any challenge that may come. The effectiveness of the changing leadership styles at SBM Bank offers as sufficient reason for Marshal's previously described to change a relationship's leadership style. It was also

acceptable that no subordinate or employee loses trust in management as a result of a new tool in a successful leadership culture. Following a thorough examination of human nature, leadership culture best practices usually recommend using different leadership styles depending on the followers and supportive resources available. The personalities of those engaged.

The study found that through their representatives, subordinates and lower-level employees were engaged in decision-making procedures, and only a few instances of overcharge decisions were noted for those that they did not partake in and were imposed upon. Employees are encouraged to engage in open dialogue with management, and the bank's communication lines are kept open at all times. Management is also expected to engage with workers and consider their ideas and recommendations when making choices, fostering an atmosphere in which all members of the group are valued contributors to the decision.

This is viewed as a method for decreasing employee resistance by including them in the process or empowering them to make changes on their own, you may overcome opposition to organizational change. This conclusion was found to be consistent with the findings of Berry (2009) and Benedict (2007) empirical research, which support the use of strategy to project and align changes to organizational issues. However, employee engagement alone will not ensure success; managers must also elevate their position as main drivers of change as well as assessors capable of successfully rewarding and expressing support. This study supports Berry (2009) and Benedict (2007) arguments, recommending not just SBM Bank but also other businesses that employee involvement is a must, while also stressing the management team's supportive role and engagement,

The study established that since the bank's management took over the planning and implementation of the change process, the change management process has advanced according to schedule and resources have been efficiently utilized. Change management is also seen as a vital activity at the bank, with adequate time, money, and other resources committed to ensure its success, according to the research. This finding was in line with Handy's (2018) who stated that when the unexpected occurs, daring managers respond courageously to understand their organization's people and enabling a mixing up scenario.

To improve quality and efficiency while also resolving issues, the blending should be based on collaboration and individual talents. In this scenario, a highly successful and dynamic organization will also link the change to a continuous management improvement approach. To create a long-term culture of continuous improvement, it's also a good idea to use system thinking and critical thinking. To discover solutions, a successful leader and manager tries to establish a pleasant working environment, use analytical approaches, encourages teamwork, and draws on the evaluated creativity of everyone in his unit. Finally, the study revealed that change must occur within organizational levels as well as inside each of the hierarchical participants individually for it to be permanent and meaningful.

Although substantial individual change might be painful, it is important for success in this era of development and evolution for every person in a company to become significantly empowered and inwardly driven. This countered Noer's (2017) results, which advised leaders to avoid depending too much on external change agents. He felt that the most essential weapon for transformation is the leader as a man. The knowledge, soul, intelligence, characteristics, empathy, and learning capacity of a leader are all important,

according to him, are all important in his or her ability to lead people through change and redesign.

This research contradicts Noer's viewpoints by implying that the leader can achieve the desired hierarchical shift without the help of his followers and other employees. The study's conclusion is that for the change process to be successful, the entire organization must be involved. Unmistakably, the role of the leaders is to own and adapt suggested changes, define goals, and communicate the change's rationale to all members of the organization, therefore including them in the change process.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter offers an overview of the study's results on SBM Bank's change management processes and the obstacles it faces in implementing changes. Conclusions and recommendations follow the summary. The chapter closes with a discussion of the study's limitations and recommendations for future research.

5.2 Summary of the Findings

This study demonstrated that establishing the change framework within an organization is the responsibility of leaders. The majority of interviewees agreed that bold and learned change management by capable and visionary pioneers is the key to successful organization development. A culture and vision must be created that can support planned changes while also managing unplanned change. For promoting support for change actions, energizing, visualizing, and empowering are enormously important tactics.

As employees accept and go through the change process, leaders must be able to counsel, teach, coach, and reward them. All levels of an organization's inclinations, mentalities, and traits must be consistent with the vision and objectives for long-term change to occur. Transformational leaders have an influence on their followers in this circumstance by creating and conveying a shared vision, as well as motivating people to go beyond their own interests for the sake of the group and the organization.

