CHANGE MANAGEMENT PRACTICES AT
KENYA PORTS AUTHORITY

BY

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DECLARATION

This management research project is my original work and has never been presented for the award of a degree in any other university or institution of learning.

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

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DEDICATION

To my dear wife Mary Mwandikwa, My dear Children: Margaret Muyathi, Rachael Kanyiva and My beloved Pastor, Pst. Robert Ngatia.
ACKNOWLEDGEMENTS

I humbly thank God the almighty for making all these things possible and for the gift of life. His grace has been sufficient always. Through Him, I can do all things. In him I trust and find the strength continue living.

I would also like to sincerely thank my wife Mary Mwandikwa, my children Margaret Muyathi and Rachael Kanyiva for the love, patience and support they gave me throughout the period I was pursuing the MBA program. I particularly thank my wife Mary for the very valuable ideas, and as I was burning the midnight lamp, she was busy praying for me. To my children, sincere thanks for allowing me to do my homework at home, sometimes at you cost. To my pastor, special thanks for the prayers, encouragement and support you gave me throughout the program.

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ABSTRACT

With increased globalization and the ever changing World, organisations nowadays have come under intense pressure to fundamentally change how they operate and contact business if they have to ensure their survival and competitiveness. As organisations undertake the changes, serious challenges do occur that require unique techniques to deal with. Key among these challenges is opposition to change coupled with the desire by some of the stakeholders to maintain the status quo. Understanding how organisational management deals with these challenges to continue surviving and remain competitive is imperative.

Inspired by this concern, this research therefore, sought to inquire if there are change management practices which organisations going through the change transitions can use to overcome the main challenges to change. Kenya Ports Authority, which is the subject of this study, undertook changes to its strategic direction, organisational culture, internal process and performance management systems which elicited serious challenges. A case study was carried to find out how KPA dealt with these challenges. The researcher carried out personal interviews with KPA Heads of Sections, Dock Workers Secretary General, Senior Shop-Stewards, Section Shop-Stewards, top managers of selected ten major Clearing & Forwarding firms, Ships Agents as well as Unit Heads of Other Government Agents (OGAs) operating in the port; at Inland Container depot (Nairobi) and Kilindini Harbour (Mombasa).

According to the study, Kenya Ports Authority was able to successfully manage the challenges to change by use of use of various strategies and change management practice techniques such as cultural adjustment, support by the top management, communication, participation, training and coercion. The study also came up with three recommendations which organisations should take cognizance of when faced with similar challenges. One of these recommendations is that, it is important for managers and change agents to be competent in managing the change process. Two, organisations going through change
should clearly identify and understand the causes of resistance to change as and when it occurs. Lastly, it is important to acknowledge the importance of the positive element of resistance in the whole change process.

This research contributes to the existing literature in change management and can act as a guideline on how to successfully manage challenges to organisational changes.
CHAPTER ONE: INTRODUCTION

This chapter is devoted to the general area under the study that calls for a need to investigate in order to determine the solutions. The chapter is organized into sub headings and covers the background of the study, overview of change management Practices, Kenya Ports Authority (KPA), statement of research problem, aim of the study and the significance of the study.

1.1 Background

Generally defined, change is a transition from one state to another with focus on being different. It is the only constant in today’s life for both individuals and organizations. Change can be reversible or non-reversible. It can also be incremental, bumpy incremental, transformational or discontinuous. At the organizational level, change can either be strategic or operational. To remain relevant, organizations must always respond to the continuously changing environment by developing and embracing the best change management practices. These practices entail proper planning, implementation, monitoring and controlling of the change efforts to fit a particular environmental context.

1.1.1. Overview of Change Management Practices

Cole (2004) notes that to change something imply altering it or modifying it in someway. Organizations change or adapt to what they want to achieve and on how to achieve it. He further observes that some organizations changes mainly in response to external circumstances (Reactive change) while others change principally because they have decided to change (proactive changes). Ansoff and McDonnell (1990) assert that change has become increasingly complex, novel and discontinuous from the past experiences. Accelerated by the frequency of changes and rate of diffusion of change, today’s world has moved from being evolutionary to revolutionary. Fay and Luhrmann (2004) point out that organizations are constantly being forced to go through continuous adaptation due to forces of globalization, increased competition, changes in information technology and deregulations.

The World is continuously changing and so organizations in it need to change in order to survive (Greenberg & Baron, 2002). Hofer and Schendel (1978) view strategic change as the changes in
the content of a firm's strategy as defined by its scope, resource deployments, competitive advantages, and synergy. To others, strategic change is defined as a difference in the form, quality, or state over time in organization's alignment with its external environment (Rajagopalan & Spreitzer, 1997).

The concept of resistance is central to the change management phenomenon. Resistance frequently occurs to organizational change that has a potential of personal impact. Resistance can simply be defined as a fearful response to any major change. Ansoff (1990) define resistance as a multifaceted phenomenon, which introduces unanticipated delays, costs and instabilities into the process of change. He further argues that resistance to change is not confined into introduction of strategic planning. It occurs whenever an organizational change introduces a discontinuous departure from the historical behaviour, culture and power structure (p.404). Cole (2004) opines that most people need to be persuaded of the need to change. Some people fear change and must be convinced to change.

Resistance to change is not just an imaginary phenomena but a reality. The truth is that every human grouping has some forces within it which keep it together and provide it with stability and others which provide it with the need for change or for adaptation. Lewin (as cited in Cole, 2004) states that all behaviour is a result of equilibrium between two sets of opposing forces, the driving forces and the restraining forces. This means that, if one could identify, plot and establish the potency of these forces, then it would be possible not only to understand why individuals, groups and organizations act as they do, but also what forces would need to be diminished or strengthened in order to bring about change.

Resistance to change therefore is a product of the change process. It can occur at the individual level (behavioural) or Organizational level (systemic). Being unable to manage resistance at organizational level is a mistake that accounts for failures of new businesses, mergers, organizations and other strategic change efforts (Reynolds, 1994). Coghlan (1993) points that, it is very important that organizations have proper understanding of the process that leads to change as well as the underlying causes of resistance to change. To remain competitive, organizations must effectively manage change. They must deal with both objective and subjective conditions of change management practices in organizational transitions.
Change management is the use of systematic methods to ensure that an organization’s change can be guided in the planned direction, conducted in a cost effective manner and completed within the targeted time frame and with the desired results (Davis & Holland, 2002). Change management involves the process to plan, initiate, realize, control, and finally stabilize changes on both, corporate and personal levels. It may cover diverse problems such as strategic direction or personal development programs for staff. It entails a continuous adoption of corporate strategies and structures to changing external conditions. Change management comprises both, revolutionary one-off projects and evolutionary transformations. Change management is a structured and systematic approach to achieving a sustained change in human behaviour within an organization (Todd, 1999).

Prosci tutorial (2010) defines Change management as “the set of tools, processes, skills and principles for managing the people side of change to achieve the required outcomes of the project or initiative” (p.1). Change management (or change control) is the process during which the changes of a system are implemented in a controlled manner by following a pre-defined framework/model with, to some extent, reasonable modifications. Change management is therefore a process with specific focus to people who are directly or indirectly affected by changes. In order to successfully manage change processes, managers need to know what changes to expect, the types and situations as well as possible problems likely to be experienced including causes of resistance and possible solutions.

The responsibility for managing change is with the management and executives of the organisation; they must manage the change in a way that employees can cope with. The manager has a responsibility to facilitate and enable change by understanding the situation from an objective standpoint (to 'step back', and be non-judgmental), and then to help people understand reasons, aims, and ways of responding positively according to employees' own situations and capabilities. Increasingly the manager's role is to interpret, communicate and enable but not to instruct and impose, which nobody really responds to well. A good change management practice strategy is a critical success factor in implementation of changes in the organizations.
1.1.2. Kenya Ports Authority (KPA)

The Kenya Ports Authority was established by an act of Parliament (CAP 391 of the laws of Kenya) in 1978 to manage the Port of Mombasa. In 1986, Kenya Cargo Services, then a privately owned company and KPA were merged together to create a bigger KPA. The history of the Port of Mombasa dates back to 12th century when dhow trade flourished between East Africa and the Arabian Gulf. Today, the Port of Mombasa is the largest and busiest port in east and central Africa consisting of sixteen deep-water berths with a quay length of 3,004 metres. Three of these berths with a total quay length of 600 metres are dedicated to container traffic (KPA, 2004) the other berths are dedicated to conventional cargo.

