STRATEGIC CHANGE MANAGEMENT AND PERFORMANCE OF NATIONAL SOCIAL SECURITY FUND (NSSF)

By:

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A Management Research Project Submitted in Partial Fulfillment of the Requirements for the award of the Degree of Master of Business Administration, School of Business, University of Nairobi

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DECLARATION

This project is dedicated to my immediate family, David, Alex, Cynthia and Kendi for their understanding and support without which I would not have been able to undertake the study and to my parents, Zaverio Matingo and Teresa Muthoni who taught me to believe in myself and to value and honour truth.

Signed-----~---------------
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The Management Project has been submitted for examination with my approval as University Supervisor.

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DEDICATION

This project is dedicated to my immediate family, David, Alex, Cynthia and Kendi for their encouragement, patience, understanding and support without which I would not have been able to undertake the study and to my parents, Zaverio Muthamia and Teresa Muthoni who taught me to believe in myself and to value and honour truth.

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I am also indebted to Ken Ongoro for his support and guidance in completing this work and all my friends and colleagues at LAP Trust for their encouragement. My sincere gratitude to Mr. Mwalema and other staff of NSSF for their role as reference points in providing information on their institution.

To my husband and children who gave me moral and financial assistance to complete my studies, thank you so much. Last but not least, I am grateful to God for the sufficiency of His Grace.
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ABBREVIATIONS:

NSSF - National Social Security Fund
ILO - International Labour Organization
RBA - Retirement Benefit Authority
NCPB - National Cereals and Produce Board
TQM - Total Quality Management
BPR - Business process Re-engineering
IT - Information Technology
ICT - Information Communications Technology
MBA - Master of Business Administration

The study sought to establish the reform management process at NSSF and what impact it has on its performance. The study involved collection and analysis of both primary and secondary data from various sources.

The study found out that the existing management process at NSSF is planned. A task force was appointed which carried out a sample survey of the business process, working relations, working tools and staff compensation. Its findings were discussed and proposals were presented to the Board of Trustees. The external consultants were involved to help in interpreting the goals and the means for reaching them within set time frame. The approach therefore was top-down where change activities were decided at the top and passed down for
ABSTRACT

The National Social Security Fund, like any other organization whether in public or private sector is affected by changes taking place in the environment in which they operate. It therefore becomes crucial for organizations to prepare themselves by formulating strategies that will enable them to exploit opportunities presented by the environment. Planning and implementation of strategic change is now a day-to-day management issue and must be managed skillfully for its benefits to be realized.

The National Social Security Fund had been open to a lot of abuse in 1990s and newspapers were replete with stories of denied or delayed benefits to its members, misappropriation of scheme funds, questionable investments, and other problems that were to the detriment of its members. This forced NSSF to reassess it position and hence the need for strategic change process.

The study sought to establish the reform management process at NSSF and what impact it has on its performance. The study involved collection and analysis of both primary and secondary data from various sources.

The study found out that the change management process at NSSF is planned. A task force was appointed which carried out a sample survey of the business process, working relations, working tools and staff competences. Its findings were discussed and proposals were presented to the Board of Trustees. The external consultants were involved to help in interpreting the goals and the means for reaching them within set time frame. The approach therefore was top-bottom where change activities were decided at the top and passed down for
implementation. NSSF developed a clear vision and strategy which was critical for the success of the change program.

Despite the constraints, change management at NSSF made considerable gains. The reform effort has resulted to a detailed manpower and succession planning which effectively addresses the future needs of the group and career development of individual employees. NSSF has opened membership to the self-employed and all other groups of workers in the informal sector. The other change initiatives include the introduction of diversified benefits which include funeral grant which is now payable to meet basic burial expenses of a deceased member, payment of maternity fees etc.

With improvement of ICT, customer service has considerably improved with members now able to access their benefits from branches all the country and further, the claims settlement period has been reduced from 60 days to 21 days.
CHAPTER ONE: INTRODUCTION

1.1 Background

1.1.1 Change Management

Change management, whether in the private or public sector is a daunting and often elusive exercise. In today's competitive business environment, learning about, planning for and implementing major organisational change must be considered the highest priority for an organisation's long-term survival and prosperity (Mink et al 1993). It is important to properly manage change in organisations since it impacts on their performance.

Rose and Lawton (1999) note that change has become an enduring feature of organisational life. They observe that few people if any, currently in the public or private or voluntary sectors can claim to have been untouched by either the pace or direction of organizational change in recent years. Johnson and Scholes (1999) argue that managers whether in the private or public sector are finding it difficult to make sense of business environment in which they operate. One of the reasons for this is the speed of change. Organisations must keep changing to create short-term advantages and deal with environmental changes.

Experts have proposed various approaches to change management. Predominant among these are planned and emergent approach. They argue that the planned approach, which has been popular till the 1980s view organizational change as a process of moving an organisation from one fixed state to another through a series of pre-planned steps. According to Burnes (2000), central to the planned change is the stress placed on the
collaborative nature of change effort; the organisation, managers and consultants jointly
diagnose problems and plan and design the implementation of specific change.

The emergent approach views change as a continuous open-ended and unpredictable
process of aligning and re-aligning an organisation to its changing environment. A major
development in the emergent approach is its emphasis on bottom-up approach to change.
This is because the pace of organisational change is so rapid and complex that it is
impossible for a small number of senior managers to affectively identify, plan and
implement necessary organisational responses (Burnes, 2000). The planned approach to
change management is more popular than the emergent approach and the proposed study
will adopt this approach.

The three-step model by Kurt Lewin proposes that permanent change in behaviour and
system within the organisation involves unfreezing previous behaviour, changing and
freezing new patterns. Kanter et al (1992), on their part gives what they call the Ten
Commandments to executing change successfully. Kotter (1996) suggests eight steps
model in which he says if implemented systematically, one step after another will lead to

1.1.2 Retirement Benefit Industry In Kenya

1.1.2.1 Evolvement of retirement benefit industry in Kenya

International Labour Organisation (ILO) defines Social security as the protection that a
society provides to individuals and households to ensure access to health care and to
guarantee income security, particularly in cases of old age, unemployment, sickness,
invalidity, work injury, maternity or loss of a breadwinner.
In Kenya the traditional based support system remained the basic source of old age relief until the coming of the colonialists in the 19th Century. The cultural effect of colonial rule was to reduce significantly the social cohesiveness and even made it more urgent and desirable to have pension plans especially for those increasingly joining the monetary sector. It is not until independence that pension plans of reasonable significance emerged.

During the colonial rule, the pensions provided under the pensions Act CAP 189 of 1946 was largely racist and operated from England, catering essentially for those in Foreign Service.

The emergence of independence saw the pace of industrial growth increase giving pensions a significant role. The Government started legislating for pensions, and pensions slowly became part of employment contract terms. The majority of schemes effected after independence were provident funds which provided lump-sum benefits rather than pensions.

In 1966, the NSSF Act was enacted which set the stage for the development of more comprehensive pensions schemes. NSSF was compulsory for all employees except those specifically exempted by the Act e.g. the armed forces, University staff, Civil servants etc. The other Government sponsored pension plan schemes include that provided by the parliamentary pension Act (1983) for members of parliament having served a minimum of two terms and the civil servant pension scheme.

With an increase of people in the monetary sector each year and the introduction of the Retirement Benefits Authority (RBA), both the public and private sectors are now
involved in setting up proper pension plans. In Kenya today, retirement benefits arrangements are increasingly occupying an important place in the negotiations for an employment contract and are used to compete for qualified employees.

1.1.2.2 Retirement Benefit Authority (RBA)

Retirement Benefit industry like any other industry in Kenya has not been spared the environmental changes. Through the process of strategic change, retirement benefit schemes seek to reposition themselves in order to create new competences and capacities to exploit and deal with environmental changes. For example, for many years the retirement benefits sector in Kenya operated in an environment that lacked clear, concise and focused legislation governing the management and operation of retirement benefit schemes. (RBA, 2003).

The retirement benefit sector was open to a lot of abuse and newspapers were replete with stories of denied or delayed benefits, misappropriation of scheme funds, diversion of scheme funds into sponsors business, under-funded schemes that cannot meet their obligations, questionable investments, lending of scheme funds to trustees or senior managers at uneconomic rates and many other problems that are to the detriment of members.

The Retirement Benefit Authority was established by the RBA Act No. 3 of 1997 whose primary objective is to protect the interest of members and sponsors of retirement benefit schemes from abuses that have occurred in the past, to promote the development of the sector and to alleviate poverty through enhanced saving for retirement. The RBA is a
regulatory body whose purpose is to oversee the retirement benefit sector and to provide harmonised legal framework to govern the sector. The Authority is answerable to the Ministry of Finance and is completely independent and acts as an impartial adjudicator in dealing with complaints and disputes relating to running of retirement benefits schemes.