According to interviewees, the organization may supervise change viably by shifting the framework owing to strong communication channels between employees and management,

from one state to the next within a specified time period, which is crucial for the company's long-term existence and profit. Another important finding of the study is that the literature consistently suggests that change isn't a single, steady process, but rather a succession of diverse changes. The significance of this is that instead of choosing a single approach, supervisors should evaluate what leadership style, as well as reinforcement, training, and communication techniques, are suitable for the various stages of the procedure, while staying adaptive and sensitive to changes as they arise.

The study reveals that the SBM Bank Kenya Limited's strategic change management process was a planned method to moving individuals, teams, and organizations from a present condition to a desired state. SBM Bank Kenya Limited used a systematic method to effectively transition workers to change in response to the strategic management issues posed by leadership. Techniques for developing a change management strategy were implemented, including enlisting change leaders, top managers should raise awareness of the need for change, acquire skills and expertise to support the change, and assist workers in navigating the change process while retaining their excitement for it.

5.3 Conclusions of the Study

Various factors have led to change management success in SBM bank, for instance effective communication channels; a conducive environment that supports change management; employee involvement; clear aims and planning; employee training; an appropriate structure, implementing flexibility and leadership; positive attitude towards change management success; support from the top management; teamwork; and capacity building.

The management should make sure that the members of staff are working towards the targets they are given. Strategic change management practices objectives have been attained at SBM bank because business practices have been automated to seal tax evasion loop holes at the institution. This has improved service delivery and efficient at the organization. Besides, monitoring and evaluation exercises are conducted by the management team on regular basis to sustain the changes that were implemented.

From the research findings organizational change, according to the research, include making changes to the organization's mission, culture, structure, and processes Organizations are open systems, which means they interact with their surroundings on a regular basis, demanding continuous study and alignment of organizational strategies with changing environmental conditions. People must be able to cope with strategic change if it is to be understood and handled effectively.

According to the findings, organizations that value and respect each employee's potential contribution can achieve effective change management. Change management is easy for SBM Bank Kenya Limited because they have a policy of regular, open communication. This guarantees that the need for change is widely recognized within the organization, as well as strong support for successful change management. Organizations may do this by presenting their workers with as much information about the company as is realistically expected.

Nonetheless, leaders and managers should always consider launching a significant organizational change program that will improve change readiness. Change programs allow participants to get more familiar with the literature, which will certainly result in more in-depth and focused assistance. Furthermore, before trying change, managers must

have a full understanding of the challenges that their workers face. This knowledge should be viewed as a distinct process from the literature-recommended engagement and consultation work, because it should occur before the start of the change process so that strategic planning can be informed.

5.4 Recommendations

The study recommended that to ensure that the process of strategic change management takes the appropriate direction; the organization management team have to develop frameworks that will come up with the best decisions possible. When creating a strategy, the organization should examine a number of factors, which are crucial in determining the service's reactions to its environmental problems. These include objective setting, smart objectives where after considerations of the firms strengths and weaknesses vis-à-vis service delivery and customer needs the service establishes a position of advantage.

Strategic change management practices adopted by organizations should focus on making an organization change in form, structure, and operations into meeting the needs of their customers who are the most crucial part of the organization's environment. Organizations must respond dynamically to changes in its environment to thrive in a changing business environment. Moreover, the competitive environment is rapidly changing due to technological innovation and globalization.

An organization should strive to retain a competitive edge by adjusting to changes in the external environment, as well as internal capacities, skills, and assets; and by designing, implementing, and evaluating procedures that support these factors. In the end, if businesses want to stay alive and competitive, they must analyze the external environment's influence, particularly on relevant groups such as customers and consumers, and how they

affect their operations. Productivity and goal attainment are essential for success. contentment of customers.

The study recommends that senior leadership should invest and provide more resources, including financial and human resources, to aid change management. Change management necessitates a significant investment of time and money. Leadership should inspire cooperation and build a culture that supports the company's change management initiatives in addition to providing resources.

The research recommends that all employees and stakeholders should be included in the strategic transformation process, according to the report. Strategic change management should be a company-wide effort, not only the domain of change experts and senior management. The change leaders should have also established a conducive atmosphere for transformation.