KPA mandate includes management of the port of Mombasa which includes; Kilindini Harbour, Port Reitz, the Old Port, Port Tudor and the whole of the tidal waters encircling Mombasa Island (KPA, 2006). The Authority also manages small ports of Kilifi, Funzi, Kiunga, Lamu, Malindi, Shimoni, and Vanga. KPA has developed inland container depots (ICDS) at Nairobi, Kisumu and Eldoret to bring services closer to its customers and decongest the Port of Mombasa. KPA plays a significance role in the economies of Kenya, Uganda, Tanzania, Rwanda, Burundi, Ethiopia, Southern Sudan and Somalia.

Due to the critical role it plays in the national and regional economies, KPA is required to remain efficient and competitive. This means that the Authority should never be static but always changing in line with the dynamic global environment. Attempts by KPA to successfully implement and manage changes have been a major challenge to the Authority due to several factors. First, KPA being the only body managing the seaports in Kenya has multiple stakeholders who include Government agents, Clearing & Forwarding agents, Ships agents, Transporters, CFS operators and Ship chandlers among others. All these stakeholders have different interest in the port. Any attempts by KPA to introduce changes in the port will in one way or another affect some of these stakeholders negatively resulting to opposition and resistance from those interested in maintaining the status quo.

Secondly, KPA like any other Parastatal in Kenya is exposed to political manipulations. The senior managers in KPA are political appointees and owe their allegiance to their political
godfathers. Politicians have a lot of personal interest in port management especially in the areas of employment and procurement. For a long time now, the Port of Mombasa has been operating unprofessionally due to pressure exerted on its management by politicians and their cronies. Efforts by the port management to professionalize the port operation by introducing changes have always been resisted by the political class. In some cases, hardworking KPA chief executives have been summarily dismissed in order to protect Political and business interests of certain politicians.

Closely linked to these political maneuvers are the cultural and historical aspects. The local ethnic groups and business class at the coast tend to regard the port as theirs. As a result of this perception, they always strive to have a say in the way things are done at the port by working hard to maintain the status quo. This group together with some KPA employees has been in the forefront in opposing any change that is likely to affect the organizational structure of KPA for fear of losing their jobs and lucrative contracts. All these factors have made management of change at KPA a complex and difficult exercise.

All in all, the management of KPA has been undertaking specific change management practices in an attempt to turn around the port and make KPA a modern professional port Authority. These change management practices include the development of vision and mission statements, as well as strategic plans and a port master plan. These changes have resulted in improved performance and enhanced port throughput in the last few years. Between 2004 and 2009, the Port of Mombasa has seen an increase of cargo from 12,920,000 to 19,062,000 tones which is an increase of about 8.2% per annum. Container traffic over the same period raised from 438,597 TEUs to 618,816 TEUs a rate of 7.2% per annum (KPA, 2009).

KPA has also made significant strides to automate key port services. The Authority’s Information and Communication Technology (ICT) strategy is driven by its vision to be rated amongst the top twenty ports in the world in terms of reputation and performance by the year 2010. To achieve this KPA, adopted a fully integrated IT strategy in 2001 that encompasses Enterprise Resource Planning Systems, Water Front System and Community Based System, all web enabled. Kenya Ports Authority has also teamed up with other key stakeholders to offer 24 hour service at the Port of Mombasa. Besides, KPA has implemented changes that have seen the
Port of Mombasa become compliant with the International Ship and Port Facility Security (ISPS) code and ISM code (KPA, 2009). To reduce congestion at the port, KPA has partnered with private container freight stations (CFSs) to enhance cargo clearance from the port. As a result of the implementation of these strategic changes, Kenya Ports Authority attained ISO 9001 certification in 2009.

All these changes have affected different stakeholders in one way or another. It is therefore expected that the implementation of the above changes was not an easy task and specific change management techniques must have been taken to implement these changes.

1.2. Statement of Research Problem

Management of strategic change has been a major problem in organisations throughout human history. Change management professional and researchers have always been working hard to come up with strategies and change management practice techniques to successfully implement organizational changes. The world today is going through a time of unprecedented change. The environment has become too turbulent and the changes experienced are happening at faster rates than never before. Consequently, many techniques used by organizations on daily basis to manage their affairs tend to become outdated overnight. Organizations, therefore, need to be responsive to advances in the changing environment; its employees’ work skills must evolve as the world evolves. Organizations that fail to change are likely to be wiped out within a few years. To remain competitive and prosper in today’s dynamic business environment, managers in organisations must continually be innovative and adaptive to new change management practices and techniques in line with the changing world.

Key areas targeted by the change management practices include: organizational visions and missions, strategic direction, structures, technology and general practices. The implementations of these changes affect stakeholders in different ways resulting to resistance by some stakeholders to safeguard their interests and thwart any perceived threat to the status quo. Besides, successful implementation of changes in many organisations has proved to be a big challenge to the management. In order to survive, therefore, organisations must deploy the most appropriate and effective change management practices and techniques.
Kenya Ports Authority (KPA), like all other organization has not been left out by the challenges brought about by the changing global economy. Among the major challenges experienced by KPA include intense competition from different players in the maritime industry especially from the ports of Daresalaam, Durban and Djibouti as well as increased customer awareness and demands for better services. Others are the desire by KPA to satisfy her customer in line with the emerging concept in the world of ‘customer satisfaction.’ This coupled with changes in government policies particularly on liberalization and performance contracting has necessitated serious rethinking on the part of Kenya Ports Authority management.

In addition the concept of the land lord ports is gaining momentum in Kenya and many of the functions previously performed by KPA are now being outsourced in line with the Port Master Plan (KPA 2003). To mitigate on these challenges, Kenya Ports Authority has embarked on several strategic changes. Due to involvement of many stakeholders in the port industry, the changes implemented by KPA are expected to have experienced resistance from some of the stakeholders and therefore, provided a big challenge to the port management.

A number of studies have been undertaken by different scholars on change management practices including those by Rukunga (2003), Njanja (2002), Mutuku (2004), Njenga (2006), Odhiambo (2006), Nyororo (2006), Langat (2006), Awino (2007), and Kiai (2007). Similar Studies on Kenya Ports Authority including those by Tai (2007) and Abdulaziz (2003). However, none of these studies has touched on the concept of change management practices at Kenya Ports Authority.

1.2. **Aim of the Study**

The aim of this research is to try and answer the following key question in regard to Kenya Ports Authority: What are some of the change management practices implemented at Kenya Ports Authority?

1.3. **Research Objectives**

The objective of the study is;
To establish the strategic change management practices deployed at Kenya Ports Authority.
1.4. Significance of the study
The findings of this study will build the existing knowledge which can be used by academicians, scholars and researchers as reference point in examining change management practices. The findings will also assist KPA and the Government of Kenya in the management of future changes in KPA.

1.5. Scope of the Study
The study will focus on Kenya Ports Authority. The choice of this state corporation as a case study is because it is the only seaport authority in Kenya. The study will focus on the change management practices used by KPA to manage change in line with the changing environment.
CHAPTER TWO: LITERATURE REVIEW

2.1. Introduction
This chapter is deals with the review literature related to change management practices. It covers theories and concepts of change management practices as highlighted by different studies and scholars. The chapter is organized in to sub headings of change management, organizational change, challenges to change management practices, understanding resistance to Change, managing change and common mistakes in change management practices.

2.1.1. Change Management
The phrase "change management" mean different things to different people. To some it is simply communication and training while others see it from an IT perspective as the process for managing hardware and software version controls. In the project management world, the phrase has sometimes been used to describe the steps for addressing a change in schedule or scope. And, in the change management community, some people view change management as managing the people side of change. There is however, a simple logic flow that leads to the general definition of change management and to why change management is necessary for the many transformational and improvement efforts underway in organizations today. This flow suggests that Projects and initiatives in the organization are launched in order to cause improvements in performance (why) by making changes to processes, systems, tools, job roles, organization structures (what) which ultimately require individuals to change how they do their jobs (how). Change management entails thoughtful planning and sensitive implementation, and above all, consultation with, and involvement of, the people affected by the changes. If changes are forced on people problems normally arise. Change must be realistic, achievable and measurable. These aspects are especially relevant in management of personal change practices. For instance, whenever an organization imposes new things on people the degree of resistance increases. Participation, involvement and open full communication are important change management practices for successful implementation of change.

Prosci tutorial (2010) define change management as the set of tools, processes, skills and principles for managing the people side of change to achieve the required outcomes of the
project or initiative. Once the people’s component of change management is properly addressed, it becomes very easy to manage the technical side of change.