1.1.3 National Social Security And Change Management

The National Social Security Fund (NSSF) was established through Cap 258 of the Laws of Kenya in 1966 essentially to collect contributions from registered members and pay defined benefits according to contingencies stipulated in the Act. Expert opinion at the time was that while the workers deserved a comprehensive pension scheme, technical, financial and administrative resources could not sustain such an ambitious programme. It was therefore found prudent to initiate a provident fund rather than embark on a pension scheme (NSSF, 2004)

Over the years, NSSF has met challenges of fast changing socio-economic environment. The main challenge faced is that the low level of accumulated individual savings of contributions does not allow the scheme to make provisions that can guarantee minimum financial support to its members upon retirement. Furthermore because these benefits are paid in a single lump-sum, they are spent almost immediately leaving a typical member in destitution and in a state of hopelessness. From data available, the average benefit paid in a single lump sum is Kshs. 60,000 after thirty years of contributions (NSSF, 2004). There is therefore the need to change from a provident Fund which pays a single lump sum amount on retirement to a social Insurance pension scheme which will pay monthly pensions to retirees for life.
Through a series of interactions between NSSF and a cross-section of its stakeholders, there is consensus that if NSSF is to continue being relevant to its current and future members, it is to change with the times. In order for the NSSF to survive the national wave for change and grow into a viable social security organisation, it requires the institution to shift from how it has managed its affairs and manage performance differently to produce tangible results according to its mandate.

For the past five years, NSSF started a reform process, which is aimed at creating a more efficient, effective and sustainable corporation. NSSF formulated a strategic plan (covering 2003-2006) which would guide the change process. The NSSF Act Amendment Bill (2005) which seeks to transform NSSF from a provident fund scheme to a social insurance pension scheme has also been drafted and is yet to be debated in Parliament (NSSF, 2004).

Some of the change processes initiated by NSSF are training all staff who will in turn infuse business acumen in NSSF management to accelerate transformation of work ethics and operations into an “enterprise culture” responsive to customer expectation in the new scheme. Through reliable information communication technology systems, all branches are interlinked hence members are able to access their statements and payment from the branches unlike in the past where they had to come to Headquarters. This has greatly improved service delivery (NSSF, 2005).

The NSSF has also restructured its management and operational systems and put measures in place, which aim at making it a truly social security institution that will in time guarantee everyone basic and meaningful support in times of need. It is expected that
NSSF will take advantage of existing goodwill of stakeholders to spearhead change management in its operations and provide a more realistic social security system for Kenyan workers.

1.2 Statement of the Research Problem

1.1.4 Performance at National Social Security Fund

NSSF’s history has been marred by scandals and ill-conceived investment policies. Indeed, some regrettable investment decisions were made by the Fund in the early and mid-1990s. Cases of corruption, looting, and organised fraud almost brought down the NSSF in the mid-nineties. Politically correct individuals worked overtime to grab quarries and other wasteland around the City, only to sell the same to the NSSF at inflated rates. Millions of shillings were deposited in political banks that collapsed and swallowed the savings of hardworking Kenyans. (The Standard, Tuesday, May 23, 2006).

However, in recent times, aggressive reform policies have been implemented to prevent errors of the past from recurring. NSSF’s operations are now conducted in an atmosphere of transparency, accountability, and with a renewed commitment to efficient delivery of social security services in Kenya. (http://www.nssfkenya.com).

In mid-1990s, retirees from all over the country crowded the corridors of the Nairobi Headquarters seeking retirement benefits, some that were ten years overdue. In order to improve the operations at NSSF, a decision was made to re-organise the Information Technology department and in the last three years time, members were able to visit any of the forty-two branches countrywide and also be able to lodge claims online. This has greatly improved Customer Service and Retirees now need to wait for only twenty one
days to get their cheques, down from three months or even more during the old days. (The Standard, Tuesday, May 23, 2006).

1.2 Statement of the Research Problem

Change management poses a challenge to organisations and if change is not managed well it may negatively affect the performance. Practitioners and Scholars have established different models for leading change successfully. According to Ongaro (2004) these models if properly applied they argue, should see change through successfully. However even with all these approaches and models of change management, change programs still report dismal performance. This study which is about change management and performance at NSSF will give insight to strengths and weaknesses of the way NSSF has managed change which can provide important reasons to other organisations.

Change management is a subject studied extensively on various sectors in Kenya. Most studies in this area have focussed on the process of strategic change management. Gekonge (1999) looked at strategic change management practices on quoted companies at the Nairobi stock exchange. His results revealed that the main challenge of managing change in most Kenyan Companies was resistance of employees to change. Mbogo (2003) studied Strategic Change management process in Kenya Commercial Bank. He concluded that the main factor that adversely affected the change effort was non-supportive organisation culture.

Ogwora (2003) looked at strategic change management at National Cereals and produce Board (NCPB). He concluded that the highest force pressuring change was the need to plan ahead but reinforcement of the change was found to have been very poor. Ongaro
Rukunga (2003) looked at strategic change management practices in Kenya, a case of Nairobi Bottlers. He found that Nairobi Bottlers in their change program followed the eight steps model by Kotter which outlines the following stages; establishing a sense of urgency; creating the guiding coalition; developing a vision and strategy; communicating the change vision; empowering employees for broad based action; generating short-term wins, consolidating gains and producing more change; and anchoring new approaches in the culture. He concluded that Nairobi Bottlers did not give the necessary weight to one of the steps namely empowering employees which resulted to the failure of the model.

In his research, Rukunga (2003) set out to document strategic change management practices in a manufacturing industry. Retirement Benefit sector has been gaining growth in Kenya in the recent past and therefore findings of studies in other sectors may not be useful in this sector. Therefore, there exists a knowledge gap in this area, which the study seeks to address. Therefore the study will investigate strategic change management and performance at NSSF. What change management model has NSSF adopted and what is the impact of the change management process on its performance?
1.3 **Objective of the Study**

The objective of the study was;

To determine the change management model as adopted by NSSF and what impact it has on its performance.

1.4 **Importance of the Study**

Every country needs a vibrant functioning and efficient retirement benefit sector. The study will be of importance to the following group of users;

a) The academia may use the findings for further research in the area of change management and in particular how the approach that the organisation uses in change management may impact on its performance.

b) The study will also benefit management of NSSF as it will be a source of information regarding management of strategic change. In addition the findings will be important to employers in understanding the dilemma that challenge management in implementing change initiatives.

1.5 **Organisation of Proposed Report**

The study will be organised in five chapters. The first chapter will cover the introduction while literature review will be dealt with in chapter two. Chapter three will cover research methodology while findings and discussions will be covered in chapter four. Summary, conclusions and recommendations of the study will be dealt with in chapter five, the last chapter of the report.
2.1 Introduction

This chapter starts with a review of the concept of strategy and change management. Strategy is explained as the link between an organisation and its environment and explains the need for all organisations, be they private or public, to develop and manage strategy in order to fit in the changing environment. Because implementation of strategic change has been difficult to manage, various scholars have proposed change management approaches and models. These are presented in section two. The first section discusses the factors that have been identified as influencing the change management practices.

2.2 Concept of Strategy and Change Management

Johnson and Scholes (1999) state that strategy is the direction and scope of the organisation over the long-term, which achieves advantages for the organisation through its configuration of resources within the changing environment to meet the needs of the market and fulfil stakeholder’s expectations. Neither strategy nor change management would be considered particularly important if products and markets were stable and organisational change was rare (Burnes, 2000). The organisational environment is always changing and for an organisation to enhance its competitive advantage, it must configure its resources to match the changes. The changes could be mild or turbulent but they must be matched accordingly by appropriate strategy.

Aosa (1992) states that strategy is creating a fit between the external characteristics and the internal conditions of an organisation to solve a strategic problem. The strategic problem
is mismatch between the internal characteristics of an organisation and its external environment. The matching is achieved through development of organisation's core capabilities that are correlated to the external environment well enough to enable the exploitation of opportunities existing in the internal environment and to minimise the impact of threats from the external environment. The strategy of an organisation must continuously and actively adapt the organisation to meet the demands of an ever changing environment.

Strategic change management is defined as the actions, processes and decisions that are executed by an organisation’s members to realise their strategic intentions. Strategic change is about managing the unfolding non-linear dynamic processes during strategy implementation in policy, systems, values, staff and skills of an organisation to realise strategy (Hardy, 1986).

