Corporate leaders perceived and actual roles in Strategic Change. A Study of CEOs of Firms Listed at the Nairobi Stock Exchange.

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DECLARATION

This Management project report is my original work and has not been presented for a degree in any other university.

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This Management report has been submitted for examination with my approval as University supervisor.

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DEDICATION

This project is dedicated to my parents, brothers and sisters for their unrelenting support and allowing me to be absent from their midst during the entire MBA duration. I owe you this one.

To my future family – "it is a wretched taste to be gratified with mediocrity where the excellent lies before us ".

Abstract

The research was undertaken to establish the roles corporate leaders play in strategic change. The objectives included; to establish what corporate leaders perceive to be their roles in strategic change, the extent to which they assume some crucial roles and the extent to which the roles they assume are influenced by factors important to success in strategic change.

Corporate leaders of target were all 48 CEO's of companies listed at the Nairobi Stick exchange. However, one of the target respondents (Hutchings Biemer) was de-listed during data collection and hence the population of interest changed to 47 companies. A response rate of 47 % was achieved.

95% of the respondents were male CEOs/MDs, with 64% of them having been CEO's in their current firms for over 10 years. Over 55% of the respondents had over10 years experience in middle level management. This indicated a very well experienced group in corporate management. With 73% of these firms having had carried out strategic changes in the last 5 years, majority of these CEOs were thus present during the entire strategic change exercises.

55% of the CEOs were hired into their current positions through appointment by the leading shareholders and perceived themselves to be more of coaches and mentors (77%) and steersmen/women who set direction (73%) with none perceiving themselves as fixers who made everything alright.

The roles of looking beyond the current year for developments of interest, determining the composition of change leaders and change drivers, coming up with organisation vision were perceived mainly to belong to the CEO and the board of directors with minimal participation of top management team members. On the other hand , perceived roles of CEO's and TMT's mainly included translating complex situations into simple , meaningful explanations that others can grasp , building and facilitating a culture that embraces the change and coming up with alternative strategies. The Board of directors perceived major role in strategic change was in coming up with the organizations vision and deciding on the most appropriate strategy to follow.

In terms of the extent to which some roles were assumed, the most assumed role in strategic change is that of the enterprise guardian. Other roles assumed to a very large extent included that of being the organization's entrepreneur and Mobilizer and captivator. Roles such as being disturbance handlers and talent advocate seem not to be high in the list of the most important tasks for CEOs to assume. This observation corresponds with CEOs perception on such roles as handling internal barriers and institutionalizing the culture desired by the strategic change. These tasks were perceived to belong mainly to TMTs, with CEOs and BOD assuming supportive roles.

The competence and experience of the TMT in strategic change seemed to be the most determinant factor on the roles CEOs/MDs will assume in a strategic change. Other key factors included the organisation culture and the ownership structure. The power of the

CEO was far less a determinant as to he roles the CEO will assume, implying that in strategic change, position power and authority by themselves should not be key variables in assigning roles to change leaders/ drivers in a strategic change exercise.

In comparing the perceived and actual roles of corporate leaders in strategic change, it emerged that departmental heads and other middle-level managers were not perceived to play leading roles in the strategic change steps. There thus seems to be some "transition conflict" within the corporate leaders, they seem not to have dropped the managerial roles and embraced what they seem to perceive to represent to organizational stakeholders (being coaches and Mentors in organizations). Thus, for organizations to build the change competencies into their lower levels of management there is need for involvement of middle level management staff to a larger extent especially in re-alignment strategic change exercises.

CONTENT

CHAPTER 1: INTRODUCTION

1.1 Background

Change can broadly be defined as a deviation from the norm (Thompson and Strickland, 1990). In the organizational context, change can occur in various aspects; these include strategy, business processes and systems, structure, leadership and workforce mindset, culture, resources technology, behavior etc. In a nutshell, change can either be behavioral or technical (Mastrangelo et al 2004).

Kotter (1999) tacit that change is usually important for the continued success of an organization and sometimes for its bare survival. Changes in an organization can usually take two dimensions; strategic change and operational changes. Operational changes are usually geared towards enhancing efficiency in an organization using such tools as TQM, BPR etc.

Strategic changes on the other hand consider what's needed in the future to achieve the organizations desired aims (Johnson and Scholes, 2002). The focus here is on effectiveness of the entire organization. Johnson and Scholes (2002) also tacit that strategic change can be looked at from two dimensions in order to correctly map the exact form of the change taking place i.e. through the scope of change and the nature of the change. This can be depicted as below.

Table 1.0: Dimensions of Strategic Change.

		Scope	
		Transformation	Re-alignment
Nature	Incremental	Evolution	Adaptation
	Big Bang	Revolution	Reconstruction

Adapted from Johnson and Scholes (Exploring Corporate Strategy - Text and cases, 6th edition) page 165.

The scope dimension refers to whether it can occur within the current paradigm whereas the nature of the changes refers to how fast and disruptive to the current ways of doing things the change is.

Change in an organization can further be analyzed from two perspectives; planned and emergent. A planned change approach views organization change as a process of moving from one fixed state to another through a series of pre-planned steps. On the other hand, an emergent change approach views change as a continuous, open ended and unpredictable process of aligning and re-aligning an organization to its changing environment.

In coming up with any strategic change in an organization, scholars and practitioners have proposed a number of models. The eight (8)-stage process proposed by Kotter is a typical model. Other planned change approach variations include the 7 stages by Lippits (1958), 8 stages by Cummings (1989) and Bullock and Batten (1985) 4 stages model. All these have two components in common; the change phases and the change process; and are an expansion of Kurt Lewin's (1948) work on planned change.

With the increased level of turbulence in the business environment in the 21st century, Kotter (1999) notes that there has been need for increased organizational change to cope with this turbulence. Incremental shifts sometimes accompanied by a leap every decade or two are no longer sufficient under this environment as they were up to mid 20th century . The level of environmental turbulence has moved up-scale from not only changing but discontinuous and supriseful. The strategic aggressiveness required at this ensuing turbulence is thus an entrepreneurial and creative one. This in turn has had a great impact on the roles of corporate leaders in organizational change (Kotter, 1999).

In the Kenyan context, the business environment has increased in turbulence over the years; with liberalization and globalization effects taking their toll on virtually all realms of business and industry. This in turn has altered the roles organizational leaders have to play in steering their organizations towards success. Their roles have changed from those associated with overseeing the organizations operations to one of being a steersman (navigator), a strategist and more so an entrepreneur (Applebaum and Paese, 2004). This is because the discontinuous and supriseful business environments have necessitated entrepreneurial and creative strategic aggressiveness.

In parastatal organizations, the corporate leaders therein have come under a lot of pressure not only from the increased competition after liberalization but also from the exchequer and the government development partners (donors), requiring them to come up with strategic plans for their firms. For instance, after the split of Kenya Posts and Telecommunications corporations, into Telkom, Posta and Communications Commission of Kenya (CCK), Telkom was mandated to come up with a strategic plan for its future operations in 2000 (Koske, 2003). But as much as the strategic plan has been in place, its successful implementation has been found wanting. Koske (2003) traces this to lack of proper strategic leadership from the Telkom's top management leaders in the communication front and in helping change the culture of the organization and align it to the strategy requirements. The top management teams have thus not assumed the requisite roles to enable the successful implementation of the strategy. Applebaum and Paese (2004), trace this to inability on the lack of insight into the roles that leaders need to assume at the senior strategic levels.

Contrasted with operational leaders, whose primary role is to manage day-to day business operations, strategic leaders must assume a variety of key roles, which are instrumental in achieving strategic results such as increasing market share, implementing of strategic change and at times building strategic alliances.

Various authors have come up with some sets of roles, which corporate leaders have to assume in order to be able to achieve its strategic objectives. Covey (1996) defines the roles to include; path finding, aligning, empowering and modeling. Belbin (1981) on the other hand lists the roles to include; plant, company worker & completer -finisher, resource investigator, chairman, shaper and motivator-evaluator. Gallup (1999) defines corporate leaders roles to include; formulation, strategic thinking, creativity, activator, stimulator and persuasion. Mintzberg (1973) on his analysis of the nature of managerial work and the role of corporate leaders had come up with such roles as disseminator & monitor, Entrepreneur, Liaison, leader, Spokesperson and disturbance handler. However, following an extensive analysis of thousands of executive positions across hundreds of organizations over 30 years, DDI inc. has come up with nine roles which corporate leaders should assume for strategic change success of their organizations (Applebaum and Pease, 2004). They include; Navigator, Strategist, Entrepreneur, Mobilizer, Talent Advocate, Captivator, Global Thinker, Change driver, and Enterprise Guardian.

1.2 Statement of the problem

Following the liberalization of most sectors of the Kenyan economy in the 1990s, businesses have found themselves exposed to environmental forces not earlier on anticipated. The occasional incremental shifts that were for the most part sufficient, perhaps accompanied by a leap every decade or two have proved to be insufficient to strategically position the businesses for continued success. This has necessitated the coming up with strategic plans for attaining the organizational vision. These strategic plans involve changing the status quo of a firm at any point in time for the purpose of taking advantage of the opportunities in the environment, warding of the threats, while taking advantage of the firm's strengths and addressing its weaknesses.

Implementing these strategic changes has been a challenge to corporate leaders with many of them not realizing the desired goals. This has mainly been attributed to lack of proper understanding of the roles the leaders should play at the different stages in a strategic change exercise (Ackerman 2004). She cites a high prevalence among leaders to launch a change exercise in a highly publicized company forum, only to leave it to junior managers to implement it and handle any hiccups on the way. Kotter (1999) argues that such executives from the word go rarely push the urgency for change high enough to gain acceptance; they also underestimate the need for a strong coalition to guide the change; they create only plans and budgets, not strategies needed to accomplish the vision; they under communicate almost any new direction; they fail to eliminate sufficient obstacles so that employees can act on the vision; they declare victory too soon and in most instances, they do not institutionize new approaches in organizational culture. All this contributes to inability of the business to attain its desired vision, which in most cases is evidenced in poor performance in the organization.

In Kenya, there have been a lot of changes in the business environment, which have necessitated changes in organizational strategies. For instance, the liberalization of most sectors of the economy has exposed previously protected industries to global competition. The revival of the East African Community culminating in the creation of a Customs Union among the three East African Countries has brought new opportunities and new threats alike. Other inter-governmental trade initiatives such as NEPAD and AGOA have also had impacts on business firm's strategies. Studies have shown that indeed business firms have always adjusted their strategies to be in line with the prevailing environmental factors (Ndubai, 2003, Mugambi, 2003 and Migunde, 2003). However a knowledge gap exists in terms of what corporate leaders perceive to be their roles in a strategic change exercise i.e. what roles do they assume at the different stages in a strategic change exercise. This is important because it is corporate leaders who at the end of the day will be allocating responsibilities to the different persons in the organization together with the guiding group during strategy implementation.

Thus as Kenyan companies try to take advantage of the different regional trade agreements and the different trade enhancement frameworks, their strategies have to be well executed and a crucial element here is the roles that the corporate leaders have to assume in the entire strategic change exercise.

1.3 Objectives of the study

1. To establish what corporate leaders (CEO's) perceive to be their roles in organizational strategic change.
2. To establish the actual roles played by corporate leaders in a strategic change.
3. To establish factors that influence what roles they actually play in an organizational strategic change.

1.4 Significance of the study

This study will be of help to academicians, as it will highlight differences in theory and practice in terms of the roles of corporate leaders in organizational change. It might in due process trigger a need for further research into reasons why such a gap in perceived roles and expected roles exist. Bridges and Mitchell (2000) tacit that, how effectively and successfully leaders manage and lead organizational changes, determine how effective they will be in the long run. This they conclude will have major impacts on most models of leadership development. Hence the study will also be of importance to leadership training Programme developers and personal coaches to executives.

CHAPTER 2: LITREATURE REVIEW

2.10 Leadership

Organizational viability depends in part on effective leadership. This is in terms of the roles leaders assume in the organization setting as characterized by their behaviors. Mastangelo et al (2004) notes that effective leaders engage in both professional leadership behaviors(e.g. setting a mission, creating a process for achieving goals, aligning processes and procedures) and personal leadership behaviors (e.g. building trust, caring for people, acting morally). These behaviors have also been termed in other studies as being the leader's reaction to task- related issues and people related issues (Likert, 1961).