The research recommends that the strategic transformation process should include all workers and stakeholders. Strategic change management should be a company-wide effort, not only the domain of change experts and senior management. The change leaders should have also established a conducive atmosphere for transformation. The research study also adds to theory by providing information on how SBM uses change management methods to manage change.

5.5 Limitation of the Study

The findings of this study must be considered in light of a number of limitations. The inaccessibility of the management, as well as competing time schedules, were the most significant obstacles in this study. Due to their hectic schedules, the research had difficulty

arranging face-to-face interviews with several of the senior managers. Similarly, the researcher struggled to persuade the organization's administration to allow the study to be carried out there.

Because leaders were permitted to identify the individuals who participated in the study, the study was also constrained by follower response bias. Only those respondents likely to give good assessments of the bank's leadership conduct may have been chosen by the bank's leaders. When the bank's management were unable to attend the interviews, they chose senior staff from their divisions to participate in the research. The study was further constrained by the secret nature of certain of the company's initiatives, particularly regarding leadership succession planning, making it difficult to obtain information from the respondents.

Due to the intensified fight against corruption in the country, it was rather obvious that majority of the respondents were not comfortable responding to certain research questions because they feared that they were being spied. However, the researcher tried to calm them by explaining the study's purpose and assuring them that the data would be treated with a lot of care. In spite of doing this, the researcher was not able to make sure that the responses were accurate thereby they were presumed to be truthful.

5.6 Suggestions for Further Research

The research was limited to SBM Bank Kenya Limited, and the researcher wanted to look into the bank's change management procedures. A comparable study may be undertaken in a different setting to confirm the findings of this study as well as the findings of many other researchers who have conducted similar studies. Further research is needed to determine

the best leadership style for effectively managing change in businesses, according to the findings.

While the research on the ethical principles and moral underpinnings of transformational leadership is remarkable, the literature on follower effort, performance, job happiness, and organizational commitment, as well as leadership effectiveness during periods of organizational transition, is lacking. In order to link diverse leadership styles to organizational follower feelings, further study is necessary.

Finally, future study is needed to define the precise ethical and moral traits of transformational leaders, such as self-transcendent ideals, integrity, and compassion, which might help explain leadership style, consequential acts, and follower attitudes more effectively. As a consequence of continuous empirical studies to better understand how specific behavioral types are linked to successful change management, future research on transformational leadership puts organizations in a much better position to gain perspective.