Hill and Jones (2001) see strategic change as a process of moving an organisation away from its present state towards some desired future state to increase its competitive advantage. They observe that most of the organisations have gone through some kind of strategic change as their management have tried to strengthen their existing core competences and build ones to compete more effectively. Re-engineering, restructuring and innovation have been the three kinds of strategic changes pursued in the recent times. Strategic change aims at aligning structures, systems, processes and behaviour to the new strategy.
Burnes (2000), notes that because of political, economic, social and technological changes, the history of organisations has been that of change and upheaval since the industrial age. Because the pace and uncertainty of such change vary from organisation to organisation, some appear to operate under relatively stable conditions while others operate under extreme turbulence. However, whichever the level of turbulence, what matters is the ability of the organisation to cope with the environmental constraints, challenges and threats.

Ansoff and McDonnell (1990) observe that changes are becoming increasingly complex, novel and discontinuous from past experience. Equally the change challenges have increasingly become simultaneous; the need for revival of entrepreneurship for response to the increasing intensity of global competition and for societal involvement in determining how firms are to be run is more critical now than before.

Strebel (1995) says that change management is not working as it should. He contends that the wide spread difficulties have at least one common root, that is, that managers and employees view change differently. Both groups seem to know that vision and leadership drive successful change, but far too few leaders appear to recognise the ways in which individuals commit themselves to bring about change. Top-level managers are said to see change as an opportunity to strengthen the business by aligning operation with strategy, to take new professional challenges and risks and to advance their careers. For many employees, however, including middle level managers, change is neither sought after nor welcomed. It is disruptive and intrusive. It upsets the balance. Strebel (1995) concludes that “employee often misunderstands or worse ignores the implications of change”.

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Kanter et al (1992) proposes and explains the need for strategic change is to create a change adept organisation that anticipates, creates and responds effectively to change. According to Ongaro (2004), organisations that embed change capabilities in everyday operations and empower stakeholders to serve as agents of change are less likely to be blindsided by surprises due to highly turbulent environment or to face resistance from the stakeholders. Therefore, organisations should aim at attaining these levels in their strategic change process.

According to Burnes (2000), change management comes in all shapes, sizes and forms and for this reason; it is difficult to establish an accurate picture of the degree of difficulty organisations face in managing change successfully. However, there are three types of organisational change which, because of their perceived importance have received considerable attention; the introduction of new technology in the 1980s; the adoption of Total Quality Management (TQM) over the last 15 years; and from the early 1990s, the application of Business Process Re-engineering (BPR). All three, in their time, were hailed as ‘revolutionary’ approaches to improving performance and competitiveness.

2.3 Theoretical Foundations of Change Management

Change management is not a distinct discipline with rigid and clearly defined boundaries. Rather the theory and practice of change management draws on a number of social science disciplines and traditions. Though this is one of its strengths, it does make the task of tracing the origins and defining its core concepts more difficult than might otherwise be the case, Burnes (2000). According to Burnes (2000), there are three schools of thought that form the central planks on which change management theory stands:
a) The individual perspective school which assumes that individual behaviour results from his interaction with the environment. Human actions are conditioned by expected consequences and behaviour that is rewarded tends to be repeated and vice versa. Psychologists argue that behaviour is influenced by external stimuli.

b) The group dynamic school, which argues that individual behaviour, is a function of group environment. Its emphasis is on bringing about organisations change through teams and work groups, rather than individuals. The rationale behind this is that because people in organisations work in groups, individual behaviour must be seen, modified or changed in the light of group’s prevailing practices and norms. To bring about change, therefore, it is useless to concentrate on changing behaviour of individuals according to the group dynamics school. The individual in isolation is constrained by group pressures to conform. The focus of change must be at the group level and should concentrate on influencing and changing the group’s norms, roles and values.

c) The open systems school whose focus is on the entire organisation. Its sees the organisation as being composed of different sub systems, which are the goals and values sub system, the technical sub system, the psychological sub system and the managerial sub system. A change in one part of the system has an impact on other parts of the system. Change can therefore be achieved by changing the sub systems but one then needs to understand the inter-relationship of these sub systems.
2.4 Planned Versus Emergent Process of Change

According to Burnes (2000), change has always been a feature of organisational life, though many would argue that the frequency and magnitude of change is greater now than before. Planned change is a term first coined by Kurt Lewin to distinguish change that was consciously embarked upon and planned by an organisation as averse to type of change that might come about by accident, by impulse or that might be forced on an organisation. Planned change approach views organisational change as essentially a process of moving from one fixed state to another through a series of predictable and pre-planned steps.

Emergent change approach starts from the assumption that change is a continuous open ended and unpredictable process of aligning and realigning an organisation to its changing environment. According to Burnes (2000) the rationale for emergent approach stems from the belief that change cannot and should not be solidified, or seen as a series of linear events within a given period of time. The emergent approach, therefore, stresses the developing and unpredictable nature of change. It views change as a process that unfolds through the interplay of multiple variables within an organisation.

Though the proponents of these approaches claim their universal applicability, Burnes (2000) differs. He argues that such approaches are developed in particular circumstances at particular time and often with particular organisations in mind. It follows then that organisations and managers would understand the approaches on offer identify their own circumstances and needs and then choose the approach they find suitable. Aosa (1996) says that there is need to synchronise the management and implementation of change with
the context within which such a change is being carried out. This is especially true within the African context where management has been shown to be different.

2.5 Models of Strategic Change Management

Change management is the use of systematic methods to ensure that the organisation and its employees move from the old unwanted behaviour to the new desired behaviour for the survival of the organisation, while retaining some of the key competences. Major Scholars have proposed a number of models for strategic change management.

Kotter (1996) suggests eight steps model shown in diagram 1.1 in which he says if implemented systematically, one step after another, will lead to successful change. This practice in change management consists of the following stages; establishing a sense of urgency; creating the guiding coalition; developing a vision and strategy; communicating the change vision; empowering employees for broad based action; generating short-term wins; consolidating gains and producing more change; and anchoring new approaches in the culture. Kotter (1996) further summarised his experience of more than 100 companies trying to make fundamental change in order to cope with the environment thus “a few of these have been utter failures. Most fall somewhere in between, with a distinct tilt towards the lower end of the scale”.
Figure 1.0: Kotter's eight steps to leading successful change

Activity

Establishing a sense of Urgency
Examining market and competitive realities
Identifying and discussing crises, potential crises, or major opportunities

Forming a Powerful Guiding Coalition
Assembling a group with enough power to lead the change effort
Enhancing the group to work together as a team

Creating a Vision
Creating a vision to help direct the change effort
Developing strategies for achieving that vision

Communicating the Vision
Using every vehicle possible to communicate the new vision and strategies
Teaching new behaviour by the example of the guiding coalition

Empowering Others to Act on the Vision
Getting rid of obstacles to change
Changing systems or structures that seriously undermine the vision
Encouraging risk taking and non-traditional ideas, activities and actions

Planning for and Creating Short-Term Wins
Planning for visible performance improvements
Creating those improvements
Recognising and rewarding employees involved in the improvements

Consolidating Improvements and Producing Still More Change
Using increased credibility to change systems, structures and policies that don't fit the vision
Hiring, promoting and developing employees who can implement the vision
Reinvigorating the process with new projects, themes, and change agents

Institutionalising New Approaches
Articulating the connections between the new behaviour and corporate success
Developing the means to ensure leadership development and success

Source: Kotter J. Leading Change HBS 1996
Ansoff (1998) recommends four approaches to managing discontinuous change, which are the Coercive method, the Adaptive method, the Crisis method, and the Managed Resistance method. The coercive method is applicable where there is high urgency. It has the advantage of speed but has shortcoming of being highly resisted. Adaptive method is applicable where there is low urgency. Its main advantage is low resistance but the method is very slow. Crisis management method is applicable where there is threat for survival. Its advantage is low resistance but has shortcoming of extreme pressure and risk of failure. The managed resistance is applicable under conditions of moderate urgency. Planning and implementation are done together. It has the advantage of low resistance because it is tailored to time capability change. The disadvantage is that it is more complex than the other three methods.

Kanter et al (1992), on their part give what they call the Ten Commandments to executing change successfully. Analysing the organisation and need for change; creating a shared vision and a common direction; separating from the past; creating a sense of urgency; supporting a stronger leader role; lining up political support; crafting an implementation plan; developing an enabling structure; communicating; involving people and being honest; and reinforcing and institutionalising changes are their prescriptions for successful change.