Over the years, leadership has been defined as a group process, a matter of personality, an exercise of influence, specific behaviors, a form of persuasion, a power relationship, an instrument to achieve goals, an effect of interaction, a differentiated role, initiation of structure, and a variety of combinations of the above (Bass, 1990). We can thus infer that leadership is something that occurs in a group and that, when used well, it can move a group towards its potential in many positive ways.

Leadership has been studied from a variety of perspectives. From traits (Stogdill, 1948) and behaviors (Fleishman, 1953) through contingency theory (Fiedler, 1967) and situational theory (Hersey and Blanchard, 1977) to transformational and charismatic leadership (House, 1977), researchers have long attempted to understand the determinants of effective leadership.

Much of these leadership researches have had a central theme that leadership behaviors and actions are important determinants of effectiveness. Some of the earliest research in this area suggested that leaders must be concerned with task-related issues and people related issues. For instance, the Ohio state studies explored initiating structure (i.e. defining and structuring the work) and consideration (i.e. respect for subordinates and sensitivity to subordinate feelings) (Prasad, 2002). Michigan Studies explored task-oriented and relation- oriented behaviors (Likert, 1961).

Building on this initial research, Blake and Mouton (1964) suggested that managers (read organizational leaders) could be placed on a "grid "based on their concern for production and concern for people. More recent theories of leadership continue to explore important leader behaviors and actions. For instance, Fiedler (1967) LPC (least preferred co-worker) explores many factors including leader- member relations and task structure. Hersey and Blanchard's (1982) situational theory suggests that the extent to which leaders engage in relationship behaviors and task behaviors depends on the maturity of the followers.

However, there are number of theories on leadership which have tended to move from viewing leadership as a set of behaviors. These include such theories as contingency (leadership depends on the leader, the group and the situation), leaders - member exchange (leadership is the result of a series of exchanges between the leader and each follower), transactional (the leader provides guidance and rewards in exchange for follower loyalty and work) and transformational leadership (the leader empowers followers and guides them towards moral ideal)

Thus, although these theories use different terms, Mastangelo et al (2004) tacit that its reasonable to conclude that to be successful, leaders must be concerned with both task - and people related issues in the work place.

2.11 Leadership theories revisited

2.111Trait theories

Leadership studies in both the military and in the business realms have been concerned from early days between 1930s-1950s (Prasad 2002) with the various characteristics or traits of leaders. Various research studies have given intelligence, attitudes, personality and biological factors as ingredients for effective leaders (Prasad, 2002). Stogdill (1948) tacit that the various trait theories provide the following traits as requisite for a successful leader; Physical and constitutional factors (height, weight, physique, energy, health, appearance; intelligence; self-confidence; sociability; will (initiative, persistence, ambition); dominance and surgency (talkative, cheerfulness, geniality, enthusiasm, expressiveness, alertness and originality).

Current researches on leadership traits suggest that some factors do help differentiate leaders from non- leaders. The most important traits are a high level of personal drive, desire to lead, personal integrity and self - confidence. Prasad (2002) notes that cognitive (analytical) ability; business knowledge, charisma, creativity, flexibility and personal warmth are frequently desired.

Regardless of the trait, Prasad (2002) notes that all the traits put across by different researchers can be classified into innate and acquirable traits, on the basis of their source. Thus according to the traits theory, leaders' roles are defined largely by what special qualities they have above the rest of the follower ship and which they need. The leader's role is thus to provide the unique set of attributes to the group of followers.

2.112 Behavioral Theories

This theory emphasizes that strong and effective leadership is the result of effective role behavior. It contends that leadership is shown by person's actions more than by his traits. Thus, to be effective, an organizational leader has to perform two major functions; task-related functions and group maintenance functions, Cooper (1997). Other researchers (Bass 1990; Behling and McFillen 1996) term these as a concern for people (consideration) and a concern for the tasks) initiating structure.

Initiating structure refers to the leaders' behavior in delineating the relationship between himself and the members of the work group and in endeavoring to establish well defined patterns of organisation, channels of communications and methods and procedures. Consideration on the other hand refers to behavior indicative of friendship, mutual trust, respect and warmth in the relationship between the leader and the members of his staff.

Stogdill and Coons (1957) note that these two (consideration and initiating structure) are two separate distinct dimensions and not mutually exclusive. A low score on one does not necessitate high score on the other.

Table 2.0: The Ohio State leadership Quadrants

High Consideration and low structure	High Structure and High Consideration
Low Structure and low consideration	High Structure and low Consideration

Adapted from; Prasad L.M (Organizational Behavior) page 327.

A slightly different view of these behaviors has been characterized by Bass (1990) who describes a concept of leadership competence. According to Bass, leadership competence consists of being skilled in tasks as well as socio-emotional aspects of leadership. He includes competences in such areas as being able to enable others to make effective contributions to the group, handling people and their differences, giving direction to the task at hand, and helping group members effectively perform their roles. These expected behaviors thus form the roles of leaders in organizations.

2.113 Contingency Theory

Fielder's (1967) contingency model of leadership has the basic contention that the appropriateness of leadership styles and so do their roles depends on their matching with situational requirements. His model consists of three elements; leadership styles, situational variables, and their interrelationship.

Fiedler identified leadership styles on two dimensions; task directed and human relations oriented. Task -directed styles is primarily concerned with the achievement of task performance. Human relations style is concerned with achieving good interpersonal relations and achieving a position of personal prominence.

In relation to situational variables, as much as many are provided by Hersey and Blanchard (1977), Fielder identified three critical dimensions or situations that affect a leader's role in an organisation. These include; the leaders position power, task structure and leader -member's relations.

Leaders position power is determined by the degree to which a leader derives power from the position held by him in the organisation which enables him to influence the behaviors of others . A leader with a clear and considerable position power can more easily obtain follower ship than one without such power.

Task structure refers to the degree to which the task requirements are clearly defined in terms of task objectives, processes and relationship with other tasks. When tasks are clear, the quality of performance can be more easily controlled and group members can be held responsible for performance than when tasks are unclear.

Leader- member relations on the other hand refer to the degree to which followers have confidence, trust and respect in the leader. Fiedler considered this dimensions as the most important for the leader as his position power and task structure are subject to control by the organisation and these can be prescribed.

2.114 Transactional Leadership

As research was being conducted regarding leadership, traits and behaviors, Jordan (1998) tacit that other researchers began investigating the notion of leadership as a transaction(similar to a monetary transaction) between leaders and followers. In this view, leaders give followers guidance and rewards; in return, followers give leaders a job well done (Bass, 1990).

In Transactional leadership, a distinguishing notion is that one must be viewed and validated as a leader by followers to be effective. In this way, the roles of leadership and followership are interrelated; neither makes sense without the other. Follower expectations affect the performance of the leader. At the same time, follower perception of the leader motives and actions control what the leader can accomplish (Bass, 1990). For instance, if followers believe that the leader is acting in the best interest of the group, they will work hard to help him or her achieve success. If on the other hand, followers believe a leader's action is self-serving; they may interfere with the leader's goals. In a change context, this implies that it is not only the important to clearly communicate the change goal (vision, mission, "common goal"), but also to build coalitions and consensus with the followers

2.115 Transformational Leadership

Jordan (1998), notes that as researchers began to investigate the phenomenon on leadership as a transaction, others noticed people who seemed to lead by the power of their personality (charisma). This is what led to a transformational view of leadership

In this model Ross (1997) and Sosik (1997) tacit that leaders, through their skills and personalities, transform followers in to better and more effective "workers". Sosik (1997) identified four components of transformational leadership; intellectual stimulation (questioning assumptions, reframing problems, thinking in new ways); individualized consideration (a sense of community to encourage integration and support of different viewpoints); inspirational motivation (a moral idealism that stirs in people a desire to contribute more to the goal); and idealized influence (where the leader and the group consider broader implications of the ideas generated in the group).Thus employee empowerment is often a result of transformational leadership. In addition, Doherty (1997) identified leader charisma as distinct characteristic of transformational leadership.

Empowerment of followers especially in a change situation is key to the success of the particular organizational change. It involves more than building in the requisite change competences to enabling the followers move from the "Desert" to the "promised land "with success (Bridges and Mitchell, 2000). Empowerment, especially in terms of giving followers access to the decision makers becomes crucial during the neutral zone ("the Wilderness"). Bridges and Mitchell (2000) note that even great leaders like Moses had to appoint a new cadre of judges (aided by his OD specialist Jethro) in the wilderness in order to narrow the gap between the people and the decision makers.

2.116 Leader - Member Exchange

The LMX theory (leader Member Exchange) was first presented in the late 1970s. This view of leadership suggests that there could be a high degree of mutual influence between leader and follower; and that this quality of relationship exchange will result in high group performance (House and Adyta, 1997). The relationship exchanges are different for each person, and trust and loyalty are critical to the exchange process. Bauer and Green (1996) note that this is a continuous, dynamic and a trust building process. They propose that to best develop high-quality leader-Member exchanges, leaders should give increased responsibility and latitude to employees. They suggested early delegation of responsibilities to enhance the leader - member exchange.

2.2 Organizational Change

Change can broadly be defined as a deviation from the norm. In an organizational context, this refers to the alterations that can occur to the status quo of the various organizational variables i.e. strategy, business processes and systems, structures, culture, technology etc

Changes in these organizational variables can be short term and localized or long term and spread out in the entire organization. Looking at it from another perspective, these changes maybe to increase the efficiency of the organizations delivery of its goals or they could be to steer the organisation towards other ideal goals. These changes are commonly referred to as operational and strategic changes respectively

Operational changes are usually short term, involve parts of the organisation, and are aimed at improving efficiency while the responsibility for achieving such changes mainly rest with the middle level management. Strategic changes on the other hand are long term in nature, are concerned with organizational effectiveness and mainly involve top management in an organisation. Johnson and Scholes (2002) notes that there are mainly two approaches to understanding strategic change in organizations; Planned and emergent change approaches.

A planned change approach views organizations change as a process of moving from one fixed state to another through a series of pre-planned steps. Planned change was first coined in the 1950s and 1960s by organizational development (OD) practitioners to distinguish change that was conscious and embarked upon and planned by organizations as opposed to change that was brought about by accidents or impulse. Planned change efforts are usually made up of two components; change phases and change processes. This can be seen from proponents of the planned change approach ; Lewis (1948) Action research & Unfreezing, change and Re-freezing model, 7 stages by Lippits (1958), 8 stages by Cummings (1989) Kotter' s 8 stages and Bullock and Batten (1985) 4 stages model.

The Kotter (8) stages model will be used as a representative of the planned change approach as it encapsules all the change processes and change phases outlined in the other models. Gekonge (1999) notes that Kenyan companies listed at the Nairobi stock exchange all have some inherent phases and some identifiable processes in each of the phases in their strategic change management practices.

The following are the entails of the Kotter (8) stages.

- **Establishing a sense of urgency**

This is crucial to gaining the needed cooperation. With low urgency it is difficult to bring together a group with enough power and credibility to guide the effort or to convince key individuals to speed necessary time to create and communicate a change vision. Establishing a sense of urgency involves such aspects as examining market and competitive realities, identifying and discussing crises, potential crises or major opportunities.

- **Creating a guiding group**

It is not possible for one individual to develop the right vision, communicate it effectively to large numbers of people, eliminate key obstacles and get the change going. There is thus a need to form a group composed of the right members with a high level of trust and having a shared objective. This group should be able to work as a team with enough responsibility and authority. Position power, expertise, credibility and leadership should be the key characteristics to be considered when forming the group or team.

- **Developing a vision and strategy**

A vision will be necessary in order to help direct the change effort. For it to be effective, it should be imaginable, desirable, feasible, flexible and communicable. Strategies to achieve the vision should also be developed so as to provide the logic and details of how the vision is to be accomplished. A good vision should be grounded on clear and rational understanding of the organisation, its market environment and competitive trends.

- **Communicating the change vision**

The developed vision should be communicated to all the stakeholders in the change exercise. Communication means include employee bulletins, staff meetings, memos and newspapers, formal or informal interactions. The behavior of the change leaders can also communicate a lot about their commitment to the change exercise. It should be consistent with the vision i.e. there should be no inconsistencies between words and deeds.