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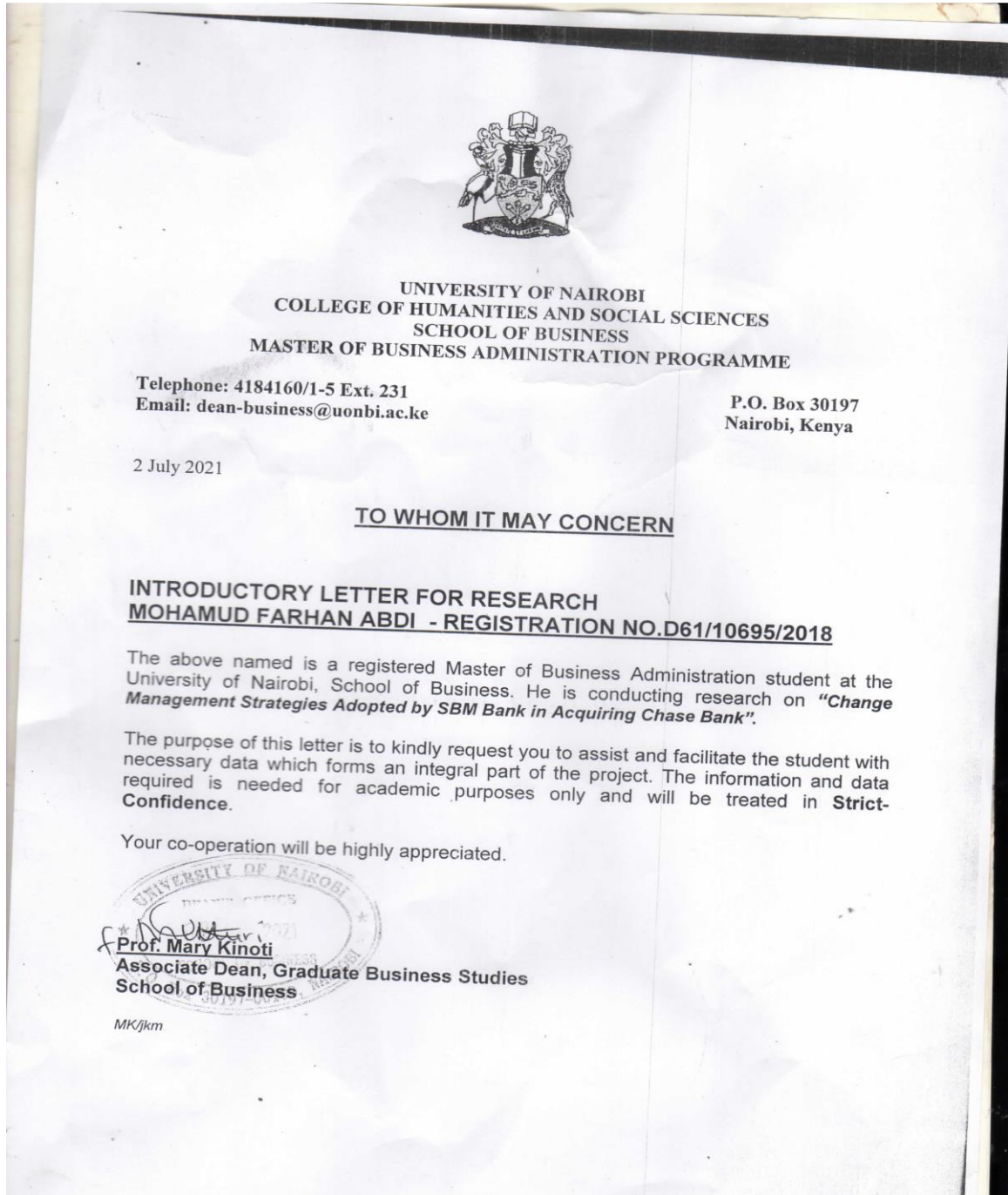
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APPENDICES

Appendix I: Introduction Letter



Appendix II: Interview Guide

SECTION A: DEMOGRAPHY

1. Please indicate the department in that you work.....
2. How long have you ever been working at SBM.....
- 3.What's your main duty.....?
4. How long have you held that function.....

SECTION B: CHANGE MANAGEMENT

4. What's your view on change management at SBM Bank during acquisition?
5. Kindly indicate the type of Change Management in process at SBM bank during acquisition?
7. Who were/ which branch was responsible of implementation of the changes during acquisition?
8. Were you a part of the change management implementation group at SBM Bank Group?
What was your function?
10. What were some of the alternate effects currently being professional due to the acquisition of chase bank by way of SBM Bank Group?

SECTION C: CHANGE MANAGEMENT STRATEGIES

- 11.Which strategies were applied in managing change in your organization during acquisition?

12. In your view do you think that the change management strategies have impacted positively or negatively on SBM bank? Explain.....

Kindly answer in detail the questions below regarding the various change management strategies

Communication

13. Which communication strategies did the bank use to communicate change to the staff in the lower positions in the Bank during acquisition?

14. Who was doing the communication and how often was the communication being done during acquisition?

15. How did the bank assess the effectiveness of the communication strategies adopted by the Bank during acquisition?

Leadership

16. Did SBM bank use change agents in carrying out its change management during acquisition?

17. How did leadership of the bank ensured success in the change management process during acquisition during acquisition?

18. What attributes of leadership was necessary in managing change at SBM bank during acquisition?

19. What kind of training and skills were required on change management leaders during acquisition?

Planning

20. Do you think planning was necessary for a successful change management during acquisition? Why?

21. Who did the planning during acquisition?

22. How was planning used to manage change at SBM during merger and acquisition

23. How did planning enable SBM bank to assess the impact of the change on the organization

Human resource management

24. What were some of the human resource concerns during change management?

25. Mention a few reasons why people resist change. How did SBM ensured the resistance to change was managed during acquisition?

26. How were the staff affected by the changes at SBM?

27. What strategies were used to manage the concerns of the merging banks?