Several studies on benchmarking data clearly show close correlation between managing the people side of change and achieving the required outcomes of the project or initiative. Prosci’s correlation analysis of data from the 2007 and 2009 benchmarking studies shows that projects with excellent change management practices are six times more likely to meet objectives than those with poor change management strategies. Whether at individual or organizational level, management of people’s component of change is very critical.

Successful change management strategies and practices must, therefore, include the people’s component of change. ADKAR® Model presents a simple but powerful framework for describing successful change at the individual level. ADKAR states that for an individual to make a change, he or she needs: awareness of the need for change, desire to participate and support the change, knowledge on how to change, an ability to implement required skills, behaviors and reinforcement to sustain the change. Changes are successful when each employee who must do things differently has Awareness, Desire, Knowledge, Ability and Reinforcement. Change management is a holistic and structured approach for enabling and supporting individual change. It requires tools, processes, skills and principles to be effective. In the end, the degree to which the people side of change is effectively managed determines the value a project or initiative delivers to the organization.

By working to bring about a clear and shared definition, change management Professionals can be more effective and credible within the organizations and projects they support. Wikipedia (2010) define change management as a structured approach to transitioning individuals, teams, and organizations from a current state to a desired future state. Change management (or change control) is the process during which the changes of a system are implemented in a controlled manner by following a pre-defined framework/model with, to some extent, reasonable modifications. Effective change management practices, therefore, requires to be approached from both an individual and an organizational perspectives. The individual perspective answers the question: How does one person make a change successfully? This is the question the ADKAR Model tries to answer by looking at the five building blocks of successful individual
change of Awareness, Desire, Knowledge, Ability and Reinforcement. The organizational perspective answers the question: What do change management practitioners do to support individual change.

Lewin (1943) notes change involves a move from one static state via a state of activity to another static status quo through a three-stage process of managing change: unfreezing, changing and re-freezing. Threats to the status quo cause discomfort among the people. Lewin regarded this as a 'frozen' state and suggested that significant effort may be required to 'unfreeze' them in order to get them to change. This usually requires some form of intervention to get them moving such as a restructuring, or the creation of some form of real crisis - or the perception of a real crisis. Once the people ‘unfreeze’, then a change manager or agent need to use change management techniques to move them to the desired place and create a refreezing environment for the new status quo to take root.

2.1.2. Organizational Change
The main aim of organizational change is to adapt to the environment and or to improve in its performance. Without changing, organizations may not survive since the environment is dynamic and sometimes very turbulent. There are four types of organizational changes namely; Strategic changes, Technological changes, Structural changes and Changing the attitudes and behaviors of personnel. Pearce and Robinson (1997) point out that powerful forces in the environment are pressuring public and private organizations to alter permanently existing strategy, structures, policies, technology and practices. Reger, Mullane, Gustafson and DeMarie, (1994) assert that organizations are nowadays forced to operate in increasingly dynamic environments and are therefore under great pressure to fundamentally change the way they do business.

Changes in organizations differ in scope; some are minor while others are very major. Greenberg and Baron (2002) note that first order changes are those that are continuous in nature and involve minor shifts in the way organizations operates. These are deliberate incremental changes undertaken by organizations. According to Goodstein and Burke (1991) the other type of changes is usually strategic, transformational and revolutionary. This is usually referred to as second order changes and involves radical transformations, where organizations drastically
change the way they do business. Ansoff and McDonnell (1990) note Changes have become increasingly complex, novel, and discontinuous from past experiences. Equally, the challenges to change have increasingly become simultaneous and hence the need for societal involvement in determining how the firm is to be run is more critical now than before.

To implement changes successfully, organizations need to be adept in managing transitions. Goodstein and Burk (1991) assert that the process of change management deals with aligning people, resources and cultures with a shift in organizational directions. During these transitions, many organizations usually encounter many problems that cause delays and additional costs thus affecting implementation of the desired changes. One of the biggest challenges faced by organizations going through change is posed by resistance to change (Bovey & Hede, 2001).

### 2.1.3. Challenges to Change Management Practices

One of the main challenges to change management is resistance. Broadly defined resistance is a fearful response to any major change (De Jager, 2001). In most cases organizations and people are contented with the status quo especially if it represents a certain level of comfort. They thus tend to oppose any change that may distort their comfort. Organizations and people are innately adverse to any radical changes (Nichos, 2000). The general argument is that when confronted with rapid change, they get rigid, freeze up and usually rebel against the change. According to Johnson and Scholes (1998) resistance in organizations occur at two distinct levels; organizational and individual. Resistance to Change may become manifest in employee behaviour and structural dysfunction (Ansoff & McDonnell, 1990).

Regardless of how widespread or systematic change is in organization, ultimately it is personal. Response to change therefore depends on the how people perceive it. Opposition frequently occurs as a response to an interpersonal or organizational change that has a potential of personal impact. Positive reactions can be supportive of change and yield to its success, while negative reactions can undermine or thwart planned change (Schalk & Campell, 1998). The relationship between individual and organizational resistance to change is important (Lorenzi, Riley, Ball & Douglas, 1995). An organization is a complex system of relationships between people, leaders, technologies and work process. These relationships result into organizational behaviour, culture and performance. Organizational resistance to change can easily give rise to individual resistance
and vice versa. The organization is therefore made up of a network of circular causal processes where, A influences B, which influences C, which in turn influences A. Understanding these internal organizational dynamics is a pre-requisite for leading effective change management processes.

Bolognese (2002) observes that more often managers perceive resistance negatively, however there is a resistance that turns out to be beneficial to the organization. This means that successful change management depends to a large extend on how managers perceive and manage the change process. Machiavelli (as cited in Ansoff 1990) notes that there is nothing more difficult to take in hand, more perilous to contact, or more uncertain of success than to take a lead in the introduction of a new order of things, because the innovation has for enemies all those who have done well in the old conditions and a lukewarm defenders in those who may do well in the new (p.403).

Throughout human history, different disciples have always tried to understand and explain the dynamics of change and change management practices. In 1940s, psychologists highlighted the importance of the forces of change and resistance to change by pointing out how the tensions between the environmental changes and the psychological resistance could be used to explain human behavior towards change. According to psychological perspective, people have a tendency towards homeostasis, meaning that people strive for a balance between change and stability (Vos, 2006). The reasoning is that too much change leads to uncertainty and commotion but no change at all leads to boredom. Consequently, the management practices used in handling these forces determines the outcome of a change effort.

Ansoff and McDonnell (1990) argue that “if senior management apply strong pressure, the temporary coercion may be effective, but the resistance is natural and will resurface” (p.416). They further posit the equation that ‘resistance to change is proportional to the size of the discontinuities introduced by culture and power, and is inversely proportional to the speed of introduction.’

According to Vos (2006) there are four main challenges to change as seen from irrational, political, social and psychological perspectives. The last three comes from the rational point of view and provides more ground for understanding challenges to change than does the irrational
approach. Metselaar (1997) opine that the irrational approach view resistance as an unavoidable response to change, that when managers and employees are faced with change, they act irrationally by trying to maintain the old habits. The main weakness with this view is that it does not attempt to understand the underlying elements that causes resistance and assumes that resistance is bound to happen irrespective of the prevailing circumstances.

The political perspective asserts that organizations are made up of coalitions with usually opposite interests. Change is therefore resisted as it leads to alterations in the existing balance between the coalitions. Folger and Skarlick (1999) define resistance as employees’ behaviour which seeks to challenge, disrupt or invert the prevailing assumptions, discourses and power relations. This definition can be illustrated by resistance emanating from the existing power structures in an organization. In the view of the social perspective practitioners, organizations are socially constructed realities made of individuals or groups of individuals working together (Vos, 2006). Problems thus develop in the course of social interactions when groups’ norms and values collide. For instance, attempts to change the organizations culture usually lead to resistance. Organizational ability to apply the best change management practices in line with these perspectives determine to a great extent the degree of success of the change initiative.

2.2. Understanding Resistance to Change

In order to effectively manage change, it is imperative to understand the concept of resistance to change. There are two main types of resistance to change namely; systemic and behavioural. Systemic is the passive incompetence of the organization to successfully handle change. Behaviour resistance is normally experienced at individual and group levels when change makes them feel insecure. Causes of resistance lie either in the organization or individual (Vos, 2006). At the systemic level, resistance is a reflection of the organizational capacity to handle change. Ansoff and McDonnell (1990), note that passive incompetence is proportional to the difference between capacity required for the new change and the capacity to handle the change. Resistance therefore occurs whenever the development of capacity lags behind the strategy to implement change. The introductions of module 11 programmes in Kenyan universities and that of the free primary education are very good examples of systemic resistance to change since the students were more than the systems could hold. Johnson and Scholes (1998) give six major sources of
organizational resistance as; limited focus of change, structural inertia, group inertia, threat of expertise, threat of established power relationships and threat of established resource allocations.