- **Empowering Employees**

This involves getting rid of obstacles, changing systems or structures that undermine the change vision and encouraging risk taking and non traditional ideas ,activities and actions. The following can be done to fully empower employees in order to bring the desired change; Confront supervisors who undercut/sabotage needed change, provide training required by the employees, make structures compatible with the vision, have and communicate clear sensible vision and aligning information and personnel systems to the vision.

- **Short term wins**

The change strategy should plan for visible improvements in performance and also create those wins. The people who make those wins should be recognized and rewarded. Lack of short-term wins can jeopardize a change program.

- **Consolidating gains and having more changes**

This involves using the credibility gained in the short-term wins to further change systems, structures and policies that don't fit the vision. It also includes hiring, promoting and developing employees who can implement the vision while at the same time reinvigorating the process with new projects, themes and change agents.

- **Institutionalizing New approaches /Anchoring new approaches in the culture**

This involves creating better performance through better customer and productivity oriented behavior, more and better leadership and more effective management. It also involves ensuring leadership development and success.

The main criticism of the planned change approach has been its rigidity (that the prescribed path is the best/ideal). It has also been faulted for largely ignoring the power and authority structures (politics) in an organisation during change (Dawson, 1994).

The emergent change approach on the other hand views change as a continuous open-ended and unpredictable process of aligning and re-aligning an organisation to its changing environment. Proponents of this approach such as Quinn (1980) tacit that the role of the manager (organizational leader) is not to plan and implement change but to create and foster structures and climate encouraging and facilitating change by the organisation people. Change leaders are thus viewed as facilitators and not doers.

However, Dawson (1994) processual model of change and Quinn's (1980) models of emergent approach to change have come under heavy criticism. These have ranged from criticism on the validity and applicability of this approach to the ambiguity of the specifics required to create the organizational environment requisite for organizational change success. Other forms of critisms have been in terms of its prescription on the need for information gathering and learning. Here critics argue that some organisation may perceive the need for change but not be able to learn.

However, whatever school of thought one is inclined to, on the ground there has to be a plan of how the strategic change will be carried out i.e. the change will have to follow some pre-determined steps and be brought to fruitution by members of the organisation. Roles, duties, plans of action will have to be spelt out for the different organizational members. The CEO being the formal organizational leader will be charged with the responsibility of not only coming up with the appropriate strategy, but also ensuring its successful implementation. The roles the CEO thus plays in any strategic change are crucial to its success.

2.3 Corporate Leaders roles in Strategic Change

As much as it is important to ensure that a firm is operating successfully in its day to day business operations i.e. its achieving the desired efficiency, it has to be doing right thing for it to achieve long term strategic business result. For it to achieve these long term strategic business results, the roles of the leaders at the operational level have to be fortified by some other roles which will enable the business leaders achieve the desired strategic roles. In most cases, the business leaders who end up being charged with the strategic interests of the business (by appointment to CEO roles) have come up successfully from operational areas. They however fail to make the requisite transition in the roles they assume from operation to strategic leadership. An article such as Fortune magazine's *why CEO's Fail (1999)* provides numerous high-profile examples. A study by Manchester consulting estimates that four in ten senior leaders fail within the first 18 months on the job (Across the board 2000). Applebaum and Pease (2004), trace this to inability to make a transition to strategic leadership on the lack of insight into the roles that leaders need to assume at the senior strategic levels. Contrasted with operational leaders, whose primary role is to manage day-to day business operations, leaders who transition from operational to strategic leadership must assume a variety of key roles, which are instrumental in achieving strategic results such as increasing market share, implementing of strategic change and at times building strategic alliances.

In Kenya, studies in the role of corporate leaders in strategic change have not somehow captured these roles in totality. Gitonga (2003) concentrates on the perceived role of CEOs in innovation processes in the banking industry. He notes that the two most important roles CEOs play in innovation are the empowerment roles and creating an environment where new ideas are nurtured i.e. an accommodating structure and culture. Okuto (2002) on the other hand identifies the importance of corporate leaders in eliminating obstacles in strategy implementation emanating from the human factor. These studies concur with what Oloko (1999) implies by suggesting that corporate leaders have a vital role to play especially in aligning the internal variables in an organization to the strategy being implemented.

Various authors have come up with some sets of roles that corporate leaders have to assume in order to be able to achieve its strategic objectives. Covey (1996) defines the roles to include;

path finding, aligning, empowering and modeling. Belbin (1981) on the other hand lists the roles to include; plant, company worker and completer -finisher, resource investigator, chairman, shaper and motivator-evaluator. Gallup (1999) defines corporate leaders roles to include; formulation, strategic thinking, creativity, activator, stimulator and persuasion. Mintzberg (1973) on his analysis of the nature of managerial work and the role of corporate leaders had come up with such roles as disseminator and monitor, Entrepreneur, Liaison, leader, spokesperson and disturbance handler. However, following an extensive analysis of thousands of executive positions across hundreds of organizations over 30 years, DDI inc. has come up with nine roles, which corporate leaders should assume for strategic change success of their organizations (Applebaum and Pease 2004). They include; Navigator, Strategist, Entrepreneur, Mobilizer, Talent Advocate, Captivator, Global Thinker, Change driver, and Enterprise Guardian

Navigator: This role requires that the CEO clearly and quickly work through the complexity of key issues, problems and opportunities to affect actions. Navigators analyze large amounts of sometimes conflicting information. They understand why things happen and identify possible courses of action to affect events. They know which factors really matter in the overall scheme of things.

Strategist: In assuming this role, the CEO develops a long- range course of action or set of goals to align with the organization vision. Strategists focus on creating a plan for the future. Part of this plan might involve capitalizing on current opportunities and future trends (Entrepreneur) and understanding complex information related to future events (Navigator). Strategists make decisions that drive the organizations towards its vision.

Entrepreneur: Here, the CEO's role is to identify and exploit opportunities for new products, services, and markets. Entrepreneurs are always alert for creative, novel ideas. They might generate the ideas themselves or take existing opportunities or proposals down a new path. Entrepreneurs are able to look at events from a unique perspective and develop ideas that have never been thought of.

Mobilizer: Here, the CEO proactively builds and aligns stakeholders, capabilities, and resources for getting things done quickly and achieving complex objectives. In this role, the CEO aims to gain the support and resources needed to accomplish goals.

Talent Advocate: Here, the CEO seeks to attract, develop and retain talent to ensure that people with the right skills and motivation to meet the strategic change needed are in the right place at the right time. As a talent advocate, the CEO is less concerned with filling specific positions than with attracting and retaining talented individuals

Captivator: This role calls for the CEO to build passion and commitment towards the strategic change goal. As a captivator, the CEO builds upon an established foundation of trust to instill people with feelings of excitement and belonging. Captivators transfer the energy of their message in such a compelling way that people take ownership of the strategy or vision and are empowered to carry it out.

Global Thinker: This role calls for the CEO to integrate information from all sources to develop a well informed, diverse perspective that can be used to optimize organizational performance. As global thinkers, CEO's should understand and accept international and cultural differences and behave in a way that accommodates peoples varying perspectives.

Change Driver: in a strategic change effort, the CEO should create an environment that embraces change; makes change happen - even if change is radical - and helps others to accept new ideas. This means always challenging the status quo and breaking paradigms, identifying ideas for change and becoming the change force.

Enterprise Guardian: As an enterprise guardian, the CEO is expected to rise above the parochial nature of the job and make decisions that are good for the shareholder, even if the decision cause pain to individuals or to the organisation.

The above 9 roles have been compared to similar roles defined by other leadership models (as shown in the table below).

Table 3.0 Range of the DDI roles Compared to similar Roles defined in other leadership models.

DDI Roles	Covey	Belbin	Gallup	Mintzberg
Navigator			Formulation	Disseminator ,Monitor
Strategist	Path finding		Strategic Thinking	
Entrepreneur		Plant	Creativity	Entrepreneur
Mobilizer	Aligning	Company Worker, Completer - Finisher	Activator	Liaison
Talent Advocate	Empowering			Leader
Captivator	Empowering and Modeling		Stimulator/ Persuasion	Spokesperson
Global Thinker		Chairman		
Change Driver		Shaper		
Enterprise Guardian		Monitor -Evaluator		Disturbance Handler

Adapted From Applebaum L & Paese M. "What senior leaders do: the nine roles of strategic leadership. - page 4.

2.4 Factors influencing a leader's role in an organizational strategic change.

Various authors (Robins and Coutler, 2002, Wang, 2000 and McCarthy et al, 1996), have identified a number of factors that do influence what roles corporate leaders assume in a strategic change exercise .These include;

Organisation Structure

An organization structure simply means the formal framework by which job tasks are divided , grouped and coordinated (Robins and Coulter , 2002). The structure of an organization helps people pull together in their activities that promote effective strategy implementation.

In the corporate world , the structure of the organization at the top most level is actually contained in the firm's constitution with latitudes given to specified persons on what they can do in altering their areas of operation. According to Robins and Coutler (2002), most companies give their CEO the powers to create and modify the structure and companies of the top management teams. Thus, how tasks are formally divided and grouped and the latitude a CEO is allowed to change them goes a long way in determining what roles the corporate leader will assume during strategic change.

Organization Culture

Organization Culture refers to the set of important assumptions (often unstated) that members of an organization share in common (Pearce and Robinson, 2003). Robins and Coutler (2002) on the other hand defines culture as a system of shared meaning and beliefs held by organizational members that determines, to a large extent how they act. An organization's culture provides the social context in which an organization performs its work. Organization culture not only affects the way managers behave within the organization but also the decisions thy make about the organization's relationships with its environment, its strategy and ultimately have an influence on how the strategy is to be implemented (McCarthy et al ,1996)

Culture can thus either be strength or a weakness. As strength, culture can facilitate communication, decision making and control and can create co-operation and commitment (Pearce and Robinson, 2003). As a weakness, Culture may obstruct the smooth implementation of strategy by creating resistance to change (Pearce and Robinson, 2003). There is thus need to ensure that there is compatibility between culture and the strategy being implemented in order to decrease organizational resistance and increase employee motivation and support for the current strategy (Aosa,1992).

Thus, the relationship between the prevailing culture in an organization and the intended strategy to be implemented greatly determine the roles the corporate leaders will assume in the strategic change. If there is high behavioral resistance, he/she might be forced to increased play the role of a disturbance handler and a spokesperson in order to address these forms of resistance (Applebaum and Pease, 2004)

Resources

In achieving any strategic change, four resources namely; financial, physical, human and technological resources are used (David, 2003). These are required in different proportions and combinations depending on the stage of strategic implementation (Harvey, 1998).

Their sourcing and disbursement, as required go along way in determining the roles of corporate leaders in a strategic change exercise. In relation to such resources as financial resources, physical and technological resources, the CEO mainly assumes the role of a Mobilizer while in relation to the human resource; the CEO is mainly called upon to assume the role of a talent advocate (Applebaum ad Pearce, 2004).Thus, the resource requirement, availability and the stage in a change exercise go a long way in determining what role the corporate leader will assume in a strategic change exercise.

Power and Politics

Organizational politics refer to tactics that strategic groups and persons engage in to obtain and use power to influence organization's goals and change strategy and structure to further their own interests (Hill and Jones 1999). Power on the other hand refers to the eminence of influence in an organization's activities, both legitimate and illegitimate (Prasad, 2002)

In any strategic change exercise, the power structures and political orientations are usually destabilized (Wang, 2000). This often leads to resistance to the change from the affected quarters. In order thus to bring the required strategic change , corporate leaders have to recognize both the legitimate and illegitimate power and politics structures existing in an organization .they should then come up with ways in which to deal with them to ensure that the strategy is implemented and the desired objectives are met .This entails assuming such roles as a Mobilizer, or liaison where the corporate leader tries to balance the interests of all stakeholders in an organizations for the ultimate attainment of the organizations goals (Wang, 2000).

Competence of top management team (TMT) in strategic change

For changes to be implemented, people have to be assigned to carry the associated tasks (Bryson, 1995). Thus, the first step in strategy implementation is selecting people with the right personal chemistry and mix of skills to work at key positions in the strategy implementation program

(Thompson and Strickland, 1998). Corporate leaders normally choose a guiding group mainly composed of TMT members with position power, expertise, credibility and leadership ability to be the change derivers (Kotter, 1999).