Kurt Lewin from his work on change management came up with the Three step model which proposes going through the steps of unfreezing, moving and re-freezing. Unfreezing involves removing those forces that maintain the organisation's behaviour at its present level. Moving involves acting on the results of unfreezing i.e. taking action to move to the
desirable state of affairs while refreezing seeks to stabilise the organisation at the new set of equilibrium (Burnes 2000).

The Processual Model which is the temporal approach to change management. Temporal aspect of change is used as a means of breaking down the complex process of organisational change into manageable portions. It identifies the substance of change as new technology or new management techniques, the need for change is conceptualised, transition in terms of new tasks, activities and decision is achieved in the contextual framework of politics of change, human resources, administrative structures and the business market and lastly the operation of the new organisational arrangements.

2.6 Factors that Influence Change Management Practices.

The Logical Incrementally Model in which change takes place incrementally by developing the patterns of change incrementally. This includes creating awareness and commitment incrementally; amplify understanding and awareness; legitimising new view points; making tactical shifts and partial solutions; broadening political support and overcoming opposition zones. Then solidifying process in the change programme incrementally by; creating pockets of commitment; focusing the organisation; managing conditions and formalising commitment by empowering champions. Lastly integration of the process and interests in the change programme.

No two approaches to change appear to be exactly the same and in some cases they almost entirely contradict each other. Many managers often think that their job is to implement the particular approach to strategy and change which specialists recommend, or which other more successful organisations have adopted. Burnes (2000) argues that though most
experts would claim some sort of universal applicability for their favoured approach or theory, the reality is that such approaches are developed in particular circumstances, at particular times often with particular types of organisation in mind. Change experts propose that a successful change process involve three stages, preparing for change, beginning the change and cementing the change. At the preparation phase, the need for change is established and what is to change is identified. At the beginning phase, the strategies for change levers are determined. At the cementing phase, attempts are made to ensure that all are involved in the change.

2.6 Factors that Influence Change Management Practices.

Culture, resistance, leadership, teamwork and stakeholder politics, have been identified as factors that can influence the outcome of any change management programme.

2.6.1 Organisational Culture

Rowe et al (1994) define organisational culture as the total sum shared values, attitudes, beliefs, norms, expectations and assumptions of people in the organisation. Thompson and Strickland (1993) argue that there must be a fit between strategy, structure, systems, staff, skills, shared values and style for strategy implementation to be successful. Thomson J (1997) argues that organisational culture and values held by managers and other employees within the organisation are key influences on strategies of change and therefore central driving consideration in strategy creation and change. Johnson and Scholes (1999) referring to culture as routines, note that such routines which give an organisation a competitive advantage may act as bottlenecks when implementing changes. When planning change it is important to identify such routines and change them. Burnes (2000),
however differs and argues that changing routines can be difficult. Instead the organisation is restructured and people placed in new roles and relationships and new culture develops. Gekonge (1999) looked at strategic change management practices on quoted companies at Nairobi Stock Exchange and concluded that culture affects greatly the management of strategic change process. His results further revealed that the main challenges of managing change in most companies were resistance by employees to change.

2.6.2 Resistance

According to Ansoff and McDonnell (1990), resistance to change is a multi-faceted phenomenon, which introduces delays, additional costs and instability into a change process. Resistance can either be behavioural or systemic: Behavioural resistance is exhibited by individuals, managers or groups. Because of parochial self-interests, misunderstanding and lack of trust, or low tolerance to change, individuals or groups may resist change. To overcome this problem there is need for those managing change to understand the needs of employees and also for employees to understand the change plan.

Systemic resistance originates from passive incompetence in managerial capacity to carry out the change. The capacity required to implement change is normally more than the existing capacity. Management requires planning and developing the required capability by integrating management development into the change process and stretching the implementation period as long as possible.

Leadership must drive the process of change to alter the employees’ perception and bring about revised personal impacts. Without proper leadership employees will remain sceptical of the vision for change and distrustful of management and management will likewise be
frustrated and stymied by employees’ resistance to change (Strebel, 1995). Rose and Lawton (1999) note that if change involves challenging existing power arrangements resistance to change is inevitable. To deal with such resistance, they propose use of some techniques, which include education and communication, participation and involvement, facilitation and support, manipulation and co-option.

2.6.3 Leadership

Johnson and Scholes (1999) contend that the management of change is often directly linked to the role of strategic leader. Leadership is the process of influencing an organisation in its effort towards achieving an aim or goal. A leader is not necessarily someone at the top of an organisation, but rather someone who is in a position to influence others. Normally change agents or change champions provide the leadership role. The leader’s role includes creating vision, empowering people, building teamwork and communicating the vision. Thompson J (1997) while stressing the importance of effective leadership in managing change give the qualities of an effective leader as being visionary, skilled, competent, motivate, analytical, persistent, enduring and flexible.

Undoubtedly, the way changes are managed, and the appropriateness of the approach adopted, have major implications for the way people experiencing change and their perception of the outcome. The Institute of management (1995) study established that the managers appeared to report considerable levels of dissatisfaction with the outcome of change. The study found out that while most managers supported the case for change, many were anxious not only about the change outcome but also the process of change. Aosa (1996) says that there is a need to synchronise the management and implementation
of change with the context, which such a change is being carried out. This is especially true within the African context where management has shown to be different. There is evidence from researchers that organisational change management is a useful tool to facilitate successful cultural transformations to ensure that the outcome of the change initiative is positive.

2.6.4 Teamwork

The complexity of most of the processes, which are operated in industry, commerce and service, place them beyond control of any individual. The only way to tackle problems concerning such processes is through the use of some form of teamwork yet building effective teams is not an easy matter. Oakland (1993) define a team as a group of people with the appropriate knowledge, skills and experience who are brought together specifically by management to tackle and solve a particular problem usually on a project basis. They are cross functional and multi-disciplinary.

Rowe et al (1994) argue that team approach to change implementation removes artificial organisational barriers and encourages openness. Teams share common goals and help to focus energy by emphasizing self-control on the participants. Teams that are cohesive, that interact co-operatively with members possessing compatible personality characteristics and that are operating under mild to moderate pressure appear to be most effective.

2.6.5 Political Management, Mobilising Support and Legitimacy

Stakeholders’ support is essential for a change programme. Because of many stakeholders groups with different interests and power, achieving universal support is a challenge and
politics sets in. Hill and Jones (2001) see organisational politics as tactics that strategic managers and stakeholders engage in to obtain and use power to influence organisational goals and change strategy and structure for their own interests. In this political view of decision-making, obstacles to change are overcome and compromise, bargaining and negotiation between managers and coalitions of managers to settle conflicts over goals by the outright use of power. Kanter et al (1992) argues that the first step to implementing change is coalition building, which involves those whose involvement really matters. Specifically, stakeholders must support any change programme for it to see the light of the day.

2.7 Change Management and Performance

In private sector, the principal measure of successful performance is profit. Public agencies, on the other hand, have no such universal and widely accepted performance measure of success. For public sector organisations, performance must be judged against the goals of their programs and whether the desired results and outcomes have been achieved. Success is often viewed as from the distinct perspectives of various stakeholders, such legislatures, regulators, other governmental bodies, vendors and suppliers, customers and the general public. (Serving the American, Public report, 1997).

Change Management is critical in designing and deploying effective performance measurement and management systems. Ittner and Larcker (2003) suggest that performance measurement is used to help direct the allocation of resources, assess and communicate progress towards strategic objectives and evaluate managerial performance.
Clear, consistent and visible involvement by senior executives and managers is a necessary part of successful performance measurement and management systems.

Today’s managers are faced with the difficult challenge of continuing to improve over time the performance of the unit or company they are managing. It is no longer sufficient for managers to produce steady organisational performance most of the time, they must do so all the time; there is less and less patience for weak results. This challenge is all the more daunting because the competitive environment that managers are facing is also becoming increasingly demanding. As a result companies have been bombarded over the last few years with advice on various ways of improving performance. (Dutta and Manzoni, 1999).

Regardless of size, sector, or specialization, organisations tend to be interested in the same general aspects of performance such as financial considerations, customer satisfaction, internal business operations, employee satisfaction and stakeholder satisfaction. It is important therefore that organisations align their strategies with their performance measurement systems

3.3 Data Collection

Both primary and secondary data were used to collect the data required for this study. The change management was gathered using open-ended questions. The results from semi-structured interviews were used to examine the change practices and who made policy decisions. The data were collected from the literature reviews, primary data, and secondary data.
CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

This chapter details the research design used to achieve the objectives of the study which was to determine strengths and weaknesses of the change management model as adopted by NSSF and what impact it has on its performance.