According to Kreitner (1992) individual resistances arise due to factors like uncertainty, surprise, personality conflicts and lack of communication. Friend and Cook (1996) note that resistance frequently occurs as a response to an organizational change that has a potential of personal impact while Piderit (2000) view resistance to change as a defense mechanism caused by frustrations and anxiety. The concept of resistance to change is complex and change managers and agents must take it very serious in their change management strategies and practices.

Zander (1950) has given six reasons for resistance to change in organizations. These are; if the nature of change is not made clear to the people going to be affected by change, if change is open to a wide variety of interpretation and if those influenced feel strong forces deterring them from changing. Others are if, the people influenced by change have been pressured to accept the changes instead of having a say in the nature or direction of the change, if the change is made on personal grounds and if the change ignores the already established institutions in the groups. Kottler and Schlesinger (1979) argue that there are four major reasons why people resist change. These are; the fear of loosing something of value, misunderstanding or mistrusting the change, belief of employees that the change is of little or no use at all and when the low tolerance for change exists in an organization.

The causes of resistance to change can therefore be classified into two main groups’ namely Primary and Secondary causes. Greenberg and Baron (2002) are of the view that a clear distinction exists between Primary and Secondary causes of resistance. Primary causes are seen as being directly linked to the content of change like a case when change has detrimental effects on the work conditions. On the other hand, Secondary causes are defined as barriers that directly or in directly hinder implementation of change. They include such things as lack of time and other resources as well as competencies and absence of clear plan to implement change. Resistance therefore lies in the perception of a constant threat to status quo. A good number of the literature on change management practices views resistance to change as a psychological concept such that support of change is viewed within the context of individuals in organizations.
2.3. Managing Change

To properly address employees’ opposition to change, one must clearly diagnose the underlying reasons causing it. Clear identification of sources of resistance to change is the beginning of countering the main challenges to change in an organization. A lot of corporate change efforts initiated at tremendous costs have been halted by resistance among employees in the organizations. There is usually a lot of uncertainty about requirements for change and excessive concerns about the future resulting in anxiety, conflicts, stress and resistance. Change suggests letting go of habits, roles, processes, procedures and structures (Pearce & Robinson, 1997). According to Erickson (2004) it is important for change managers to have an understanding of why people resist change because this allows them to plan strategies aimed at managing change challenges from the onset. Resistance to change is an ongoing problem that makes managing change a very difficult task. Any management’s ability to achieve maximum benefits from change depends in part on how effectively they maintain a climate that minimizes resistance behaviour and encourages acceptance and support to change (Coetsee, 1999).

The following are some of the key issues and practices that change managers and agents must address in their change management strategies and practices. **Communication;** as change process advances, people will have new questions to be answered; new ideas and understanding of the intermediate final states will be developed. In response, people have to be kept up to date with actual and future states. They need to understand the pressures that make it necessary to change. Explain to them why the current state used to make sense but the organization must change because the environment in which it exists is changing and explain what will happen if the organization does not change and what will mean for them as individuals (Burnes, 2000).

**Learning:** according to Hills and Jones (2001) employees have to learn about the way the company wants to work and how they are expected to work. They have to learn the skills, behaviour, culture and the tools that will enable them work in an expected way. Learning is a foundation stone for building this understanding and therefore should be a continuous process. **Reward:** David (1997) asserts employees will look to see on what basis the carrot gold stars are going to be distributed. If they see rewards being handed over the way they always were, then they are going to behave the way they always did and are not going to change. People will
always work for rewards. Reward employees first for changing, then for behaving in the right way. Integrity; Change managers and agents must always strive to maintain integrity throughout the change process. One of the key defenders of human dignity, the late judge Tuttle once said ‘the professional man’s only asset is himself. If he does not contain the quality of integrity he is worthless. If he does, he is priceless’. Good change managers must have a quality of integrity and are priceless (Gray and Smelter, 1989).

The ADKAR model was first published by Prosci in 1998 after research with more than 300 companies undergoing major change projects and first released in 2006, as a complete text on change management. This model has been regarded as one of the best models in organizational change management. The model tend to align traditional change management activities to a given result or goal. Managers can use this model to identify gaps in change management process and to provide effective coaching for their employees. The ADKAR model can be used to: diagnose employee resistance to change, help employees transition through the change process, create a successful action plan for personal and professional advancement during change, and develop a change management plan for employees.

The ADKAR model has the ability to identify why changes are not working and assist in taking the necessary steps to make the change successful. It helps managers to break down the change into parts, understand where the change is failing and address that impact point. Today, this model is seen as one of the key instruments managers can use in change management practices. It is therefore, very imperative that the change managers and agents anticipate and plan strategies for dealing with challenges to change right from the planning phase through implementation to monitoring and control over a period of time. Milloy (2008) notes that succeeding in change initiative is not easy, the reason for changing must be more compelling than the status quo. He outlined the following steps which improves the chances of success in change management: Have a plan, communicate a compelling vision-Over and over and over, get people involved-right from the get go, Measure and acknowledge your performance, Resource the project appropriately.

Understanding the relationship between the concepts of change, resistance to change and management of change is critical to any successful change management initiative. Flower (1962)
observed that the solution for those managing change involve finding out what change means from the employee’s perspective. He argued that additional opposition may be triggered by the way a manager responds to the initial change reactions. To him, managers can overcome resistance to change by; providing employees with the opportunities for participating in change process, facilitating two-way communication, avoiding to impose change, making change consistence with employees self image and dealing with employees individually and not as a group when managing change.

Recent studies by Prosci tend to suggest that for change to succeed, it needs to be managed like any other project. To illustrate this, Prosci has developed a new model known as ‘The Prosci PCT (Project Change Triangle)’. This model demonstrates that effective change initiative will require the support and commitment of top management to provide leadership and sponsorship as well as strategic direction. The top management support has to be backed by project management techniques and change management skills to ensure participation and support of the key players in the change process. The combined effort of these three factors will ensure that the change process is completed on time, attains the desired objectives and guarantee good return on investment (ROI), just like any other good project.

2.4. Common Mistakes in Change Management Practices

Basically, there are no clear cut solutions that organisations can use to manage change. The context of each change process as well as the causes of resistance is unique to each organization. It is therefore, very difficult to duplicate the success of one case into another and that is where many managers go wrong when they try to imitate others success. There are certain common mistakes made by managers when attempting to lessen or remove resistance to change in their organizations (Dent & Goldberg, 1999). First, managers assume that it is their role to foster change and that of the employee to always resist. The implication of this is that in many cases, the strategies and practices used to manage change are for managers to implement but not for employees to change. This is a very mistaken assumption and in most cases result to more problems than solutions.

Spreitzer and Quinn (1996) contend that employees in the lower levels in organizations are eager to make changes but encounter resistance from their senior managers due to the skewed
assumptions. In many cases, when the planned changes in organizations do not go as planned, managers seek to make changes in employees while the real problem could be in the system (systemic problem). Many managers do not differentiate between challenges brought by individuals and those brought by the systems. To succeed, one must differentiate the two and address them accordingly.

Another key mistake committed by managers and change agents in trying to bring about changes is attempts to replicate strategies and change management practices that were successfully use elsewhere to their organizations without taking cognizance of the context of change. A strategy successfully used to manage change in one organization may fail in another due to differences in some variables. For instance, organizations have unique organizational culture which consists of different employee’s values, beliefs, morals, rituals and power systems (Pearce & Robinson, 1997). Overcoming change challenges is a an important and complex work that change managers and agents need to play critical roles in recognizing, understanding and minimizing the main challenges from the very beginning before they emergence into big barriers of progress in organizations.

In managing change challenges, managers should always strive to take note of the feedback role of resistance and turn it into a positive force instead of always taking it negatively. This implies being proactive and assisting employers to identify key issues and potential roadblocks so that the change process remains on course. Successful change management practices thus calls for proper understanding of the change management process right from strategic planning, implementation and monitoring. Any attempt to ignore this process will always lead to terrible failure in change management.
CHAPTER THREE: RESEARCH METHODOLOGY

3.1. Introduction

This Chapter covers research design and methodology used in the study. It includes the sub headings of research design, data collection procedures, data collection and data analysis techniques.