Their competence, in terms of skills and experience in strategic change will to a large extent determine and influence the roles the corporate leader will assume. Covey (1996), notes that such a group should be empowered to enable it achieve the desired objectives. Here, the corporate leader is thus called upon to assume the role of empowering this team besides the role of being a talent advocate when choosing the composition of the guiding group.

Scope of the Strategic Change Exercise

In a strategic change, scope refers to whether the change can occur within the current paradigm or there is a paradigm shift (Johnson and Scholes, 2002).When it occurs within the current paradigm, this is referred to as re-alignment whereas if there is a paradigm shift, it is referred to as transformational (Johnson and Scholes, 2002) .see Table 1.0

Strategic change occurring within the current paradigm (re-alignment) are less disruptive and thus the systematic and behavioral resistance expected are minimal compared to when changes resulting in a paradigm shift (Wang, 2002). The roles of the corporate leaders will thus be different under the two extents of paradigm shifts.

Organization systems

Systems refer to all the procedures, formal and informal, that make organization go day by day and year by year; they include capital budgeting systems, training systems ,cost accounting and budgeting systems(Mintzberg and Quinn, 1991).

Organization systems are paramount as they specify the allocation of responsibilities for specific tasks and go a long way in aiding effective strategy implementation (Muthuiya, 2004). Lack or inadequacy of proper systems in an organization will in most cases lead to lack of clarity on task allocation and general inefficiency in allocation of resources (Aaltonen and Ikalvalko, 2001). Corporate leaders will thus be required to step in and create systems that will aid in strategy implementation.

CHAPTER 3: RESEARCH METHODOLOGY

his chapter contains the steps followed in carrying out the study. They include, the research sign used, the population of interest, data collection and data analysis methods used

I Research Design

e research problem was undertaken using a census research design. A census research design where all the elements in a population frame are analyzed for the variables of interest (Cooper I Schindler, 2001).

Population

population of interest comprised of all the corporate leaders (CEO/ MD's) of companies d in the Nairobi stock exchange. A list of all the 48 firms listed in Nairobi stock exchange Appendix 2) was obtained from the Nairobi stock exchange. However onlycorporate leaders 7 companies were contacted as one firm (Hutchings Biemer) was de-listed during the data ction period.

ata collection Method

data for the research was primary data; collected using purposely-designed questionnaires were dropped to the respondents and picked later on. The questionnaires were divided into sections, A and B and C. Section A was designed to capture background information on spondents. Section B on the other hand sought to establish the perceived roles of corporate s at the various stages of corporate strategic change. Section C sought to establish the to which CEOs actually assume certain roles during strategic change and the various factors that influence the assumption of those roles. Questions in all the sections were closed-ended with perceptual questions being assessed on five-point Likert type scale.

3.4 Data Analysis

After coding and tabulating the raw data analysis was done using descriptive statistics - mainly averages, frequencies and standard deviation. This was made possible by using the Statistical packages for Social Sciences (SPSS).

CHAPTER 4: FINDINGS AND DISCUSSIONS

This chapter presents findings on what CEOs perceive to be their roles and the roles of other corporate leaders in strategic change exercises. It also presents findings to the extent to which CEOS actually assume some crucial roles in their organization during a strategic change.

A census of all the CEO's of the 47 companies listed at the NSE was done (Hutchings Biemer was de-listed from the NSE during the data collection period and hence eliminated from the population frame). Out of the 47 questionnaire dropped, 22 were dully filled and collected, with three questionnaires returned but not filled.

4.1 Respondents profiles

4.11 Gender

95% of the respondents were male whereas only 5% were female. This can be attributed to the fact that corporate leadership in Kenya is male dominated due to a wide range of factors; social, cultural, and political that favor male leadership.

4.12 Response rate

The response rates per sector as listed at the Nairobi Stock Exchange were as follows .

Table 4: Response rate per sector

Segment	Frequency	Firms in the Sector	Percentage
Agricultural	4	4	100%
Commercial and Services	1	7	14%
Finance and Investment	6	11	55%
Industrial and allied	5	16	31%
Alternative investment market	6	9	67%
Total	**22**	**47**	**100**

Source: Research Data

Response rate was Highest in the Agricultural sector of the NSE followed by the Alternative Market, Finance and Investment, industrial and allied and lastly commercial and services in that order (Table 4).

4.13 Respondents Management Experience.

In order to gain an insight into the management experience of the respondents, questions were asked with respect to the number of years they had worked at different levels in the organizations. The corresponding responses are as below in Tables 5, 6 and 7.

Table 5: Years Spent in Middle level Management

Years	**Frequency**	**Percent**	**Cumulative percentage**
0-5 years	1	5	**5**
5-10 years	9	40	**45**
over 10 years	11	50	**95**
over 20 years	1	5	**100**
Total	**22**	**100**	

Source: Research Data

Table 6: Years as CEO in other Firms

Years	**Frequency**	**Percent**	**Cumulative Percentage**
0-5 years	11	50	**50**
5-10 years	4	18	**68**
over 10 years	7	32	**100**
Total	**22**	**100**	

Source: Research Data

Table 7: Years as CEO in this firm.

Years	Frequency	Percent	Cumulative percentage
0-5 years	8	36	**36**
5-10 years	6	28	**64**
over 10 years	8	36	**100**
Total	**22**	**100**	

Source: Research Data

From Table 5 above we can see that majority (95%) of the respondents had between 5and 20 years experience in middle level management .50 % of the respondents had also served for more than 5 years as CEO's in other firms. These indicated rich management experience among the respondents and thus were well versed with corporate operations. 64% of the respondents had been CEOs at their current firms for periods of more than 5 years. Comparing these findings with the ones on Table 6, we can conclude that majority of the CEOs have actually been involved in strategic changes in their respective companies. This in turn puts them in a good position to answer the questions objectively from their rich experience in strategic change.

4.2 Organization profiles.

- **Last time the firm was involved in a strategic change**

In order to establish the last time the respondents organizations were involved in strategic change exercises, respondents were asked to indicate the period which has elapsed since they undertook a strategic change exercise. The corresponding response was as follows.

Table 8: Last time the firm was involved in a strategic change

Last time firm was involved in a strategic change	Frequency	Percent	Cumulative Percent
Less than 5 years ago	16	73	73
More than 5 years ago	6	27	100
Total	**22**	**100**	

Source: Research Data

It was found that majority of the firms had undergone strategic changes in less than 5 years ago. This indicates that most firms in Kenya review their strategic plans between periods of 5 years or less or that strategic plans are having even shorter turn around times. This finding helped in increasing the accuracy of the respondent's information as it was recent and instances of forgetting were unlikely to be encountered.

- **Modes of Hiring CEO's**

How CEO's are hired was one of the variables of interesting the study. To establish this, respondents were asked to point out how CEOs are hired in their firms from a list of hiring modes provided and an option to include others which were not listed out. Their responses are as tabulated below.

Table 9: Modes of Hiring CEO's

Hiring Mode	Response	Frequency	Percentage
Competitive hiring from the Labour market	Yes	7	32
Appointed by the board from the TMT	Yes	4	18
Appointment by the leading shareholder	Yes	12	55
Other forms of CEO appointment	Yes	3	14

Source: Research data

As shown in Table 9 above, most prevalent form is where the Leading stakeholder has the mandate of appointing the CEO (55%). Other common forms of hiring include competitive hiring from the Labour market (32%). It can thus be seen that there is no one common way/ method used by listed firms at NSE to hire their CEOs. Other forms of hiring highlighted included headhunting of the CEOs and secondment from mother or subsidiary companies in which the leading shareholder has control over.

- **Images CEOs perceive to portray to organizational stockholders**

The image a CEO perceives to represent in an organisation will go a long way in determining the roles he/she will assume in a strategic change exercise. In order to the image the respondents perceived to represent to the different organizational stakeholders , various common images corporate leaders portray were listed and the respondents asked to choose the ones the felt best captured the images they presented to stakeholders. The corresponding outcome is as tabulated below.

Table 10: What images the respondents perceived to represent to organizational stakeholders.

Perceived image presented to stakeholders	Response	Frequency	Percentage
A charismatic figure representing power and control.	Yes	1	5
A heroline; visionary leader who inspires trust and loyalty.	Yes	12	55
A fixer who makes everything alright	No	22	100
A steersman/ Woman who sets direction	Yes	16	73
A coach and mentor functioning as a facilitator	Yes	17	77

Source: Research data

It can thus be seen that CEO's tended to view themselves to be more of mentors/facilitators and Steersmen/women who set direction as opposed to being fixers who make everything alright in an organization. Slightly more than half of the CEO's perceived themselves to be the source of organizations visions and also inspiring trust and loyalty in the organization. This aspect can be explained from the findings on whose role is to craft the vision towards which the organization will work towards (Graph 1). Here most CEO's tend to be of the view that it is not their sole responsibility but one which the board of directors and the top managements input is required.

This validates Kotter's (1999) assertion that CEO's are mainly catalysts in organizational vision formulation. They trigger an organizational soul searching and facilitate the various avenues through which an organization vision can be formulated.

4.3 Perceived roles of corporate leaders in strategic change

This section details the perceived role of CEO's in organizational strategic change steps (using Kotter's 8 steps model). To capture the perceived roles at the different steps, relevant questions were asked and the respondents requested to fill out the person(s) they felt should assume such roles in an ideal situation.

4.31 Establishing a Sense of Urgency for Change

a) **Looking Beyond Current year for developments of interest to the firm**.

To answer this question, respondents were asked to pick the person(s) they felt was ideally responsible for carrying out this task; with options being CEO, BOD, Top management and other parties (respondents to specify). The results are as follows.

Table 11. Looking beyond current year for developments of interest to the firm.

	Responsible party	Frequency	Percent	Cumulative Percent
Looking beyond current year for developments of interest to the firm	CEO	4	18	18
	BOD	4	18	36
	TMT	1	5	41
	CEO & BOD	7	32	73
	CEO and TMT	2	9	82
	CEO, BOD, and TMT	4	18	100
	Total	**22**	**100**	

Source: Research data

It can thus be seen that this task was mainly perceived to belong to the CEO and the Board (with a total combined percentage of 68%); however, the top management team members were also expected to provide insights into for instance the expected future states of their respective operational areas. This information is then fed to the CEO and discussed with the Board of Directors

b) Translating complex situations into simple, meaningful explanations that others can grasp.

Environmental factors that influence an organization are very many and complex in nature. There is thus need for simplifying these situations for easier grasp by others in the organisation.

In order to establish whose role is to simplify these complex scenarios, respondents were asked to point out who actually was/were responsible. Table 12 below details the outcome.

Table 12: Translating complex situations into simple, meaningful explanations that others can grasp

	Responsible party	Frequency	Percent	Cumulative Percent
Translating Complex situations into simple, meaningful explanations.	CEO	7	32	32
	TMT	6	27	59
	CEO & BOD	1	5	64
	CEO and TMT	8	36	100
	Total	**22**	**100**	

Source: Research data

From Table 12 above, CEOs perceive the task of translating complex situations into simple and meaningful explanations to be mainly their task together with the top management teams of their organizations. This could be attributed to the fact that analysis of either external and / or internal environment is mainly an operational issue which requires methodological analysis and which the TMT more so have the competences to carry it out.

4.32 Form a powerful guiding coalition / creating a guiding group

a) Determining composition of Change leaders and change drivers.

Change leaders and change driver are akin to cogs in an organizational strategic change. How they are chosen is thus of utmost importance in a strategic change. To establish how they are chosen, the respondents were asked to point out the person(s) who should ideally choose them. Below are the corresponding findings.

Table 13: Determining composition of Change leaders and change drivers.

	Responsible party	Frequency	Percent	Cumulative Percent
Determining composition of change leaders and change drivers	CEO	7	32	32
	BOD	4	18	50
	TMT	2	9	59
	CEO & BOD	3	14	73
	CEO and TMT	3	14	86
	CEO, BOD and TMT	2	9	95
	CEO,BOD,TMT and others	1	5	100
	Total	**22**	**100**	

Source: Research data

From the table above, it emerges that the composition of the formal change leaders and change drivers in an organization is a task that overlaps between the CEO, board of directors and the Top management team. The Board of directors assumes this role mainly when they are selecting a person to turnaround the fortunes of the firm, whereas the CEO assumes this role in determining the composition of change leaders from the top management team to spearhead the change process in the organisation. TMTs assume this role when choosing team leaders of the various change exercises in the strategic change.