3.2 Research Design

The research was conducted through the case study method. This method was intended to enable the researcher have an in-depth account of the change management practices implemented by NSSF and how they have affected the organisation’s performance.

Case study designs are the most appropriate research design because this is the study of a single unit or institution hence will facilitate intensive study and analysis of the same. It is a form of qualitative analysis where the study is done in institutions or situations and from this study, data generalisation and inferences are made.

3.3 Data Collection

Both primary and secondary data was collected and used for the study. Primary data was gathered using open-ended questionnaire (Appendix 1) regarding management of strategic change practices. The in-depth interviews were conducted with Heads of Departments who make policy decisions and therefore directly involved in management of strategic change practices.
Secondary data was collected from various sources including financial statements, change programme reports prepared during planning and implementation of strategic plan by the Project Manager. Documents relating to performance of the organisation were also scanned to give insight on how change management practice has impacted on the performance of the organisation.

### 3.4 Data Analysis

Data from interview and secondary sources was summarised according to study themes. The content analysis technique was used to analyse the data. The findings emerging from the analysis was used to compile this report. Nachmias and Nachmias (1996) define content analysis as a technique for making inferences by systematically and objectively identifying specified characteristics of messages and using the same approach to relate trends. This approach has been used previously in a similar research paper like the one by Mbogo (2003). He argues that this method is scientific as the data collected can be developed and verified through systematic analysis. The qualitative method can be used to uncover and understand what lies behind phenomena under study. It can also be used to gain quite some fresh material even in what was thought to be unknown.
CHAPTER FOUR: FINDINGS AND DISCUSSIONS

4.1 Introduction

The information contained in this chapter reflects the reforms undertaken by NSSF and covers periods 1998-2005. The period is characterised by commitment by NSSF to reform itself internally. The information gathered from personal interviews and secondary data collected from various sources is reported. Secondary data was collected from various reports mentioned in this report. The findings are discussed in light of the change models discussed in chapter two. The findings also focus on the areas identified for the study that is to determine the strengths and weaknesses of the change management model as adopted by NSSF and what impact it has on its performance.

4.1.1 Current Status of National Social Security Fund

NSSF has about 2.9 million registered members but an active membership of only 0.8 million. Current estimates put the employable population at about 6.5 million. Therefore, a large number of the employable population are not members of the Fund mainly because they are in the informal sector, self employed, exempted or without formal jobs. Employees in the informal sector and self-employed are not contributors to the NSSF due to legal limitations. New membership registration has been on a declining trend as shown in Figure 1.
4.1.2 Registration of Employers

The current active membership base is alarmingly low given the size of the Nation’s labour Force. Table 1 shows that as at June 2004, only 59,025 employers were registered with the Fund. Its employers largely found in the informal sector and among professionals such as lawyers, doctors, accountants and Jua Kali operators, with an average of 3 employees constituting 41% of total employers. Many applications are being received from employers seeking exemptions from contributing to NSSF on account of operating their own in-house retirement benefit schemes.

Source: NSSF
Table 1.0: Status of Registration of Employers as at June 2004

<table>
<thead>
<tr>
<th>Category</th>
<th>Active employers</th>
<th>Closed down employers</th>
<th>Dormant employers</th>
<th>Total employers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Government</td>
<td>105</td>
<td>214</td>
<td>398</td>
<td>717</td>
</tr>
<tr>
<td>500+</td>
<td>75</td>
<td>10</td>
<td>24</td>
<td>109</td>
</tr>
<tr>
<td>100+</td>
<td>354</td>
<td>165</td>
<td>280</td>
<td>799</td>
</tr>
<tr>
<td>50+</td>
<td>515</td>
<td>315</td>
<td>463</td>
<td>1,293</td>
</tr>
<tr>
<td>10+</td>
<td>4,714</td>
<td>2,414</td>
<td>5,603</td>
<td>12,731</td>
</tr>
<tr>
<td>5+</td>
<td>6,567</td>
<td>2,909</td>
<td>9,284</td>
<td>18,760</td>
</tr>
<tr>
<td>1+</td>
<td>2,308</td>
<td>2,553</td>
<td>19,755</td>
<td>24,616</td>
</tr>
<tr>
<td>Total</td>
<td>14,638</td>
<td>8,580</td>
<td>35,807</td>
<td>59,025</td>
</tr>
</tbody>
</table>

Source: NSSF Financial report

4.2 Forces Necessitating Change

The change practices at NSSF were as a result of both external and internal factors. Externally certain technological and political changes exerted pressure on the NSSF to change and shift from past practices not bearing fruit and instead manage performance differently to produce tangible results according to its mandate.

4.2.1 Internal Forces of Change

(a) Low Lump sum Payments

The majority of the respondents were unanimous that insufficiency of the benefits range and the low lump-sum payments for contingencies made the provident fund model unattractive and inadequate to cater for social security needs of membership. Initially, the scheme design and the modest benefit payable in single once-and-for-all lump sums, catered for the needs of the targeted workers reasonably well. However, with the passage of time, the social support structure of a typical retiree and economic environment in which they live changed dramatically. The extended family support system gave way to individualism and in the meantime inflation escalated to
unprecedented levels. To make things worse, most retirees could no longer go back to their traditional homes either because they had been detached from them or such homes were no longer there.

There was therefore need to broaden the range of benefits as well as to provide for members in retirement. The rates of contributions to NSSF remained stagnant for the next twenty five years after 1977 thus the average benefit became more and more insignificant. There was therefore, need to lift the upper ceiling contributions to attract further voluntary savings in support of the enhanced and expanded benefits.

(b) Corruption and Mismanagement

Some respondents especially middle class identified corruption and mismanagement as another internal force which necessitated change. Years of plunder, corruption and mismanagement dragged the NSSF to its lowest ebb in 1990s. Therefore the history of the Fund would be incomplete without mention of the myriad scandals and ill-conceived investments policies through which individuals and firms siphoned money from NSSF. The most popular method was purchase of land at grossly inflated and exorbitant prices. However in recent times, aggressive reform policies have been implemented to prevent the mistakes of the past recurring. NSSF operations are now conducted in an atmosphere of transparency, accountability and with a renewed commitment to efficient delivery of social security services in Kenya.
4.2.2 External Forces to Change

(a) Political Forces

According to those interviewed in Human Resource Department, political intervention played part in NSSF reforms. The respondents pointed out that no other public institution has a higher turnover of chief executives, than the NSSF. It works to an average of one Chief Executive per year. It was clear from the interview that meddling by the Government was the heart of NSSF’s problems. This is the reason why despite the fact that the private sector retirement benefits are flourishing, the NSSF continued to be in dire straits. It is against this background that in 1998 the NSSF Act was further amended to devolve more powers from the Government to the Board of Trustees.

The appointment of Chief Executive Officer was to be done in consultation with all the three social partners, that is, Government, FKE and COTU.

(b) Technological Forces

Some respondents identified lack of ICT knowledge as another force necessitating change at NSSF. The growth of information technology infrastructure at NSSF has not proportionately kept pace with the modern information technology requirements. Most staff were seen as being less enthusiastic in embracing ICT. This has resulted in inefficiency in membership registration, record keeping, processing and payment of benefits and maintenance of accurate member accounts. In an effort to adopt technology and for capacity building in ICT, NSSF awarded a contract to a consulting firm which also doubled as the Fund’s ICT consultant to acquire and install parallel computer programme. The contract included specification for computer equipment and other hardware required for installation and testing of the equipment overseeing the process of procurement,
development of application software and training of the Fund’s staff. The parallel system
was delivered to NSSF in November, 1998 but went into operation in January 1999. It was
discovered that the system which appeared to have been designed as a stop gap measure
instead of a long-term operational one was found to contain serious deficiencies.

(c) Economic Forces

Recent deteriorating economic performance of the economy and skewed distribution of
wealth prevalent in Kenya has led to the worsening of conditions of life. The worst social
effect on the country currently is increasing rate of poverty aggravated by rising level of
unemployment. Thus the main agenda of the Government is restoration of confidence and
economic reconstruction to turn the economy around. Table 2 below indicates economic
growth pattern of Kenya since independence, showing fast growth rates in the sixties and
seventies and declining trend in recent years.