3.1.1. Research Design

This is a case study of Kenya Ports Authority. According to Young (1960) case study is “a comprehensive study of a social unit, be it that unit of is a person, a group, a social institution, a district or a community”. It is essentially an intensive investigation of a particular unit under consideration. The objective of the case study method is to locate the factors that account for behaviour patterns of a given unit as an integrated totality (Kothari, 2004). This method was therefore ideal for this researcher due to the in depth nature of understanding required. The study provided an in depth information on the change management practices employed by KPA in the implementation of strategic changes in the port. The case study enabled the researcher to follow in great detail issues and information related to the phenomenon under study. Case study as a method has been preferred when a ‘how’ or ‘why’ question is being asked about a contemporary set of events over which the investigator has no control (Yin, 1994).

The implementation of key changes at KPA is expected to have experienced serious challenges owing to the multiple stakeholders involved in the port operation. Managers of the main stakeholder organisations operating in the port are expected to be aware of the main challenges faced in implementing changes in the port as well as the steps taken by KPA to deal with these challenges. The case study provided the researcher with opportunities to carry out an in depth probe on how KPA managed the situation.

The researcher used sampling techniques in selection of the respondents. Previous studies of similar nature have successfully used this method (Kandie, 2001; Kiptugen, 2003; Machuki; 2005; Tai; 2007).
3.2. Data Collection Procedures

The study used interview guide in collecting the data. The guide was administered directly by the interviewer. The interview guide was used to collect primary data. Secondary data such as port records and statistics was used as well as observation method.

The interview guide was administered to KPA Heads of Sections, Dock Workers Secretary General, Senior Shop-Stewards, Section Shop-Stewards, top managers of selected ten major Clearing & Forwarding firms, Ships Agents as well as Unit Heads of other Government Agents (OGAs) operating in the port; at Inland Container depot (Nairobi) and Kilindini Harbour (Mombasa). The interview guide (appendix IV) consisted of both closed ended questions and open ended questions. It was developed after proper analysis of the literature review.

3.3. Data Collection

The information was gathered from both the primary and secondary data. The primary data included interview guide and observation. The secondary data included company records and journals together with internet materials. The interview guide was structured to address issues like, the types of changes implemented, challenges manifested, sources of the challenges identified, as well as the impact of the challenges encountered, how they were overcome and finally the benefits realized from managing the challenges.

3.4. Data Analysis

Feedback obtained from the interview guide formed the basis for content analysis to be done. Content analysis was used to extract the key themes, concepts and arguments in the qualitative data. This method helped in the development of content around the identified themes and structuring of the data used to expound on the research problem. Content analysis has been successfully used in similar empirical studies by Thiga (1999), Njau (2000) and Odhiambo (2006). Mugenda (2003) note that by using qualitative methods, researchers are able to collect data and explain phenomenon more deeply and exhaustively. Tables and charts were used to help visualize the data collected.
CHAPTER FOUR: FINDINGS OF THE STUDY

4.1. Introduction
The chapter covers the findings of the study. It highlights the major changes implemented at KPA in the last five years, the challenges experienced in implementation of these changes and the strategies and change management practices used in the process. The findings also covers the benefits realized in managing the changes as well as the possible techniques that KPA can employ to effectively manage changes in future.

4.2. Major Changes Implemented
The study found out that KPA has been undertaking changes in order to align herself with the changing environment. According to KPA top managers, the Authority has implemented several changes in the last five years in order to achieve KPA’s goals and objectives as outlined in her vision and Mission statements. KPA vision is, "To be rated amongst the top twenty ports in the world in terms of reputation and performance by the year 2010”. Her mission is, “To facilitate sea-borne trade in the most efficient manner by progressively benchmarking our operational targets to internationally acceptable standards” (KPA, 2010). Over 80% of the respondents interviewed confirmed that KPA has indeed undergone tremendous transformation in the last few years.

Some of the major changes undertaken by KPA in the last five years include; the automation of the port operation and marine services through implementation of the Kilindini Waterfront Terminal Operating System (KWATOS) in 2007. This system was integrated with KPA’s Enterprise Resource Planning (ERP) commonly known as SAP which had been introduced earlier in 2002. Efforts are in place to integrate KWATOS and Kenya Revenue Authority (KRA) SIMBA system to ensure seamless flow of information between KPA and KRA as attempts to make the port of Mombasa an e-port continue.

During the same period, KPA introduced a 24/7 working system in line with the Government directive that cargo clearance in the port should continue twenty four hours per day. Besides, over the same period KPA commenced the implementation of the Land Lord Port concept in line with the Port Master Plan which advocates for Public Private Partnership (PPP) ideology. This
concept involved outsourcing some of the services previously performed by KPA staff such as cleaning, staff transportation and bunkering to private firms. KPA also entered into partnership with private Container Freight Stations (CFS) to clear Cargo from the port faster in order reduce congestion.

Performance contracting is another major change experienced at KPA in the last five years. The introduction of the performance contract by the Government left KPA with no option. The Board of Directors (BOD), the Managing Director and all members of the management staff signed a contract with the Government by which KPA was expected to achieve certain financial and operational targets. The Port has also been undertaking equipment modernization programme which includes acquisition of new and modern ship and cargo handling equipments for the last six years. This programme also covers acquisition and installation of power stand-by generators.

The study also found that KPA implemented specific changes in business procedures, safety and security fields. These efforts resulted to KPA attaining ISO 9001 certification in 2008 and being classified as ISPS and ISM codes compliant port. These classifications have greatly improved the reputation of KPA as a leading port authority in the East African region. It was further observed that KPA undertook several physical infrastructural changes including the demolitions of sheds 12-14 and the recarpeting of the container terminal in the period under study.

Lastly, the study found that KPA is in the process of implementing further changes including the dredging of the Kilindini channel, the construction of the second container terminal and the construction of the second port at Lamu as well as a free port at the Dongo Kundu region.

4.3. Challenges to Change Management Practices

Several challenges were experienced by KPA during the implementation of the above changes at the port. Key among them was political interference. The Managing Director (MD) of KPA, like in any other state corporation is a political appointee. The study found that in the last five years, the turnover of the MDs at KPA was alarming. For instance, in the last four years, four different Managing Directors served at KPA. This high turnover of the managing directors affected the change process resulting to interruptions in the change implementation strategy, created
occasional vacuum in the change championship (sponsor) and leadership that resulted to loss of confidence by some of the key stakeholders in the whole change process.

Fear of the unknown, fear of job loss and desire to maintain the status quo and its privileges by key stakeholders and KPA staff were identified as major challenges to change management practices used by KPA. According to senior managers, some middle level management staff opposed changes due to perceived loss of power and influence while the subordinate staff saw the new changes as a strategy by the management to lay them off. This is the main reason why the subordinate staff through the Dock Workers Union opposed automation of the port processes.

The commencement of automation process was another major challenge to KPA. Previously, majority of work process and procedures were manual, inefficient and time consuming. The new strategic realignment required staff to be computer literate and efficient in the use of computers. According to management many employees had not been trained in the use of computers and were afraid that they may not be able to cope with the new technology. Others were not even ready to learn as they saw computerization as a threat to their jobs since the automated process will require less people to do the work.

In the shipping and clearing fraternity, some people saw the computerization of the port services as a threat to their jobs and privileges. The automation process was seen as a means to seal the loopholes used to avoid payment of taxes and port services. People opposed changes because they did not want to lose what they perceived as their comfort zones. They were determined to maintain the status quo.

Another major challenge to the change process at KPA was her organisational corporate culture. For a long time, KPA operated under a predominately dormant or defensive organizational culture that saw any change as threatening and always strived to maintain the status quo. A strategic analysis of KPA cultural web carried out by the consultants found out that KPA had rigid rituals, symbols, routines and informal structures which reflected conservative beliefs, values and assumptions. Besides, KPA’s core values were not fully understood by all the staff and many employees generally demonstrated apathy in regard to change. For, example, they did not understand why change was necessary and yet the organisation was not making any losses.
Lack of clear communication was also identified as a bottleneck to the change process. The subordinate staff through the Dock Workers Union felt that they were not properly briefed on the expected changes and their impact to the staff. They felt left out and therefore not part of the change process. Consequently, some staff displayed their discomfort by resorting to malicious damage and vandalism of equipments as well as sabotage to work. It was also noted that some external stakeholders, particularly in the shipping and clearing fraternity complained that KPA was imposing changes upon them without proper communication and consultation. Besides during the implementation of KWATOS, the Project team faced some resistance from their SAP counter parts who saw the new project as a threat to SAP. This was mainly due to poor communication between the two implanting groups.