Change drivers are persons responsible for sustaining the change momentum in an organizational strategic change exercise (Bridges and Mitchell, 2000). Change leaders on the other hand are persons who question the current paradigms in an organization. Change drivers can be formal or informal leaders in an organization (Bridges and Mitchell, 2000).

b) Building and facilitating a culture that embraces the change.

Wang (2000) notes that organizational culture is a key component that should be addressed in any strategic change exercise. To establish ideally who should be responsible for building and facilitating a culture that embraces change, respondents were asked once again to point out the ideal person(s). Below are the corresponding findings.

Table 14: Building and facilitating a culture that embraces the change.

	Responsible party	Frequency	Percent	Cumulative Percent
Building and facilitating a culture that embraces the change	CEO	6	27	27
	BOD	1	5	32
	TMT	7	32	64
	CEO and TMT	5	23	86
	CEO, BOD and TMT	1	5	91
	CEO, TMT and others	2	9	100
	Total	**22**	**100**	

Source: Research data

It is thus clear that CEOs and TMTs were perceived to have a major role to play in building and facilitating a culture that embraces the change. CEOs accounted for 27% of the response, TMTs 32% while as a team CEOs and TMTs accounted for 23%.

Mary (2005) notes that "change is fundamentally about people behaviors". In an organization strategic change, these people are the various stakeholders in the organization i.e. customers, employees, suppliers etc, and thus to achieve the desired change, the totality of the culture of these persons belief, world views, behaviors and values have to be in line with the desired cultural disposition of the new strategy.

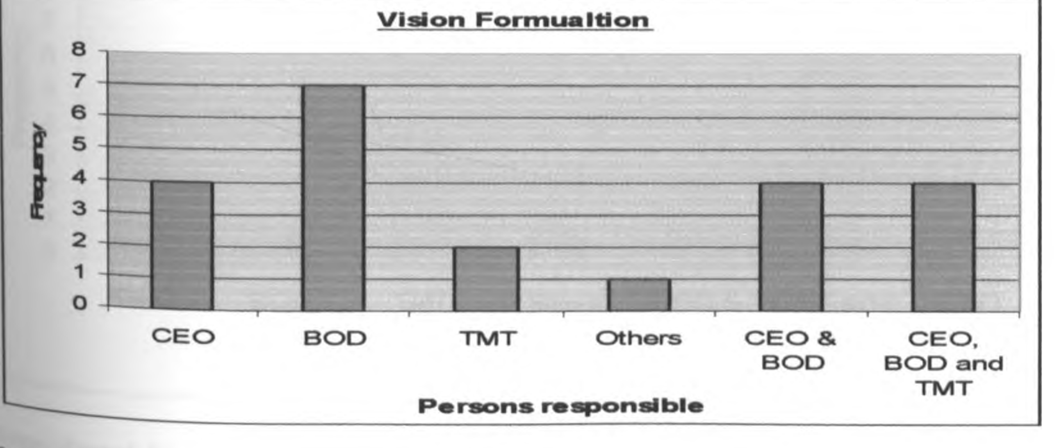
This task should rest with the change leaders and change drivers at various levels in the organization and at various stages in the strategic change process. CEO's tended to view this to be mainly their task together with the top management teams. This could be attributed to the fact that the CEOs and the management team are the ones coming into contact with many of the organization stakeholders. The board of directors is to a lesser extent mandated with this role unless when involved in such activities as lobbying to the government or industry bodies. Others e.g. consultants come in mainly on advisory roles

4.33 Developing a vision / Strategy

a). Coming up with the vision

Visions spell out where the organization would want to be in future and where its efforts should be directed towards (Thompson and Strickland 1990). In establishing whose role is actually to come up with the Vision, the respondents were asked to point out the person(s) who ideally should come up with the organizational vision. The graph below plots the corresponding outcome.

Graph 1: Coming up with the vision



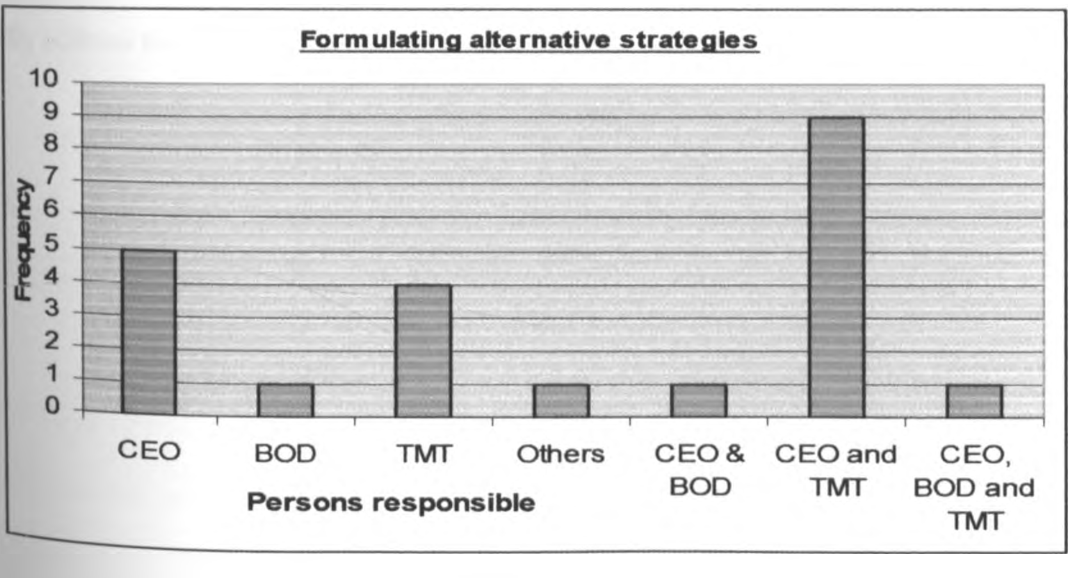
Source: Research data

From the graph above it is clear that the respondents perceived this role to mainly belong to the board of directors (15) with CEO's (12), TMTs (6) and others (1) taking supportive role. This could be attributed to the fact that the shareholders views in an organization are represented by the board of directors with whom they mandate to push for their interests and thus should formulate the vision of where they want to take the firm with the board of directors taking control of charting the way forward, the agency problem with the CEO and TMT is sort of taken care of.

b). Coming up with alternative strategies

After formulating the vision , various strategies have to be formulated to achieve the spelt out vision . To establish whose role it is to formulate the alternative strategies, the respondents were asked to point out the persons they perceived should come up with these alternative strategies. The findings are as depicted in the graph below.

Graph 2: Coming up with alternative strategies



Source: Research data

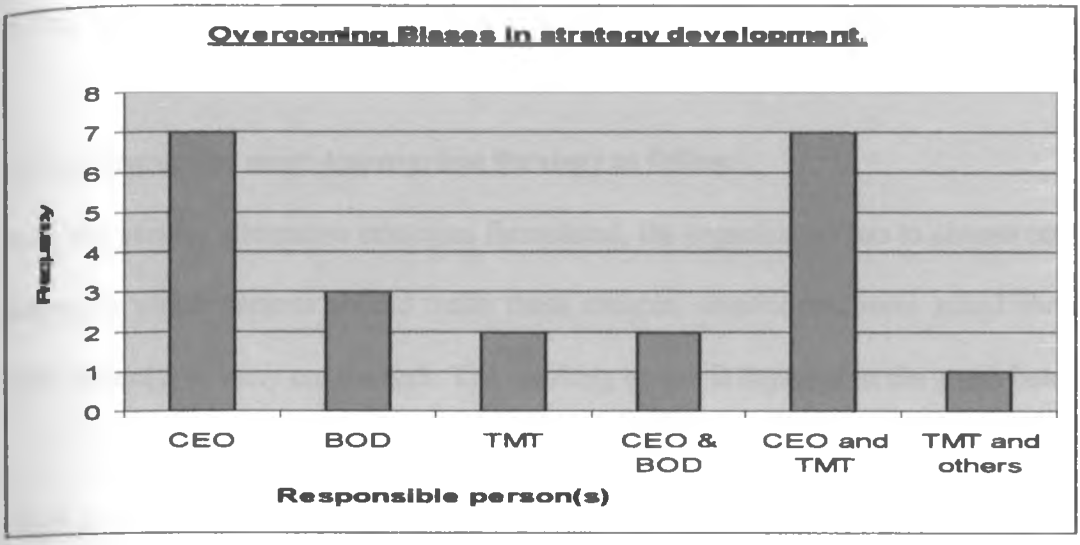
It can thus be seen from the graph above that CEOs and TMTs as a team were perceived to a greater extent, to be the ideal persons to come up with alternative strategies. The Board of directors featured less in this task. Other parties identified who were perceived to be involved in this role include consultants and representatives of mother companies.

The CEOs and TMT assumption of this role can be attributed to the fact that they are the ones with required competences and specific industry intelligence that is necessary in coming up with alternative strategies to attain the spelt out vision. The input of others, mainly consultants and mother companies was also highlighted.

c) Overcoming personal and organizational biases in strategy development.

In trying to establish whose role is to actually address organizational and personal biases in strategy development, respondents were asked to point out the person(s) they perceived should ideally address this issue. Their corresponding responses are graphed below.

Graph 3: Overcoming personal and organizational biases in strategy development.



Source: Research data

From the graph above it can be seen that this role was perceived to mainly belong to CEOs on their own and also in conjunction with the top management team members in the organization. The board of directors was perceived to be involved but to a lesser extent.

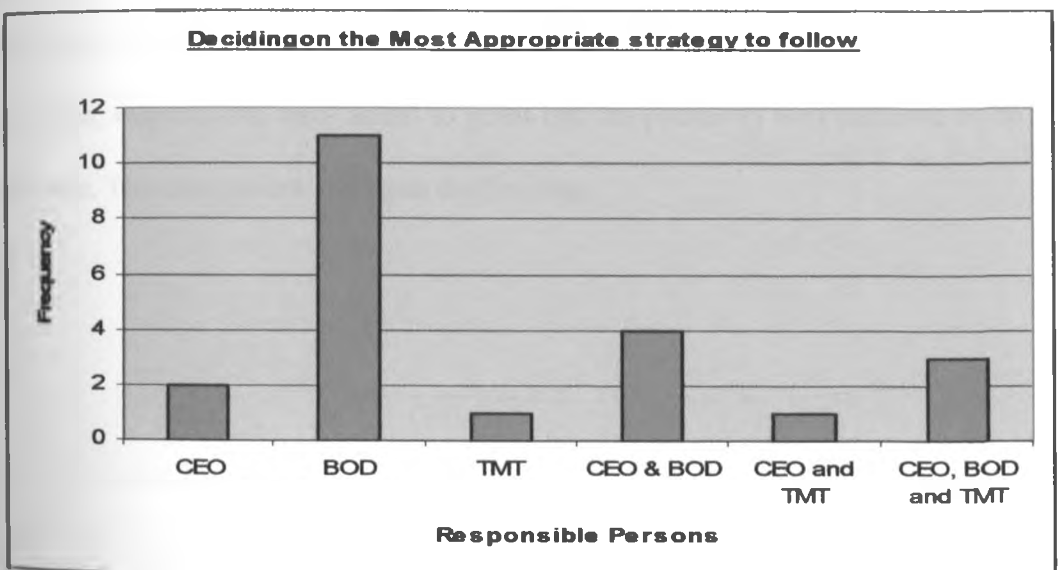
In any strategic change effort there will always be biases and barriers and a general inclination to try and maintain the status quo. These barriers range from environmental barriers, cultural barriers emotional barriers, barriers of perception and cognitive barriers. They are usually encountered in different measures at different stages in strategy development.

CEO's as corporate leaders and thus the formal change leaders view themselves as the requisite parties to deal with these biases. They however do this with the help of the top management team members and departmental heads. The Board is also involved but this could only be for instance in policy formulations to create a conducive environment to avert or contain the biases. The parties who seem to soil their hands in this are the CEOs and the top management team.

d) Deciding on the most Appropriate Strategy to follow.

From the various alternative strategies formulated, the organisation has to choose one or two. To determine which persons should make these choices, respondents were asked chose the most ideal person(s) to carry out the task. The resulting output is depicted in the graph below.