Table 2.0: Kenya’s economic growth since independence

<table>
<thead>
<tr>
<th>Year</th>
<th>Growth</th>
<th>Year</th>
<th>Growth</th>
<th>Year</th>
<th>Growth</th>
<th>Year</th>
<th>Growth</th>
<th>Year</th>
<th>Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>1964</td>
<td>5.9</td>
<td>1974</td>
<td>2.0</td>
<td>1984</td>
<td>0.9</td>
<td>1994</td>
<td>3.0</td>
<td>2001</td>
<td>1.2</td>
</tr>
<tr>
<td>1965</td>
<td>3.6</td>
<td>1975</td>
<td>1.2</td>
<td>1985</td>
<td>4.8</td>
<td>1995</td>
<td>4.8</td>
<td>2002</td>
<td>1.8</td>
</tr>
<tr>
<td>1966</td>
<td>11.9</td>
<td>1976</td>
<td>6.1</td>
<td>1986</td>
<td>5.6</td>
<td>1996</td>
<td>4.6</td>
<td>2003</td>
<td>7</td>
</tr>
<tr>
<td>1967</td>
<td>4</td>
<td>1977</td>
<td>8.8</td>
<td>1987</td>
<td>4.9</td>
<td>1997</td>
<td>2.4</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1968</td>
<td>7.8</td>
<td>1978</td>
<td>6.7</td>
<td>1988</td>
<td>5.1</td>
<td>1998</td>
<td>1.8</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1969</td>
<td>6.7</td>
<td>1979</td>
<td>3.8</td>
<td>1989</td>
<td>5.1</td>
<td>1999</td>
<td>1.4</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Central Bank of Kenya
The respondents were of the view that provision of social security is a basic human right and without some element of structured social security in any society, there is bound to be social disharmony and instability situation that is not conducive to social order and economic growth. It is therefore imperative for NSSF to exercise its mandate in a business like manner and make a positive contribution to the National economy. This calls for a new business strategy and continuous reshaping of internal operations to maximise synergies, gain economies of scale and improve organisational effectiveness in service delivery to the satisfaction of membership and stakeholders.

4.3 Strategic Objective of NSSF Reforms

The creation of a more efficient, effective and sustainable corporation was identified by all interviewed as the main objective of NSSF reforms. The other objectives mentioned are;

(i) To provide maximum possible return to members contributions by selecting investments in accordance with safety, yield, liquidity and social-economic fundamental principles governing investment of social security funds. These principles have the primary objective of securing the Fund’s financial capability to provide a return on the members’ contributions.

(ii) To enhance and maintain the Fund capacity to develop and provide a wide range of benefits for increased membership.

(iii) To provide finance for programmes designed to promote the economic and social development of the country.

(iv) To establish the institution’s sense of purpose and legitimacy in the well being of the Kenya society as well as mechanism for continuous monitoring of plan progress.
4.4 Change Management Process

National Social Security Fund has been implementing change over the last six years. Set out below is a review of how the Organisation has been doing this viewed against known models of implementing change.

4.4.1 Establishing a sense of urgency

From the available records, it is clear that this was done via a review of the Corporation’s performance. The future of NSSF depends on how effectively it responds to the emerging critical issues and rising public expectations. Practically, the Provident Fund model of social security was wanting. The way the Fund manages its performance especially the investment of surplus Funds was causing serious concern. NSSF therefore ought to reform its various aspects of operations, thus the need for change strategy to manage NSSF transformation into a more acceptable organisation delivering real social security to Kenyans. Further, the NSSF’s structure and unproductive work culture and attitudes allowed little room for increased speed in business processes and effective management and operational costs. NSSF was known for poor service record and required strategic change re-alignment of its work organisation to maximise synergies and gain on resources productivity. The membership was alarmingly low given the size of the Nation’s labour force. Attracting new membership, motivating members to boast their level of contribution and visible prudence in the management of member’s funds became strategic initiatives to be pursued to improve member’s savings and NSSF’s capital base. This resulted to the development of a strong marketing strategy and customer care programmes to stimulate enough interest in the core business of NSSF and attract new membership to join while at
the same time motivating current registered members who remain inactive to commence regular contribution. A sense of urgency was properly established.

4.4.2 Creating the guiding coalition

The Project Manager felt that the Board of Trustees, the Chief Executive Officer and Senior Management were responsible for initiating change at NSSF. Kenya workers like their counterparts elsewhere require and indeed deserve a more realistic social security package. All these stakeholders expressed need for a major reorganisation of NSSF since in its current form it was not making the expected impact on the worker's welfare during and after employment. Indeed Parliament has been making demands for better benefits for all the retirees and therefore NSSF need to take advantage of the existing goodwill of stakeholders to spearhead change management in its operations and provide a more realistic social security system for Kenyan workers.

4.4.3 Developing a vision and strategy

All those interviewed agreed that NSSF developed a vision statement. In fact all of them were able to put this vision down which is “To be an effective and dependable social security provider to all Kenyan workers”. The NSSF's Corporate Strategic plan for the period 2003-2006 is an attempt to realign the Fund's functions and activities to focus on its core business of providing social security to an expanded membership, if not the entire workforce or population in Kenya. Success in the expanded mission is assured only when the fund management stay focused on the vision and this requires a strategy to mainstream corporate performance.
4.4.4 Communicating the change vision

Those interviewed revealed that change was communicated through employee meetings. The other major forms of communication were through supervisor face to face with employees and also through memorandum in the office. The respondents were unanimous that communication within NSSF has improved considerably and employees are made to feel they are part of the change process. Communication fosters motivation by clarifying to employees what is to be done, how well they are doing and what can be done to improve performance if it is below standard. Research indicates that the most effective managers, defined in terms of the quantity and quality of their performance and the satisfaction and commitment of their employees, spend the largest proportion of their time on communications of various kinds (Cooper, Report).

4.4.5 Empowering employees for broad based action

Those interviewed revealed that employees were trained to cope with the change process. They underwent intensive training on customer care. In an effort to give its customers delightful service, NSSF interlinked all the branches through reliable information technology systems making service delivery to its customers faster and more efficient. A member is now able to access his or her statement of account at any of the 49 branches spread across the country. The employees were also involved in identifying solutions to problems arising out of the change process.

4.4.6 Generating short-term wins

Pillars were formed to generate short-term wins. NSSF was to ideally serve as the first pillar of Kenya’s social security system. This was then to be complemented by
occupational retirement benefit schemes making the second pillar and private savings and investment plans constituting the third pillar. Those with the lowest earning power would qualify for the basic provisions of the first pillar while the middle income and higher income earners will have access to the second and third pillars respectively. The main objective of a basic universal scheme for all is to provide the last social support safety-net to all the workers and thus avert destitution, whereas the objective of the occupational schemes is primarily to provide for income replacement.

4.4.7 Participation /involvement

Kotter (1996) avers that successful change goes beyond conventional management as is known and practised by most managers. It involves leadership that seeks to establish direction, align people’s aspirations, motivate and inspire people. The research sought to know the degree of involvement amongst different levels of staff and also how the external stakeholders were involved or consulted over the changes. From those interviewed they felt the Board of Trustees, Chief Executive Officer and Senior Management were responsible for initiating the change but was also evident from the interview that all members of staff were involved in the change process.

The Project Manager revealed that series of workshops were organised for staff throughout the country. Change agents were identified, trained and exposed to external business environment so that they enforce the change message. A reform secretariat was set up to ensure that implementation of the approved strategies and make recommendations for improvements or variations to the Chief Executive Officer. The research also sought to know the enthusiasm for the change that was evident amongst the various cadres of
employees. The findings indicate that there was support for the change by both the top and the lower staff level. Closely related to support for change is the commitment of resources to change by NSSF. The findings indicate that the management freely and willingly availed resources thus there was a greater visibility of support for the change.

4.4.8 Planned and emergent change

The respondents were unanimous in that the change effort was planned and there is a clear line in sight to a future desired state. The approach was top-bottom where change activities were decided at the top and passed down for implementation. A task force was appointed which carried out sample surveys of the business processes, working relations, working tools, staff competencies and staff incentives. The findings of the task force were discussed and the proposals presented to the Board of Trustees who then planned the change activities and a schedule of responsibilities and time-frame drawn. However as change progressed, the emergent approach started to take root.

4.5 NSSF Performance Indicators Pre and After the Change Process

The performance indicators of NSSF are measured using both quantitative and qualitative tools which include membership growth, members contributions, surplus, return on investment and customer satisfaction.

4.5.1 Impact of Change on the Quantitative Factors

The emergence of a down-up approach was encouraged with the participation of various departments in initiating reform activities. This is because change cannot be characterised as a rational series within a given period of time but rather a continuous process. It is a process that unfolds through interplay of multiple variables within the organisation. Therefore, handling change is part of every manager’s role and not work of a specialist.