KPA organizational structure was cited as another challenge to smooth implementation of change at the port. According to the subordinate staff and some junior managers, the KPA top management did not put in proper structures with clearly defined roles and responsibilities, rules and regulations to be followed by all the staff. They argued that, the management tried to impose new ways of work in to already existing systems which did not blend very well. This resulted to confusion that led to opposition by some staff. Besides, some members of staff read nepotism, tribalism and favourism in the new way of doing things since there was no clear cut direction in the assignment of duties and responsibilities.

When the above factors were ranked according to their contribution towards opposition to change, it was observed that the emotional factors associated with the employee such as uncertainty, fear of the unknown, lack of trust, threats of interests and personality conflict rank higher than opposition due to actual faults in the change process.

4.4. Impact of challenges to change

According to the management one of the main challenges to change was in the form of resistance. This opposition impacted negatively on the change process in the organisation and the people involved. Top manager interviewed identified employee resistance to change as a major contributor to unnecessary delays in the implementation of strategic changes at KPA. For example, the implementation of the Kwatos system was delayed for over one year while the management tried to address employee reaction to change on issues such as uncertainty, fear of
job loss and grief among others. At one time, the design of the system was to be amended at a high cost to the authority in order to get staff ‘buy in’. In this case, the function of job completion on the vehicle mounted terminal (VMT) ideally designed to be done by the equipment operator was transferred to be done by the clerical staff to safeguard the jobs of the port clerks.

Secondly, opposition to change by KPA staff at one time threatened to derail KPA change initiative and prevent KPA from meeting its corporate objectives. According to the KPA vision, the port of Mombasa was to planned to become a e-port by 2010 in order be attain her vision of being rated among the top twenty ports in the world in terms of reputation and performance. This is yet to happen due to bottle necks created by employee resistance to change who see it as a threat to their jobs. Besides, the Port Master Plan recommends restructuring of KPA and outsourcing of some of the services currently performed by KPA in order to make it lean and more efficient in line with the intended strategic direction. This plan faced strong opposition from the informal power groups and the Dock Workers union who perceived its implementation as a threat to job security and work groups.

Addressing opposition to change proved to be costly. For instance, management was forced to use substantial amount of money to train employee and other stakeholders on the change management process and the changes the authority was undertaking. This was meant to reduce the damage caused by strong resistance to change which was reflected in vandalism, malicious destruction of equipment, demoralized staff, increased customer complains, loss of revenue and reputation of Port of the Mombasa as the regional hub.

Lastly, it was observed that a group of employees who were opposed to changes were influencing others who previously supported the changes to join the opposition. KPA management identified three groups during the change implementation. The first group comprised of the people who were not averse to change but could not be easily influenced either to commit themselves to change or oppose it depending on how they perceived. The second group consisted of those who welcomed the change and supported it while the last group composed of people who actively resisted the change regardless of whether it was good or bad. This group saw change as a real threat and fully resisted it.
4.5. Managing Challenges to Change

The study found out that the challenges faced by KPA in the implementation of strategic changes in the port were serious and required specific measures to address them. The KPA management drove the process of managing opposition to change by use of various techniques including hiring of consultants and setting up of change agents among the key staff.

According to the top management, the authority used a two pronged approach to manage the changes. The first step was to identify the causes or reasons for the opposition. This was followed by setting up of appropriate strategies to address these issues. Below are some of the change management practices deployed by KPA to overcome opposition to strategic change at the Port of Mombasa.

4.5.1. Cultural Realignment

KPA’s cultural practices reflected deep rooted beliefs, values, rituals and assumptions that thrived in the preservation of the status quo. To reduce the opposition to change, KPA management started by assessing how much the organisational culture fitted with the change objectives and what could be done to improve on the ‘cultural fit’ before starting the implementation of the change process.

To deal with this, the KPA leadership came up with change management practices that were designed to bring employees and the management interests in tandem in order to avoid possible ‘organisational silence’. To start with, the management embarked on changing certain aspects of the authority’s cultural web. This realignment was made to send strong signals to the people both in and outside KPA on the impending strategic changes in the port.

Changes were made to most of the authority’s rituals, routines, values and beliefs which reflected on how members of KPA related amongst themselves and the outside world. Negative rituals and beliefs were discouraged and discarded while those which added values to employees and customers such as customer satisfaction were introduced and encouraged. This was done mainly through the use of various change management practices including training of staff on good customer care, workshops on employee relationships, introduction of annual awards to the best performing staff, bonuses and promotions. Other areas targeted for change included
organisational symbols, new working arrangements, new office equipments and one stop centre concepts as well as the 24/7 working port which were introduced and encouraged. Management also came up with organisational core values and customer service charter which were continuously communicated to all staff through various methods such as seminars, outlook, intranets, workshops, magazines, speeches, visual and audio displays. According to the executives, these efforts were made to make KPA have a certain degree of cohesiveness in its new cultural web for it to function effectively and support the new organisational strategies.

4.5.2. Support by Top Management

It was observed that the top management’s support to the change process was critical for the successful implementation of the changes at KPA. The then Managing Director (MD) was aware of this and demonstrated his support by becoming the change sponsor in the organisation. The MD acknowledged that successful change was pegged on a picture of a desired future state and played a critical role in crafting KPA’s Vision and Mission statements as well as core values which crystallized to all the employees why change was important. This made many employees change their perception of the change process and support the changes.

To continuously reduce employees’ resistance to change, the MD constantly created a sense of urgency for change by being an advocate for change at all key staff meetings. Besides, the management supported employees to embrace changes by adjusting performance expectations accordingly.

Some of the strategic change undertaken by KPA such as computerization, equipment modernization and the 24/7 working concept led to changes in the working environment resulting to adjustment problems by some staff. To address this matter, the port management found it necessary to modify or set up new performance targets to ensure employees ‘buy in’ and support.

Lastly, management played a key role by providing relevant resources. KPA management also ensured that the budget for change process was done and approved by the Board of Directors on time during the planning and implementation phases.
Political interference and frequent changes of the port MD in the last five years threatened to
derail the change process. Fortunately, the structured already set up by KPA including; change
management steering committee, change training committees, change team leads in each
department as well as support by the other senior managers kept the change process on truck
despite some delays in the implementation schedule.

4.5.3. Communicating Change

It was noted that some employees were opposed to change due to misinformation on why the
changes were being undertaken. KPA management took the lead to explain purposes and goals
of the change effort. The management therefore, came up with a clear communication plan to
correct the wrong impression given by some staff opposed to the change.

To start with, an elaborate communication plan was developed which outlined when, where and
how employees would be receiving information concerning the strategic changes. This was
followed by establishment of internal and external communication tools such as websites,
intranets, outlook, emails, billboards, magazines and monthly bulletins as well as insertion of
change management statements on the status of various change initiatives. Some of the famous
clauses used by the management were ‘wakati ni sasa, lazima ubandilike’ which were
emblazoned at strategic areas of the employees’ payslips during the change process. This was
made to enable staff and those opposed to changes to align their emotions with the
management’s vision and strategies. It was observed that this strategy worked well in reducing
employees resistance caused by misinformation.

Secondly, the MD as the change sponsor constantly communicated with the management on the
change motives and how they were to be achieved during the morning briefs, weekly and month
meetings. The aim was to empower them to have adequate knowledge to manage change and
also communicate the same to their subordinate.

KPA management observed that by executing the communication strategy which relied on good
communication patterns, frequently offering information and dispelling rumors, they were able
to create a surprise free environment and at the same time minimize employee opposition
associated anxiety, fear and uncertainty which are normally related to the organizational rumour mill.

4.5.4. Training
During the change process, the management of KPA observed that some employees were opposed to changes due to inadequate education on the change initiatives and lack of proper training on the areas targeted for change. Training therefore, was critical if various change initiatives were to be realized. KPA management engaged the services of various trainers and consultants such as KPMG, EUREKA and Utalli College to ensure that a critical mass of the KPA staff undergo proper training on the change process. Local and overseas trainings were also organized to exposed and prepare the staff on the impending changes. Nearly all the top managers interviewed during the research ranked training as one of the key strategies used by KPA to overcome employee resistance to change.