Graph 4: Deciding on the most Appropriate Strategy to follow.



Source: Research data

The task of deciding on the most appropriate strategy the organizations will follow seems to belong to the board of directors. This could be attributed to the fact that dedicating to a particular strategy usually involves a lot of resource commitments and can have both long term and short term effects on an organization's bottom line. CEO's and top management team's also play a part in this, albeit to a lesser extent. Their roles could be on advisory and clarification capacities.

4.34 Communicating the vision

In any strategic change effort, there is need to communicate the formulated vision to all organizational stakeholders so as to summon their energies towards the common organizational goal.

a). Selling the Change idea to other stakeholders of the firm .

Communication in a strategic exercise also involves selling the change idea itself to the different stakeholders in an organization. In order to establish who actually is responsible for selling the change idea, respondents were asked to point out the person(s) they perceive to be responsible for this role. The table below indicates the findings.

Table15: Selling the Change idea to other stakeholders of the firm.

	Responsible party	Frequency	Percent	Cumulative Percent
Selling the idea of change to other stakeholders	CEO	9	41	41
	BOD	3	14	55
	Others	1	5	59
	CEO & BOD	3	14	73
	CEO and TMT	1	5	77
	CEO, BOD and TMT	4	18	95
	CEO , TMT and others	1	5	100
	Total	**22**	**100**	

Source: Research data

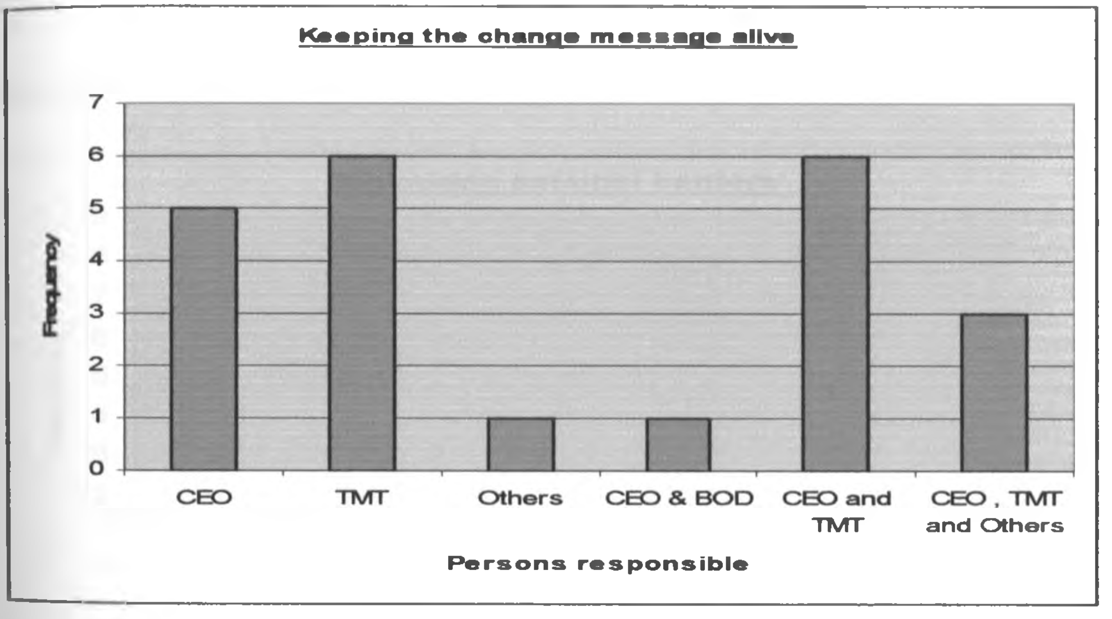
On this front the CEO's perceived this to be mainly their role, but with significant input from the board of directors and the top management teams. This could be attributed to the fact that the CEO as the formal corporate leader, is supposed to sell the change idea to stakeholders both inside and outside the organization.

The boards of directors are responsible in selling the change idea mainly to external parties to the organization and thus complementing the CEO's efforts. Top management team on the other hand, together with the departmental heads, (others) are mandated with supplementing the CEO's efforts in the immediate environment (e.g. customers, suppliers etc).

b) Keeping the change message alive and ongoing during a strategic change.

In any change effort, during the transition phase, there has to be continuous all round communication. In order to establish whose role it is, respondents were asked to identify persons who they perceived should carry out this role. Their corresponding response is as plotted in the graph below.

Graph 5. Keeping the change message alive and ongoing during a strategic change.



Source: Research data

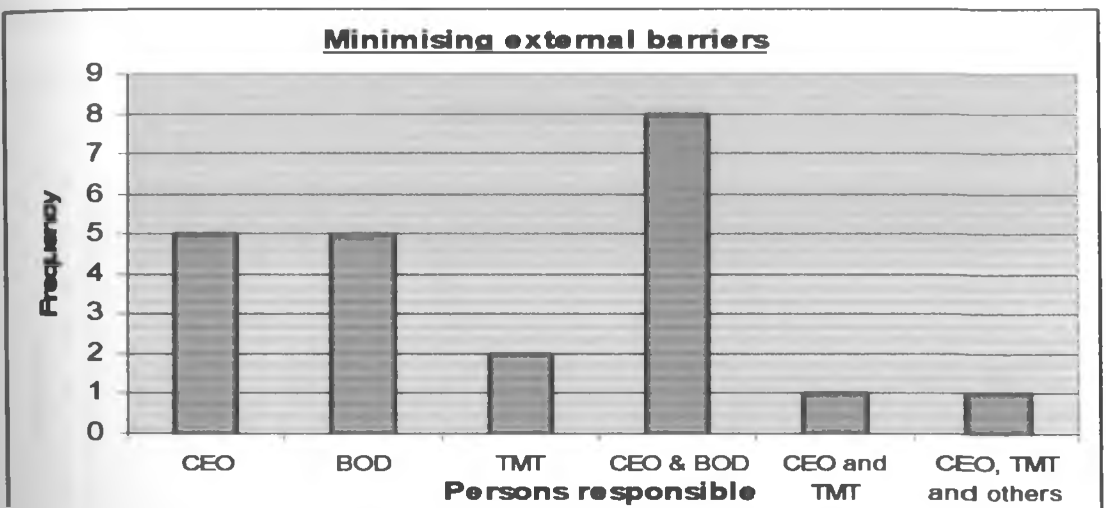
Just like the role of selling the change idea, keeping the change message alive seems to mainly belong to the CEO and the top management team, other parties involved to a lesser extent include the departmental heads.

4.35 Empowering others to act on the change strategy

a) Minimizing external barriers towards attainment of change goals

In any change effort, there will always be external (outside the organization) barriers that will need to be overcome and some just minimized to levels where the strategic change will be executable. To establish whose role this is, respondents were again asked to point out the person(s) they perceive ideally should carry out the task. Their responses are graphed below.

Graph 6: Minimizing external barriers towards attainment of change goals.



Source: Research data

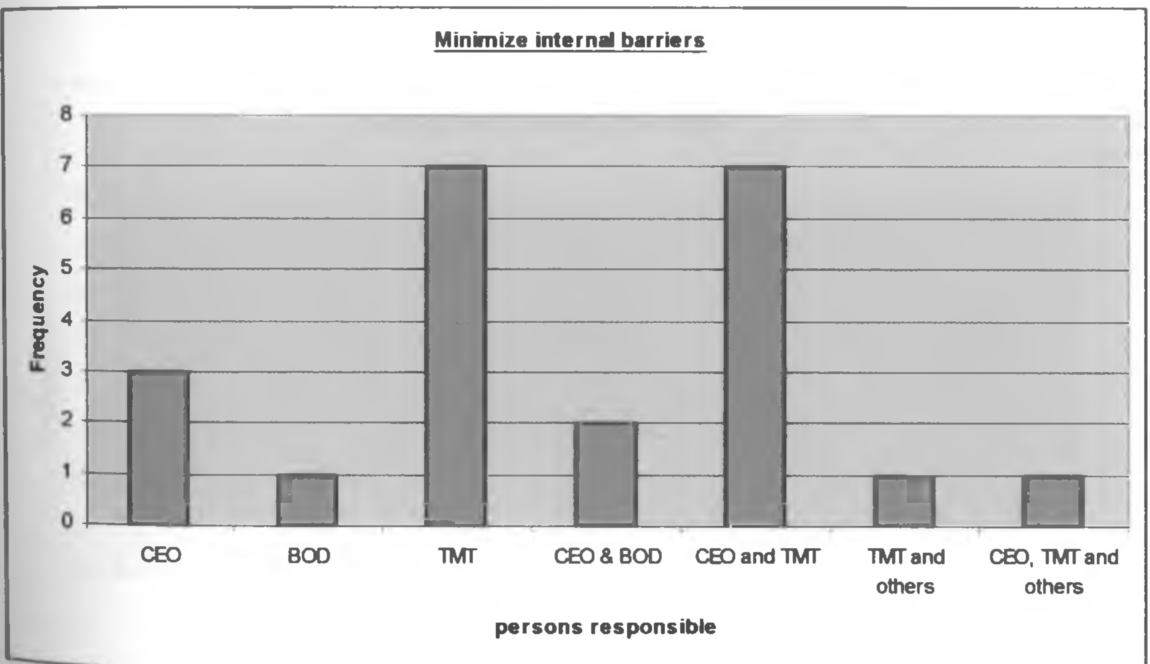
It can thus be seen that the CEO and the Board of director singly and as a team are perceived to be the key players in minimizing the external barriers.

External barriers to an organization change goals include such aspects as legal or political hindrances, resource limitations and all other elements in the external environment of the organization. The board of directors is perceive to assume this role to a greater extent in two folds; first of all is to try and level the field for their agents (managers) to achieve the set goals This may include aspects as lobbying and resource sourcing and securing. The other aspect is to safeguard their interests (wealth) in the organization from external forces.

b). Minimize internal barriers towards achieving the desired change goals

To establish whose role is to minimize internal barriers, respondents were asked to point out the person(s) they perceive ideally should carry out the task. Their responses are graphed below.

Graph 7: Minimizing internal barriers towards achieving the desired change goals



Source: Research data

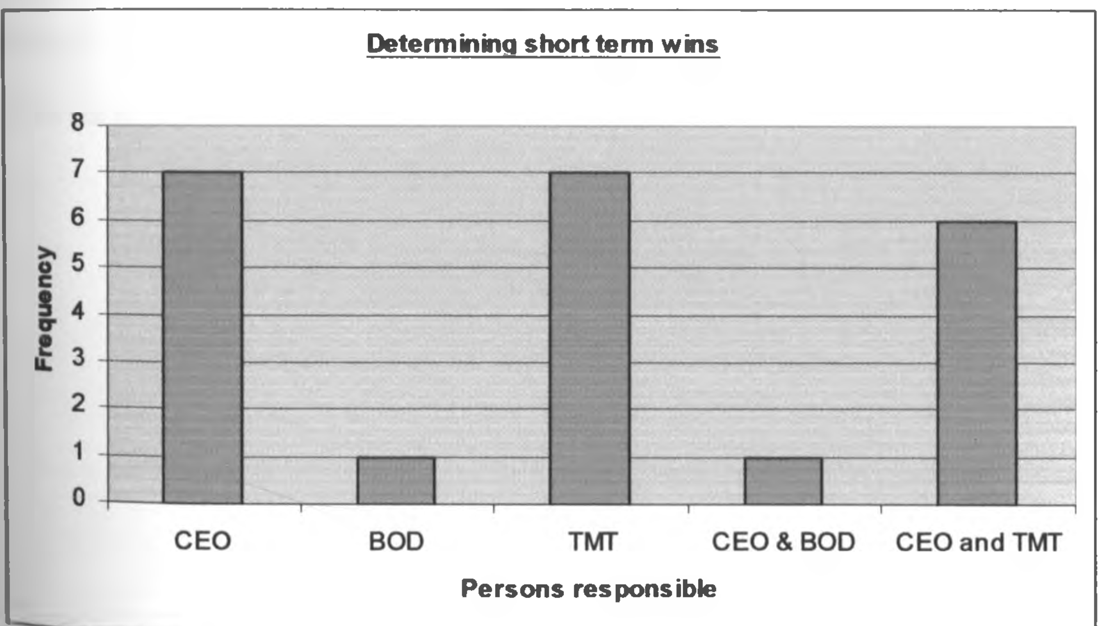
Internal barriers in strategic change can also be termed as either systemic or behavioral resistances. In minimizing these barriers/resistances, CEO's perceive this role to mainly belong to the top management team with moderate input from themselves (may be on policy issues or on fundamental issues with wide varying impact to the firm).