The role of the manager is not to plan and implement the change but to create and foster structures and climate, encouraging and facilitating change by the organisation.
4.4.9 Anchoring new approaches to culture

The new approaches were also anchored in the culture of the organisation. The organisation reviewed departmental set-ups and reporting relationships. The departments have been re-organised to minimise duplication of duties and staff re-orientation and re-training is ongoing. Span of control was expanded and the reporting layers were drastically reduced. In line with being customer focussed, all operations were to be customer friendly and NSSF now endeavours to have good return to members’ contributions.

4.5 NSSF Performance Indicators Pre and After the Change Process

The performance indicators of NSSF are measured using both quantitative and qualitative tools which include membership growth, members contributions, surplus, return on investment and customer satisfaction.

4.5.1 Impact of Change on the Quantitative Factors

According to the Project Manager, NSSF has undergone a metamorphosis. From a bureaucratic, sluggish parastatal, the Fund has changed into an efficient and dependable corporation. In the financial year 2004/2005, NSSF realised over one billion Kenya Shillings from the sale of undeveloped land. The Fund’s investment in real estate has consequently dropped to 48.3% from a high of 81% in 2002. The return on investment were tripled in year 2005.

The Fund’s investment in the stock market registered impressive dividends of Kshs. 1.1 billion in the past one year compared to Kshs.570 million in the 2003/2004 financial year.
Investment in equity accounted for 35.1%. Shareholding in the cement industry generated the best returns with dividends amounting to Kshs. 508 million paid to NSSF.

NSSF’s investment portfolio now stands at Kshs. 60 billion out of which 6.1% is in Government Securities, 48.3% in real estate, 7.45% in cash and short term deposits, 35.1% in equities and 2.9% in unquoted equities.

<table>
<thead>
<tr>
<th>Year</th>
<th>Value</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>1982/83</td>
<td>65,301</td>
<td>1,206,227,000</td>
</tr>
<tr>
<td>1983/84</td>
<td>92,997</td>
<td>1,188,794,000</td>
</tr>
<tr>
<td>1984/85</td>
<td>99,099</td>
<td>1,164,890,000</td>
</tr>
<tr>
<td>1985/86</td>
<td>78,983</td>
<td>1,414,257,000</td>
</tr>
<tr>
<td>1986/87</td>
<td>109,962</td>
<td>1,353,273,000</td>
</tr>
<tr>
<td>1987/88</td>
<td>29,923</td>
<td>1,535,320,000</td>
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<tr>
<td>1988/89</td>
<td>60,669</td>
<td>1,388,066,000</td>
</tr>
<tr>
<td>1989/90</td>
<td>106,483</td>
<td>1,538,268,000</td>
</tr>
<tr>
<td>1990/91</td>
<td>97,066</td>
<td>1,589,194,000</td>
</tr>
<tr>
<td>1991/92</td>
<td>94,356</td>
<td>1,539,375,000</td>
</tr>
<tr>
<td>1992/93</td>
<td>80,383</td>
<td>1,593,855,000</td>
</tr>
<tr>
<td>1993/94</td>
<td>88,144</td>
<td>1,650,743,000</td>
</tr>
<tr>
<td>1994/95</td>
<td>62,633</td>
<td>1,688,657,000</td>
</tr>
<tr>
<td>2000/01</td>
<td>64,301</td>
<td>2,592,601,484</td>
</tr>
<tr>
<td>Total</td>
<td>1,139,035</td>
<td>21,413,720,484</td>
</tr>
</tbody>
</table>

Source: NSSF
Marginal Growth in Membership Contribution

Table 3.0: Membership and member’s Account

<table>
<thead>
<tr>
<th>Year</th>
<th>Member Registration</th>
<th>Contribution received</th>
</tr>
</thead>
<tbody>
<tr>
<td>1988/89</td>
<td>86,301</td>
<td>1,206,227,000</td>
</tr>
<tr>
<td>1989/90</td>
<td>92,957</td>
<td>1,188,794,000</td>
</tr>
<tr>
<td>1990/91</td>
<td>99,099</td>
<td>1,164,890,000</td>
</tr>
<tr>
<td>1991/92</td>
<td>78,983</td>
<td>1,414,257,000</td>
</tr>
<tr>
<td>1992/93</td>
<td>83,932</td>
<td>1,353,273,000</td>
</tr>
<tr>
<td>1993/94</td>
<td>79,526</td>
<td>1,535,520,000</td>
</tr>
<tr>
<td>1994/95</td>
<td>64,669</td>
<td>1,388,066,000</td>
</tr>
<tr>
<td>1995/96</td>
<td>106,483</td>
<td>1,538,268,000</td>
</tr>
<tr>
<td>1996/97</td>
<td>97,066</td>
<td>1,589,194,000</td>
</tr>
<tr>
<td>1997/98</td>
<td>94,356</td>
<td>1,539,375,000</td>
</tr>
<tr>
<td>1998/99</td>
<td>80,585</td>
<td>1,593,855,000</td>
</tr>
<tr>
<td>1999/2000</td>
<td>68,144</td>
<td>1,650,743,000</td>
</tr>
<tr>
<td>2000/01</td>
<td>62,633</td>
<td>1,688,657,000</td>
</tr>
<tr>
<td>2001/02</td>
<td>64,301</td>
<td>2,562,601,484</td>
</tr>
<tr>
<td>Total</td>
<td>1,159,035</td>
<td>21,413,720,484</td>
</tr>
</tbody>
</table>

Source: NSSF
Table 3 shows, the Fund has in the past posted only marginal annual increase in member contributions. However, members’ contributions increased substantially from Kshs. 1.53 billion in 1995/96 to Kshs. 2.56 billion in 2001/02 due to the revision of the contribution rate from Kshs.160 per month to Kshs.400 per month.

Figure 3.0 Trends on member contribution

![Members Contributions Trend Graph](image)

Source NSSF

The rate of contribution still remain at 5% of basic salary, set at a maximum of Kshs.4000 per month. Between 1977 to November 2001 the monthly contribution was Kshs. 160. That is Kshs. 80 contributed by the employee and Kshs.80 contributed by the employer. In 2001 to date the monthly contribution is Kshs.400. That is Kshs.200 contributed by the employee and Kshs. 200 contributed by the employer. This is the reason for rising trend in membership contribution depicted in figure 2.0 above.
(b) Member Benefits

Table 4.0: Contributions and Benefits paid since 1997

<table>
<thead>
<tr>
<th>Year</th>
<th>1997</th>
<th>1998</th>
<th>1999</th>
<th>2000</th>
<th>2001</th>
<th>2002</th>
</tr>
</thead>
<tbody>
<tr>
<td>End 30th June</td>
<td>1.59</td>
<td>1.54</td>
<td>1.59</td>
<td>1.65</td>
<td>1.68</td>
<td>2.50</td>
</tr>
<tr>
<td>Contributions</td>
<td>1.53</td>
<td>1.62</td>
<td>1.79</td>
<td>1.87</td>
<td>2.21</td>
<td>2.20</td>
</tr>
<tr>
<td>Benefits paid</td>
<td>Source: NSSF</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Members' benefit payments have increased from Kshs. 1.53 billion in 1997/98 to Kshs. 2.20 billion in 2001/02. The only unfortunate feature of the provident scheme is that upon payment of savings plus interest as lump sum to beneficiaries when the stipulated contingencies occur, membership is terminated and member's account is closed.

From Table 4, when contributions and benefits paid since 1997 are compared, they reveal a deficit in all years except the year 2002. The results show that after 2002, return on investment grew over a period of time. It comes out clearly that the quantitative performance indicators are positive which implies an improvement in the performance of NSSF as a result of the change process.
Table 5.0: Members’ value and members’ Accounts

<table>
<thead>
<tr>
<th>Year</th>
<th>1997</th>
<th>1998</th>
<th>1999</th>
<th>2000</th>
<th>2001</th>
<th>2002</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fund value</td>
<td>52.14</td>
<td>46.77</td>
<td>44.38</td>
<td>42.96</td>
<td>41.4</td>
<td>39.8</td>
</tr>
<tr>
<td>Members’ Account value</td>
<td>48.6</td>
<td>51.91</td>
<td>51.72</td>
<td>48.19</td>
<td>48.84</td>
<td>50.35</td>
</tr>
<tr>
<td>Surplus/deficit</td>
<td>3.54</td>
<td>-5.14</td>
<td>-7.34</td>
<td>-5.23</td>
<td>-7.44</td>
<td>-10.6</td>
</tr>
<tr>
<td>Surplus/deficit %</td>
<td>7.284</td>
<td>-9.9</td>
<td>-14.2</td>
<td>-10.9</td>
<td>-15.2</td>
<td>-21</td>
</tr>
<tr>
<td>Funding level %</td>
<td>107.3</td>
<td>90.1</td>
<td>85.81</td>
<td>89.15</td>
<td>84.77</td>
<td>79.05</td>
</tr>
</tbody>
</table>

Source: NSSF financial statement

Table 5 shows that over all negative return on investment effectively gradually wrote down the value of the Fund assets and declared interest to members out of unrealised income increased members’ account.