4.5.5. Participation
The management realized that no meaningful change could take place without involvement and empowerment of the employees. KPA management thus ensured that employees were incorporated to the change process from the very beginning. Prior to commencement of the implementation process, the management organized meetings, workshops and seminars to discuss educate and get feedback from the employees on the intended changes. It was observed that by giving the staff a change to be heard, consensus building and understanding between unionisable employees and the management was achieved. This method worked very well to reduce opposition caused by lack of understanding between the management and the subordinate staff.

Group dialogue discussions organized by the consultants provided another good forum for employees to actively participate in the change process. During these forums, employees openly discussed the change process and hence reduced their anxiety and fear of the change. In these sessions, employees were taken through the whole change process from vision to implementation phases. It was observed that from these meetings, management were able to get good feedback on possible causes of opposition, where and when it was likely to occur. This was very crucial.
information which helped the management to plan in advance on how to overcome employee resistance to change.

4.5.6. Coercion

Coercion was used as the last resort in the implementation of change at KPA. It was observed that this technique was used to force those employees who were very adamant to accept the change even after the other more friendly efforts were applied. Charge sheets and other disciplinary measures were used on those employees who maliciously destroyed the authority’s property and incited others to use unethical means to oppose the changes.

4.6. Addressing Challenges to Change

It was observed that during the implementation of changes at KPA, several challenges were experienced. Below is a summary of some of these challenges and the change management practices used by the KPA management to deal with them.

One of the main challenges experienced at KPA was the alignment of the organisational culture to the new strategic change direction. To achieve this, KPA management was expected to ensure that employees’ values, norms, beliefs and expectations were in tandem with the change objectives. This was a hard nut to crack since KPA’s cultural web was predominantly conservative and thrived to maintain the status quo. Management handled this by adjusting underlying elements of KPA cultural paradigm such as rituals, routines structures and beliefs with the help of several consultants.

Dealing with employees concerns and emotions was another bottleneck to the change process. It was observed that some employees embraced change; others passively resisted it while some actively resisted it. Moreover, the changes were resulting into different emotional outcome among employees. KPA management was therefore, required to be skillful at understanding a plethora of employee issues in order to successfully implement key changes in the port. Management responded to this by putting on a humane face, showing sensitivity towards employees and developing strategies to deal with their feelings and emotions such as changing performance targets and facilitating the change process.
The change process also involved getting employees to participate without delaying the change program or increasing the implementation costs. Management realized that allowing employee participation was the best technique to get their support and ‘buy in’. Meanwhile, giving employees a lot of room during planning and implementation phases could lead to unnecessary delays and costs. Determining the optimal level of employee participation in the whole process was a big challenge. According to the executives interviewed, it was observed that management generally yielded more powers than subordinate staff. Consequently, subordinate participation was limited to group dialogue meetings/workshops just before the implementation phase.

Finally, determining the best approach to implement the changes was also a bottleneck. To deal with this problem, a project team headed by the MD was formed to drive the change process. The team consisted of top managers, key selected employees, unionisable representatives and some consultants. The team was responsible for formulating and implementing various strategies and techniques to overcome opposition to change. At the lower level, change management committees, change agents and team leads were established at each department to ensure implementation of the identified change management strategies. This group reported to the organisational change implementation team headed by the MD.

4.7. Benefits Accomplished

The benefits accomplished by managing opposition to change at KPA cuts across the board and had implications on the organization, her employees and customers. First, by Managing change, KPA management were able to successfully implement a number of planned projects such as SAP, KWATOS and ISO certification which were of great benefit to the port community.

Secondly, by addressing the peoples issue during the change process, KPA was able to avoid a possibility of losing experienced, hard working and knowledgeable staff such as marine pilots and gantry operators who would be expense to replace. Thirdly, according to the managers interviewed, employee productivity increased significantly once their underlying causes to resistance were addressed. For example, strategies used in dealing with resistance such as training, communication and participation gave staff new perception of the world and improved the general working environment at KPA. This resulted to increased job satisfaction, team performance and high level of employee work morale.
Finally, addressing opposition to change also benefitted KPA customers and other port stakeholders. Some of the techniques used such as training of staff on new ways of performing their duties and customer care had a spillover effect which benefited KPA customers through improved services and public relations. According to the management, customer satisfaction index improved after implementation of SAP and KWATOS systems.

4.8. Discussion of Findings
The study found out that one of the key challenges in the implementation of strategic change at KPA was opposition to change. Key factors which triggered resistance during the change process include; a defensive organisational culture, uncertainty, changes in the mode of working, threats to job status and security. It is also important to note that the causes of individual opposition to change are similar to those identified earlier by various authors like Kreitner (1992), Friend and Cook (1996) and Kotter and Schlesinger (1979) in the literature review.

The study further observed that emotional factors related to employees were highly ranked in causing opposition to change compared with the actual faults in the change process itself. This is consistent with literature review. According to Greenberg and Baron (2002) the emotional factors are the primary source of resistance and are directly linked with the contents of change. Any faults in the change process are secondary causes of resistance or barriers that directly or indirectly prevent the implementation of change. Secondary causes of resistance include high turnover of the chief executives and lack of adequate resources.

The study also observed that opposition to change had negative effects on the whole change process, employees and the entire organisation. Some of these negative impacts include delays to the change process, increased implementation cost, tension and stressful working relationships as well as threats to derail the whole change process. These effects are not unique to KPA but are experienced by all organisations going through the change process as highlighted by different authors in the literature review.
5. CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1. Summary

5.1.1. Challenges to Change
The main challenge experienced by KPA in the implementation of change at the port was resistance to change. This resistance to change was mainly attributed to employees who were opposed to changes in the status quo. This is a type of behavioural resistance which is consistent with what was alluded to earlier in the literature review concerning peoples reaction to Change. KPA management had allocated sufficient time and resources to facilitate implementation of various strategic change processes. Besides, KPA management undertook to restructure the organisation in order to align the organisational structure with its new strategic direction. These efforts significantly helped in reducing systematic resistance which Johnson and Scholes (1998) linked to certain factors such as structural inertia, threats of expertise, threats of established resources and limited focus of change.

5.1.2. Managing Change
KPA management used various strategies and change management techniques to overcome resistance to change. Some of the of these strategies and techniques are highlighted below as adjusting organisational culture, change in strategic direction, development of vision and mission statements. Others are the organisational core values, support by the top management, training, communicating changes, participation and coercion. A closer analysis of these strategies and techniques reviews a very close correlation between them and the ones identified earlier in the literature review by Kotter and Schlesinger (1979) and Dent and Goldberg (1999). The common mistakes associated with managing resistance to change were however, not evident at KPA since the port management focused on addressing the cause of resistance but not the symptoms.

5.2. Conclusion
The study revealed that by managing resistance, KPA was able to successfully undertake several strategic change initiatives. Key among them was computerization of the port operations by implementation of the SAP and the KWATOS systems together with equipment modernization. Other benefits accomplished through proper management of the change initiatives included;
increased level of employees’ productivity, enhanced employee retention and positive spillover effects to KPA customers and other port stakeholders.

Certain observations are also clear from this research regarding the manner in which KPA dealt with the challenges to change. The most critical was top management support throughout the entire period of managing the change process. The MD played a key role by offering leadership, being a change champion and spokesman, adjusting performance expectations and providing assistance to employees affected by the changes. This ensured that management support was guaranteed and motivated others leading the change initiative.

Secondly, KPA set up a team composed of top managers, consultants and key employees who were pro change to steer the change process and help in coordinating various change efforts. This team was responsible for formulation and implementation of strategies and techniques to manage opposition to change. As it can be observed, the process of change management at KPA was well coordinated, deliberate and hence the success.

The Management of KPA also realized that to effectively manage change, it was necessary to establish the causes of opposition to change. The techniques used to overcome the resistance were therefore directed towards addressing the causes of resistance in each case. For instance, group dialogue was used to address resistance caused by lack of employees’ participation, training to tackle opposition caused by lack of job related skills in areas targeted for change while communication was used to deal with resistance caused by misinformation and organisational rumour mill.

Besides, KPA management ensured that all the strategies used to manage change took cognizance of the prevailing situation. The advantages and disadvantages of each technique were evaluated and considered before they were applied. This ensured that the best approach was used to manage resistance under the existing circumstances. For example, coercion was used by the management as the last resort to deal with active resistance from the subordinate staff who were causing unnecessary delays to the change process.
KPA management also took advantage of the positive resistance to adjust the change process. It was observed that many employees opposed change because of fear and the speed of implementation. The management therefore took note of this and adjusted the change program to address these issues.