4.36. Plan for and create short-term wins

a). Determining when short term wins are to be recognized.

In order to establish who determines when short term wins are to be recognized in an organization, the respondents were asked to point out the persons they perceived to be in the best position to assume this role. The corresponding outcome is as depicted in the graph below.

Graph 8: Determining when short term wins are to be recognized.



Source: Research data

The respondents perceived this role to be one that should be shared equally between CEOs and the top management teams. In a strategic change exercise various projects will have to be carried out. Within these projects there will be milestones, events and tasks. CEO's may be involved in the larger picture of things i.e. determining and recognizing when a project is a success whereas top management teams can be mandated to recognize wins on aspects such as milestones, events and tasks within projects.

4.37 Consolidate improvements and produce still more change.

a) Determining transition from one phase to another in a strategic change process.

Strategic changes are usually broken down into phases or stages. To move from one phase to another has to be authorized after determining that the requirements of the previous phase are satisfactorily achieved. Respondents response on the person(s) who should determine this transition are as depicted in the table below.

Table 16: Determining transition from one phase to another in a strategic change process

	Responsible persons	Frequency	Percent	Cumulative Percent
Determining the transition from one phase to another	CEO	5	23	23
	BOD	4	18	41
	TMT	4	18	59
	CEO & BOD	4	18	77
	CEO and TMT	3	14	91
	CEO, BOD and TMT	2	9	100
	Total	**22**	**100**	

Source: Research data

This task was perceived to belong mainly to the CEO but with significant input from the Board of directors and top management teams. From graph 4, we saw that the Board of directors is mainly the one to decide on the most appropriate strategy to follow but coming up with the strategies lay with CEO's and top management team. Thus, once approved the CEO and top management team will be mandated to implement them. In determining the transition, the Board of directors comes in to ensure that what was to be done has actually been done, and to give consent to the CEO and top management team to go ahead and implement the next phase in a strategic change. Thus the board approves the progress so far and gives green light to further commitment of resources.

b) **Determining retention or dismissal of under-performing stakeholders**

As the changes are being implemented, some organizational stakeholder may be found not to conform to the required standards. This calls for their dismissal. In establishing who determined which stakeholder is to be dismissed, the respondents were asked to point out the person(s) who they perceived should ideally undertake this role. The table below shows the corresponding outcome (Table 17).

Table 17: Determining retention or dismissal of under-performing stakeholders

	Responsible party	**Frequency**	**Percent**	**Cumulative Percent**
Determining retention or dismissal of under-performing stakeholders	CEO	2	9	9
	BOD	2	9	18
	TMT	7	32	50
	CEO & BOD	2	9	59
	CEO and TMT	3	14	73
	CEO, BOD and TMT	5	23	95
	CEO, TMT and others	1	5	100
	Total	**22**	**100**	

Source: Research data

This role was mainly perceived to belong to the top management team to a larger extent while the Board of directors and the CEO were involved but to a moderate extent.

In strategic change efforts most of the change occurs within the organization as it tries to position itself towards threats or take up the emerging opportunities. Thus a lot of turbulence is felt by parties inside the organization. Top management teams being to ones mandated with minimizing internal barriers are in the best position to determine who to retain and who to dismiss among the internal and immediate stakeholders in the organization environment.

The CEO on the other hand determines mainly the retention and dismissal/retention of change leaders and drivers who are not performing. The Board of directors is also involved but mainly in keeping check to the performance of the CEO and his top management team.

4.38 Institutionalizing New approaches

a) Institutionalizing desired culture by the strategic change

For the strategic changes to be entrenched in the organisation, they have to be institutionized through incorporating them to the organization systems. To establish whose role is to institutionalize these approaches, respondents were asked to pick out the person(s) they perceived should ideally carryout this task. The table below indicates their corresponding outcome.

Table 18: Institutionalizing desired culture by the strategic change

	Responsible party	Frequency	Percent	Cumulative Percent
Institutionalizing desired culture by the strategic change	CEO	4	18	18
	BOD	2	9	27
	TMT	4	18	45
	CEO & BOD	2	9	55
	CEO and TMT	8	36	91
	CEO, BOD and TMT	2	9	100
	Total	**22**	**100**	

Source: Research data

From the table above it can be seen that this role was perceived to belong equally to the CEOs and the top management teams the Board of directors' input was minimal (may be on a supportive role).

A change in an organization strategy will necessitate the adoption of supporting culture. This culture has to be institutionalized into the organization through such vehicles as organization structure, organization policies, and rules and regulation, reward systems etc. culture institutionalizing is mainly an operational issue.

4.4 Extent of execution of actual roles

In order to determine the extent to which CEOs actually assumed key roles in a strategic change exercise; these roles were listed and the respondents asked to give their opinions on a 5 point Likert-type scale. The scale was graduated as; 1=very large extent, 2= large extent, 3= moderate extent, 4= some extent and 5= not at all.. The corresponding response was as in the table below.

Table 19: Extent of Execution of Actual Roles

	Navigator	Strategist	Entrepreneur	Mobilizer	Talent Advocate	Captivator	Global Thinker	Change driver	Enterprise guardian	Disturbance handler
Valid N	22	22	22	22	22	22	22	22	22	22
Missing	0	0	0	0	0	0	0	0	0	0
Mean	**1.5**	**1.5**	**1.23**	**1.45**	**1.95**	**1.45**	**1.5**	**1.5**	**1.14**	**1.82**
Std. Dev	**0.51**	**0.67**	**0.43**	**0.51**	**0.79**	**0.51**	**0.51**	**0.6**	**0.35**	**0.59**

Source: Research data

CEOs tended to execute the role of an enterprise guardian to a large extent as indicated by the low corresponding mean and standard deviation of 1.14 and 0.35 respectively. This is so because whatever the CEO does, it should be aimed at increasing the net worth of the enterprise. CEOs also tended to carry out the role of being entrepreneurs of their firms. This is so because, they are the ones mandated to lead the search for opportunities the firm can capitalize on. Roles not so much assumed by the CEOs include those of being disturbance handlers and Talent Advocates (with mean scores of 1.82 and 1.95 respectively). These findings correspond with the CEO's perceived roles on such aspects as dealing with minimizing internal barriers and determining the retention and dismissal of underperforming stakeholders in a strategic change exercise. Such roles are viewed to belong to top management team members.

4.5 Factors Influencing CEO's Roles

The roles CEOs assume in a strategic change exercise are usually influenced by a wide range of factors. Robin and Coutler (2002), Wang (2000) and McCarthy et al (1996) have identified among others; organization culture, ownership structure, power of the CEO, experience of CEO in strategic change, scope of the strategic change exercise and competence and experience of TMT in strategic change. In order to measure the extent to which these factors influence the role a CEO assumes in strategic change , these factors were measured against a 4 point Likert-type scale ; 1= very influential, 2= significantly influential , 3= less influential and 4= no influence. The corresponding response is as in the table below.

Table 20: Extent of the following factors in influencing the Roles CEO's assume in strategic change

	Organisation culture	Ownership structure	Power of CEO	Experience of CEO in strategic change	Scope of the strategic change exercise	Competence and experience of TMT in strategic change
N	22	22	22	22	22	22
missing	0	0	0	0	0	0
Mean	1.36	1.41	1.95	1.95	1.64	1.27
Std. Dev	0.58	0.59	1	0.65	0.73	0.46

Source: Research data

From the above findings it is thus clear that competence and experience of TMT in strategic change is a key determinant determining the roles a CEO will assume. When for instance the TMT members of an organization are competent and well experienced in strategic change, the CEO comfortably delegate some tasks with confidence that they will be carried out satisfactorily.

The organization culture seems to be another factor that affects the roles a CEO assumes. Organization culture, since in a way through formal or informal channels determines such critical aspects as communication, power and authority which in turn are variables of interest in any change effort goes a long way in determining the roles the CEO will assume.

The ownership structure and its representation in the organization also goes a long way in determining the roles the CEO will assume. In order to check the Agency problem in organizations, shareholders will usually elect executive directors to act on their behalf. These directors will be seconded to be in charge of the different functional areas of the enterprise. In so doing they assume some roles therein. This in one way or another tends to influence ultimately the roles the CEO will assume in a strategic change.

The scope of the strategic change; be it transformational or re-alignment also tends to influence the extent to which the CEO assumes even though not to a very large extent (mean of 1.64 and std. dev of 0.73). The CEOs experience and his corresponding position power in the organization have moderate influence on the role the CEO actually assumes in a strategic change.

CHAPTER 5: SUMMARY. CONCLUSION AND RECOMMENDATIONS.

5.1 Summary

It was clear from the CEO profile that majority of the firms 95% were headed by male CEO's. This could be attributed to a wide range of factors both in and out of the organization. External factors could include social-cultural factors in our society in to relation acceptance of female leaders and the allocation of equal opportunities for the girl-child in the society at large. Organizational factors also contribute to the male dominance in corporate leaders. Kent and Moss (1994) tacit that, in organizations, women need to be seen as experts in certain organizational spheres to be viewed as leaders and that and that the possession of masculine traits by leaders is viewed as a good thing. Thus the combination of these internal and external factors have in one way or another contributed to the few number of female CEOs at the NSE.

Majority of the respondents CEOs were fairly well experienced with over 50% of them having about 5 years experience as CEO's in other firms and besides more than 10years in middle management. This aspect of long periods of middle level management could be strength and the same time is a weakness during strategic change. It is much more evidenced when the CEO stops assuming his leadership roles and starts performing managerial roles in a strategic change effort. Applebaum and Paese, (2004) term this as "transitional conflict", where on assertion to corporate leadership position, CEOs fail to acknowledge the shift in expected roles and thus continue operating just as other top management team member but with increased authority. This is more evidenced in the inclination of most leaders' intention to perceive such managerial roles as translating complex situation into meaningful explanations and overcoming personal and organizational biases to organizational strategy development to be mainly their roles. This is not out rightly wrong but more of it should be done by the top management team with the CEOs moderate involvement.

On the other hand most CEOs showed a clear departure from direct involvement in such Management duties as talents advocates and internal disturbance handler, with majority of them performing these roles to a more moderate extent. This is very important as these roles are better solved at the operational levels of the organization thus leaving the CEO to concentrate more on strategic issues of the firm.

In terms of appointment of CEOs most of them were appointed by the leading shareholders in the firm. This is in one way or another contributed to the perceived views of most of the CEOs in terms of the roles the Board of directors' plays in strategic change. There was a strong view among the CEOs that the Board of directors should play a leading role in environmental analysis and strategy formulation (as characterized by perceived required active participation in step 1 and step 2) whereas they should assume lesser active roles in later stages (3-8) with the top management team taking charge. This tie with what Kanter, (1999) notes as the differences in strategic change leadership and strategic change management. Strategic change leaders should assume more of the navigator, strategist and Mobilizer roles but strategic change managers should be more concerned with such roles as talent advocate and disturbance handler. The latter is best played by members of top management team while the former should be played by the corporate leaders. However Kotter (1999) argues that effective organizational leaders should be in a position to play both roles effectively in order to effect an organizational strategic transition.

The perceived view of CEOs to organizational shareholders also gave an insight into the type of management styles practiced by most CEOs of listed companies at the NSE. Majority of them viewed themselves to be steer men/women who set direction 73% and coaches /mentors who functioned as facilitators 77%. This together with the observation that none viewed him/herself as a fixer who makes everything alright indicates that a participative and teamwork approach towards organizational management is practiced. This becomes even more evident with the increased participation of different people at different stages of strategic change exercise.

Thus from the perceived roes of CEOs in strategic change and actual roles played, it becomes clear that the corporate leaders (CEOs and the BOD) should actively be involved in setting organizational direction (their major role through environment scanning and strategy formulation and acceptance) whereas the CEO and the top management team should actively be involved in the implementation bit, albeit with more top management team input and the CEO acting mainly as a facilitator. The actual roles a CEO assumes in an organization are however greatly influenced by the organizational culture and the competence of the top management team in strategic management. The latter factor is crucial since it's the top management team who are involved in the day to- day implementation of the strategic change and thus their competence levels to deal with such change management aspects as resistance becomes crucial in determining how far the CEOs goes in assuming strategic change management roles beside the strategic relationship roles expected of him/her.

The scope of the strategic change (transformational or re-alignment) also determines to a large extent the role a CEO will assume. Re-alignment changes being incremental in nature can well be handled by the top management team whereas reconstructions (big bang in nature) which result in a lot of organizational re-alignment require more involvement from CEOs and Board of directors.

5.2 Conclusion

From the discussions above, it emerges that there is a correlation on what roles corporate leaders perceived to be their roles and what roles they actually assume in strategic change. For instance ,majority of the CEO's tended to view themselves as visionary leaders whose main task is to inspire trust and loyalty in the organization , steersmen, women who set direction for the organisation and mentors and facilitators towards the achievement of the set goals. This ties with the extent to which they assume certain roles in the organisation i.e. being a navigator, a strategist , entrepreneur and enterprise guardian were some of the actual roles CEOs tended to assume to a greater extent . These indeed are the strategic roles which should be assumed by corporate leaders in a strategic change exercise. However, in order to tie in the operational bits, corporate leaders have to assume some roles such as disturbance handlers and talent advocates to a lesser extent.

What leaders perceive to be their roles and what roles they usually assume is usually influenced by a wide range of factors. For instance, the competence and experience of the top management in strategic change is the most important determinant besides culture and formal power of the

CEO in the organization. When a CEO has less competent and experienced team, he/she is bound to assume more operational roles than is necessary. This may in turn lead to loss of concentration on the bigger picture of the strategic change exercise ands tart concentrating on the nitty gritty, which could have been well handled by functional staff. There is thus need to ensure that organizations building change competences in their operations. These findings correspond with what Kotter (1998) proposes on the importance of practicing on small and frequent changes in order to build strategic change competences in organizational people and systems. He notes that it is out of these small and frequent changes that eventually an organization is able to successfully handle even larger changes. Hence, for Kenyan companies to increasingly be in better positions to react and prepare for turbulence in their environments, it would be prudent to institute small and frequent changes sop as to building the requisite competences.

5.3 Recommendations

In terms of corporate leadership, corporate leaders should desist from falling back too much to an extent of assuming operational roles at the expense of strategic roles i.e. instances of "transition conflicts" where corporate leaders do not fully embrace their expected strategic roles but continue operating like functional managers. This can be addressed by building in change competences as discussed above and letting their functional managers handle the operational issues.

5.4 Limitations to the study

There was generally a high level of resistance among the CEOs to share their views on this topic. There was a perceived feeling that someone wanting to know how they carried out their strategic changes, hence a level of suspicion and consequent delay in filing the questionnaires. A lot of explanation and persuasion was required to counter his suspicion .However in some cases there was outright refusal to fill the questionnaire.

The research was also very broad in nature, in that it was difficult to pick for instance; who are all the participants in a particular step in the strategic change exercise, what roles do they play, what level of interaction exists and where are the limits of their involvement in the particular step. A more detailed research can be done to establish the different participants and the extent o which they play their roles in such steps as strategy formulation or even formulation of organizational vision.

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Appendix 1

Questionnaire.

SECTION A :

For Each question, please tick on your appropriate response or fill in the spaces provided

1. CEO's Name: ____________________
2. Firm Name: ______________________
3. Segment the firm is listed at the Nairobi stock Exchange
    - Agricultural
    - Commercial and Services
    - Finance and investment
    - Industrial and allied
    - Alternative investment market
4. Sex

    ☐ Male ☐ Female

5. Number of years as CEO in this Firm

    1 0- 5years

    2 5-10 years

    3 Over 10 years

5. Number of years as CEO in another Firm

    1 0- 5years

    2 5-10 years

    3 Over 10 years

6. Number of years spent in the middle level management

    1 0- 5years

    2 5-10 years

    3 10- 20 years

    4 Over 20 years

7. How are CEO's / Managing Directors appointed in this firm?
   - ☐ Competitive hiring from the Labor market
   - ☐ Appointed by the board from the top management team of the organization.
   - ☐ Appointed by the shareholder with the controlling stake in the firm e.g. Government
   - ☐ Other:

     ....

     ....

8. When was the last time your organization was involved in a strategic change exercise
   - ☐ Less than 5 years ago
   - ☐ More than 5 years ago
9. As a CEO / MD what do you perceive to represent to the organizational stakeholders
   - ☐ A charismatic figure representing power and control
   - ☐ A hero line; visionary leader who inspires trust and loyalty
   - ☐ A fixer who makes everything alright
   - ☐ A Steersman/ woman who sets directions
   - ☐ A Coach and mentor functioning as a facilitator

SECTION B. PERCEIVED ROLES OF CEOS IN A STRATEGIC CHANGE.

Please tick on who you perceive should ideally carry out the following tasks in the following steps in strategic change.

Step 1. Establishing a sense of Urgency for change: This step involves such aspects as examining market and competitive realities and identifying and discussing crises, potential crises or major opportunities.

	CEO	BOD	Top mgt team	Others (specify)
a) Whose role is it to continuously look beyond the current year for developments of interest to the firm?				
b) Who should translate Complex situations into simple, meaningful explanations that others can grasp?				

Step 2. Form a powerful guiding coalition / creating a guiding group: When it has been established that there is need for change it becomes necessary to assemble a group with enough power to lead the change effort and then encourage it to work as a team.

	CEO	BOD	Top mgt team	Others (specify)
a) Who should determine the composition of the change leaders and change drivers in the organization?				
b) Who is responsible for building and facilitating a culture that embraces the change?				

Step 3. Developing a Vision / Strategy: Once a team has been formed to lead the change effort, it becomes necessary to create a vision and strategies to achieve that vision.

	CEO	BOD	Top mgt team	Others (specify)
a) Who should be mandated to come up with the vision for the organization on which the change team will work towards?				
b) Whose role is to come up with alternative strategies to attain the vision?				
c) Who should help in overcoming personal and organizational biases ands thus avoid "the way we do it here" thinking in strategy development.				
e) Among the alternative strategies formulated, who should decide on the most appropriate strategy to follow?				

Step 4. Communicating the vision: The formulated vision and strategies should be communicated to all stakeholders in the organization.

	CEO	BOD	Top mgt team	Others (specify)
a) Who should sell the idea of change to other stakeholders of the firm?				
b) Whose role is it to keep the change message alive and ongoing during a strategic change exercise?				

Step 5. Empowering others to act on the change strategy: This involves such aspects as getting rid of obstacles to change, such as structures and systems that undermine the vision. It also involves encouraging risk taking and non-traditional ideas activities, and actions.

	CEO	BOD	Top mgt team	Others (specify)
a) Whose role should it be to minimize External barriers towards the achievement of the desired change goals?				
b) Whose role should it be to minimize internal barriers towards the achievement of the desired change goals?				

Step 6, Plan for and create short - term wins; this involves planning for visible performance improvements and actually creating those improvements.

	CEO	BOD	Top mgt team	Others (specify)
a) Who should determine when short term wins are to be recognized in a change exercise?				

Step 7, Consolidate improvements and produce still more change. After building credibility to the change efforts, more changes can be brought on board on such aspects as systems, structures and policies that don't fit the vision. The process can be reinvigorated with new projects, themes and change agents.

	CEO	BOD	Top mgt team	Others (specify)
a) Who should determine the transition from one phase to another in a strategic change process?				
b) In bringing more improvements, who should determine the retention or dismissal of stakeholders who can (t) implement the vision?				

Step 8, Institutionalize new approaches. This step involves ensuring that the new behaviors brought about by the change effort are ingrained in the culture of the organization and in the process discarding behaviors that are not inline with the desired change.

	CEO	BOD	Top mgt team	Others (specify)
a) Whose role should it be to institutionalize the new organizational culture desired by the strategic change?				

SECTION C: ACTUAL ROLES CARRIED OUT BY CEOS IN STRATEGIC CHANGE

To what extent do you as a CEO/ MD assume the following roles in strategic change in your firm? (1=Very large extent, 2=Large extent, 3= Moderate extent, 4=Some Extent, 5=Not at all)

	1	2	3	4	5
• Navigator (creating meaning out of complex issues)	( )	( )	( )	( )	( )
• Strategist.	( )	( )	( )	( )	( )
• Entrepreneur(Identifying & exploiting opportunities)	( )	( )	( )	( )	( )
• Mobilizer of stakeholders, capabilities and resources.	( )	( )	( )	( )	( )
• Talent Advocate: Attracting, developing requisite talent.	( )	( )	( )	( )	( )
• Captivator: Building passion and commitment towards change.	( )	( )	( )	( )	( )
• Global thinker: incorporating information from all sources to optimist organizational performance.	( )	( )	( )	( )	( )
• Change driver : Challenging the status quo and breaking paradigms.	( )	( )	( )	( )	( )
• Enterprise guardian : Ensuring the value of the organization shareholders preserved.	( )	( )	( )	( )	( )
• Disturbance Handler; Handling any hiccups in the change exercise.	( )	( )	( )	( )	( )

10. To what extent do the following factors ultimately affect the roles CEO's/MD's actually assume in a strategic exercise? (1= Very influential, 2 = Significantly influential, 3= Less influential, 4 = Insignificant influence)

	1	2	3	4
a) Organization culture	( )	( )	( )	( )
b) Ownership Structure	( )	( )	( )	( )
c) Power and Control Exercised by the CEO	( )	( )	( )	( )
d) Experience in Strategic Change exercise	( )	( )	( )	( )
e) Scope of the strategic Change exercise.	( )	( )	( )	( )
f) Competence and experience of top Management in strategic change.	( )	( )	( )	( )

11. How would you rate the outcomes of strategic change efforts in your organization?
( ) Very Successful, ( ) Successful , ( ) Acceptable, ( ) Below Expectation , ( ) Poor

END

THANK YOU FOR TAKING TIME TO COMPLETE THE QUESTIONNAIRE.

	Firms Listed at the Nairobi Stock Exchange
	Main investment Market sector
	Agricultural
1	Unilever Tea Kenya ltd
2	Kakuzi
3	Rea Vipingo plantations ltd
4	Sasini tea& coffee ltd
	Commercial And Services
5	Car& General (K0ltd
6	CMC Holdingltd
7	Hutchings beimer ltd
8	Kenya Airways
9	Marshals (E.A) ltd
10	NationMedia Group
11	TPS Serena ltd
12	Uchumi Supermarkets ltd
	Finance and investments
13	Barclays Bank Ltd
14	C.F.C bank Ltd
15	Diamond Trust Bank Kenya ltd
16	Housing Finance Company ltd
17	I.C.D.C Investments co.Ltd
18	Jubillee Insurance Co ltd
19	Kenya Commercial Bank ltd
20	National Bank ofKenya Ltd
21	NICBank ltd
22	Pan African insurance Holdings Ltd
23	StandardChartered Bank ltd
	Industrial And Allied
24	Athi river Mining
25	BOC kenya ltd
26	Bamburi Cement ltd
27	British Ameriacn Tobacco Kenya
28	Carbacid Investments ltd
29	Crown berger ltd
30	Olympia Capital Holdingsltd
31	E.A cables Ltd
32	E.A portland CementLtd
33	East Africa brewries ltd
34	Sameer Africa ltd
35	Kenya Oil Co ltd
36	Mumias Sugar co
37	Kenya Power and lighting ltd
38	Total Kenya ltd
39	Unga Group ltd
	Alternative Investment Market Sector
40	A . Baumann & co ltd
41	City Trust ltd
42	Eaagads ltd
43	Express ltd
44	Williamson Tea Kenya ltd
45	Kapchorua Tea Co ltd
46	Kenya Orchards ltd
47	Limuru Tea Co.ltd
48	Standard Group Ltd

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DATE 12th JULY 2005.

TO WHOM IT MAY CONCERN

The bearer of this letter STEPHEN CHEGE

Registration No: D61/7235/03

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.

MBA OFFICE
FACULTY OF COMMERCE
NAIROBI UNIVERSITY

JACKSON MAALU
CO-ORDINATOR, MBA PROGRAM