Finally, it is important to note that most of the challenges experienced during the process of managing change at KPA were concerned with the alignment of the organisational culture and staff with the new strategic direction. Management was therefore expected to always address different employee expectations and emotions during the entire transition period. Overcoming these challenges thus impinged upon KPA management being adept at offering leadership during the whole change process.

5.3. Recommendations

After undertaking the study, it is hereby noted that three key recommendations are worth considering for organisations going through a transition to successfully manage the change process. One, it is important that managers in such organisations have adequate skills in change management. In the event of such competencies being absence in house, then, organisations should outsource the same to external consultants to work closely with the management and advice them accordingly during the entire change period. This technique worked well for KPA.

Two, it is crucial for managers to clearly identify and understand the underlying causes of opposition to change as they happen. A clear difference must be made between causes and the symptoms of resistance. This is the only way through which managers can effectively prescribe the most appropriate technique to overcome resistance.

Lastly, managers need to take cognizance of the positive aspects of resistance to change. They must understand that not all resistance is negative or detrimental to the organisational change process. There are situations when opposition to change can offer a feedback loop which is important in monitoring change efforts being undertaken. KPA managed to leverage on this aspect and adjust its change programme whenever it was necessary.
5.4. Limitations to the Study

This study faced quite a number of constraints. The study could have probably yielded even better results if more time was available. A key limitation to this study was due to the fact that not all stakeholders interviewed could clearly remember all the changes and what actually happened at each stage during the process of managing change at KPA. This was mostly because the scope of the study extended back to five years which is relatively a long period. Besides, the study covered several port stakeholders who were interviewed including KPA staff, Clearing and Forwarding agents, Ships agents, Kenya Revenue Authority (KRA) and Other Government Agents (OGAs) working in the port. Some of the executives in the leading shipping and clearing companies are foreigners who could not be accessed since they were out of the country while those available were very busy for interview. It is therefore, possible that some crucial information important to the study may have been missed out.

Another limitation concerns the extent to which the study findings can be used for generalization in attempt to understand the change management phenomenon in other organisations. Being a case study, this research dealt with change management practices used by KPA to implement certain strategic changes in the port. The study was thus carried out within KPA’s working culture and environment. Other organisations may therefore have different cultures, structures, competencies and resource capabilities and hence display different reactions to change.

5.5. Suggestions for Further Research

Further research in change management practices can be conducted at different organisations at the same time while taking cognizance of their respective cultures and working environment. Researchers should also attempt to find out how these organizations use positive resistance during the change process. Traditionally, resistance to change has always been viewed in the retrogressively. It is thus recommended that further research be done to find out how organisations can positively leverage on this phenomenon so as to create competitive advantage during the implementation of changes.
REFERENCES


http://www.businessballs.com/organizationalchange.htm


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APPENDICES

Appendix I: List of Shipping Firms

1. Inchcape Shipping Lines, Agents of
   - Mitsui OSK Lines
   - Conti Lines
   - Rostock Harrison lines
   - Ellerman Lines (Andrew Weir Shipping Limited)
   - Transmar Shipping Company
   - Cunard Ellerman Lines

2. Sharaf Shipping Company, Agents of:
   - Ignazio Messina and Company

3. Ocean Freight (E.A) Limited, Agents of
   - Mediterranean Shipping Company

4. GAC-Seaforth Shipping, Agents of :
   - Da l- Deuetche Africa - Linien

5. Dodwell, Agents of
   - CMA CGM

6. African Liner Agencies Limited, Agents of
   - Global Container Lines (G.C.L)

7. PIL (K) Ltd, Agents of :
   - PIL (Pacific International Lines)

8. WEC Lines (Kenya) Limited, Agents of:
   - W.E.C Lines

9. Motaku Shipping Agencies Ltd, Agents of
   - Metis Overseas Lines

10. Diamond Shipping Services Ltd, Agents of:
    - Eukor Car Carriers
    - Emirates Shipping lines.
    - Ethiopian Shipping Lines
- APL (American President Lines)
11. Kenya National Shipping Lines, Agents of
   - Kenya National Shipping Lines
12. East African Commercials Shipping, Agents of
   - H. Stinnes Linien (G.M.B.H)
   - NYK Line (Nippon Yusen Kaisha)
13. Maersk Kenya Limited, Agents of:
   - Maersk Sealand
   - Safmarine
14. Delmas (K) Limited, Agents of:
   - Delmas
15. Sturrock Shipping Kenya Limited
16. Star East Africa, Agents of:
   - Laurel Navigation Incorporated
17. Spanfreight Shipping Limited

Source: http://www.kwatos.kpa.co.ke:7001/main_index.jsp?result=1&grant_chk=Y
Appendix II: List of major Clearing & Forwarding Agents

1. SDV Transami
2. Interpel Investments
3. Freight Forwarders/Consolebase limited
4. Interfreight East Africa limited
5. National Oil Corporation of Kenya
6. James Finlay (Kenya) ltd
7. APM Global Logistics kenya
8. Magadi Soda Plc
9. Kobil Petroleum ltd
10. Boss Freight Terminal limited

Source: http://www.kwatos.kpa.co.ke:7001/main_index.jsp?result=1&grant_chk=Y
Appendix III: List of Government Agents

1. Kenya Revenue Authority,(KRA)
2. Kenya Bureau of Standards,(KEBS)
3. Kenya Police
4. Kenya plant Health inspectorate services(KEPHIS)
5. Port Health
6. Kenya Maritime Authority

Source; http://www.kwatos.kpa.co.ke:7001/main_index.jsp?result=1&grant_chk=Y
Appendix IV: Interview Guide

PART A: Respondents Personal Details
1. Company:…………………………………………………………………………………………
2. Department:…………………………………………………………………………………………
3. Position Held:…………………………………………………………………………………………
4. Number of years worked (please tick appropriately)

Less than 5 □  5 to 10 □  Above 10 □

PART B: Nature of Change
What major changes have been implemented in KPA in the last five years?
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(2) Challenges to change management practices
Were there major challenges during the implementation of these changes?
A) Yes □
B) NO □
If yes, what were the challenges experienced at KPA?
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(3). Describe some of the factors which were causing opposition to strategic change in KPA.

(4). How were these factors identified?

(5). How significant were the factors listed below in triggering resistance towards the change efforts that was being carried out?
Rank the factors in order of significance from 1-10, 1 being the least significant and 10 being the most significant.

(i)  Surprise…………………………………………………………………
(ii) Inertia……………………………………………………………………
(iii) Faults in the change management……………………………………
(iv) Threats to job status security…………………………………………
(v)  Lack of resources………………………………………………………
(vi) Lack of expertise………………………………………………………
(viii) Uncertainty……………………………………………………………
(ix)  Work group break ups…………………………………………………
(x)  Poor training……………………………………………………………

(6). In your view what were some of the effects of resistance to change?
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PART C: Dealing with the Change challenges

1. Was there someone responsible for managing challenges arising from implementation of strategic change in KPA?
   A) Yes ☐
   B) NO ☐

   If yes, who was driving the change process?

2. Describe some of the change practice management strategies used by KPA in dealing with change challenges. How were they implemented?

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3. In your view, were there any specific considerations in determining the strategies used in managing the challenges to change in KPA?
   A) Yes ☐
   B) NO ☐
If yes, Please name them.

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4) How significant were the strategies listed below in managing change challenges at KPA?
Rank them in order of significance from 1-8, 1 being least significant and 8 being the most significant.

Education……………………………………………………  
Participation………………………………………………  
Facilitation………………………………………………  
Negotiation………………………………………………  
Manipulation……………………………………………  
Coercion………………………………………………….  
Financial Benefits………………………………………  
Political support…………………………………………

PART D: Benefits of Change Management practices

1. Were there any benefits realized from change management practices used by KPA?
A) Yes  
B) NO
If yes, briefly describe them.

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2. What do you think KPA can do to successfully implement changes in future? Please give your views.
Thank you.
Appendix V; Respondent’s Letter

Daniel M. Kiange
P.O. Box 84374-80100
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dkdkiange@gmail.com

Dear Respondent,

I am a postgraduate student studying for Masters of Business Administration Degree (MBA) at the University of Nairobi, School of Business Studies.

I am currently conducting a research in the area of Change Management Practices at Kenya Ports Authority (KPA).

The purpose of this letter is to kindly request you to assist me in this exercise by responding to the Research Interview Guide. The information you give will be treated in strict confidence and at no time your name or that of your company will be referred to directly. The information provided will be used for academic purposes only.

Thank you in advance

Daniel M. Kiange