4.5.2 Impact of Change on Qualitative Factors

The Project Manager revealed that the National Social Security Pension Trust Bill 2005 now awaits debate in Parliament. The Bill aims at overhauling NSSF from a Provident Fund to a Pension Scheme. Most African countries had provident fund schemes similar to the present NSSF but majority of them have since transformed into social insurance pension schemes. Among these are Tanzania, Ghana, Zambia, Nigeria, Senegal, South Africa and Botswana. In Africa, only Uganda, Swaziland and Gambia still maintain pure
provident fund schemes for private sector workers. The conversion process is therefore not alien to Africa and Kenya is right on track if not late in pursuing this conversion. The need to convert the provident fund schemes has been discussed exhaustively with a cross-section of all the stakeholders since 1998 that have all made their input and reached consensus that a reformed NSSF will be an effective weapon in fighting poverty and reducing the level of destitution in this Country. Once the proposed Bill becomes law, then NSSF will start paying pension to retirees for as long as they live.

Once the proposed Bill becomes law, then NSSF will start paying pension to retirees for as long as they live.

NSSF has opened membership to the self-employed and all other groups of workers in the informal sectors such as Jua Kali artisans, farmers, matatu crews etc. They can now register as voluntary contributors and choose to make either monthly or periodical contributions which have no ceiling.

NSSF has also diversified their benefits payable to members. For example introduction of a funeral grant which is now payable to meet basic burial expenses of a deceased member. The Fund has also started paying a maternity grant to female members upon delivery.

To save members the trouble of travelling long distances to access their benefits, NSSF has decentralised all benefit payments and are now payable at NSSF branches country wide. The Head of Information Technology at NSSF revealed that there is significant improvement in data processing and management. The ICT system is quite robust and is capable of controlling business and reporting the business in financial terms. This has resulted to reduction in time taken to process benefit claims. Currently the claims settlement period has been reduced from 60 days to 21 days. The present ICT system
enables sharing of information, facilitates decision making and allows high degree of customer service.

People development is a key issue at NSSF. A detailed manpower and succession planning has been undertaken which effectively addresses the future needs of the Organisation and career development of individual employees. Clear definition of roles, responsibilities and targets in a process driven design of the control systems and organisation structure have formed the foundation of a performance driven people development at NSSF. The majority of managers interviewed were found to be competent in technical skills. All training has been designed to encourage greater team based working, common solutions to common issues and collective responsibility for NSSF performance.
CHAPTER FIVE: SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This is the final chapter of this project. In this chapter conclusions are made based on the summarised results. This chapter provided limitations of the study and recommendations for further research.

5.2 Summary

The objective of the study was to determine strengths and weaknesses of the change management model as adopted by NSSF and establish what impact the change process has on its performance. In order to arrive at the results, the study examined the key strategic change practices by use of in-depth interviews directed at senior personnel who were involved in the change process in one way or another and the gathering of secondary data related to the change management. From the research data and other reports, it is clear that the need for fundamental change at NSSF existed and was long overdue.

The findings indicate that change effort was planned and there is a clear line in sight to a future desired state. The approach was top-bottom where change activities were decided at the top and passed down for implementation. The sense of urgency was created very well where stakeholders made demands for better retirement benefits for the retirees from NSSF. Various stakeholders expressed need for a major re-organisation of NSSF since in its previous state; it was not making the expected impact on the workers’ welfare during employment and upon retirement. Similarly in building the guiding coalition the Chief Executive Officer, Board of Trustees and senior management spearheaded the change program.
NSSF also developed a clear vision and strategy which was critical for the success of a change program. Communicating the change vision to employees was also done well. Regarding empowerment of employees, they underwent intensive training programme in order to cope with the change.

5.3 Conclusions

Though there are considerable achievements, the strategic objectives of the change program are yet to be fully achieved. To attain the benefits available, the change process should be carried out in an integrated and planned with critical project interventions completed in a specific sequence. All changes should be engineered with view of making the wealth creating areas of the corporation (investment) as effective as possible. An overall change plan should be owned by the Board of Trustees and led by the Chief Executive Officer.

The report revealed that meddling by the Government in the way NSSF is managed had to a large extent hindered its success in the change management process. While private retirement benefit schemes have been raking in hundred of millions of shillings every year in capital gains from shares in profitable listed companies, the NSSF is painted in a corner where it has no flexibility to make maximum returns from the shares it holds in profitable companies. Because the Government treats it as any other parastatal, it must seek its approval before it can dispose of its shares.

The other area where there is notable Government interference is in the appointment of Chief Executive Officers. The frequent change in Chief Executive Officers in the recent years has resulted in delays in achieving the objectives of the change process.
The Government's attitude towards NSSF must change. The Government needs to disabuse itself of the notion that it owns NSSF, thus the responsibility of implementing the change programme should rest in senior managers allocating a significant proportion of their time to the initial stages of the change process. After the major decisions have been made they should gradually involve the other employees so as to overcome resistance to change and generate ownership to the change process.

5.4 Limitations of the Study

Every study does encounter some level of limitations and this is because of scarcity of resources. The major resources that are required for such studies are time, backup personnel and finances. Scarcity of the resources translates to narrowing down the scope of the study and in the process vital areas may be under covered.

The study depended largely on in-depth interviews and discussions with respondents still working. The Chief Executive Officers initially involved in the managing change practices at NSSF have either retired from the service or have been dismissed. Though those who replaced them provided some information, personal experiences which may not be documented were difficulty to get.

Secondly, the study focused on management and employee perspective, it would have been of value to obtain the views of other stakeholders such as (COTU) Central Organisation of Trade Unions, Federation of Kenyan Employers (FKE) and retirees from NSSF.
5.5 **Recommendations for Further Study**

Change can never be said to have been mastered. This is because the environment in which organisations operate is dynamic and it continuously presents new challenges, opportunities and other peculiarities. This study was designed to involve only NSSF. The experiences from other private sector retirement benefit schemes was not covered. It would be interesting to carry out a cross sectional study involving occupational retirement benefit schemes to include their experiences on the reform management processes. How this will be carried out and the results there from will be interesting area of study.

A study should also be undertaken to look at the impact of the implementation of strategic change on retiree’s satisfaction in order to arrive at a more vital conclusion for decision making in managing strategic change in retirement benefit schemes in Kenya.

5.6 **Recommendation for Policy and Practice**

In the last decade, more and more organisations have taken the lead in initiating corporate change. These actions are taken after years of poor organisation performance and increasing pressure for change from stakeholders. The performance of NSSF has been a matter of public concern. For example, there has been increasing public scrutiny over its performance, demand for accountability and an outcry for speedy payment to retirees. To respond to these challenges it has become inevitable for NSSF to embark on a policy aimed at ensuring commitment to competence, efficiency, effectiveness and expeditious delivery of services. However, the implementation of change management practices is posing quite a challenge due to political interference.
To be effective in its change management, NSSF needs strong linkages with Parliament and Government, which are the key institutions in influencing policy legislation and public accountability. For example it is important that the proposed draft Bill to convert NSSF from a provident fund to a pension fund be passed by Parliament so as to enable NSSF chart its way forward. In addition, the Government needs to recognise the important role that NSSF plays in society and let it run its own affairs without interference to enable it implement its programmes. The Board of Trustees should be charged with the responsibility of managing the affairs of NSSF and RBA be left to be the watchdog to ensure that member’s contributions are safeguarded and that their retirement benefits are well secured to ensure security in old age as per the NSSF slogan.


REFERENCES


Handy, C (1986): “Understanding Organisations; Penguin Harmondsworth


National Social Security Fund (2004): *Managing Trustee’s presentation on the policy reforms*

National Social Security Fund (2005): *40 years of social security*


The Standard Ltd. The Standard, May 23, 2006


APPENDIX 1: INTERVIEW GUIDE

This guide is designed to collect views on change management process of NSSF.

Section A

Interviewee Name (optional) ................................................................. .
Position .......................................................................................... .

Section B: forces of change and strategic objectives

1. What forces necessitated change at NSSF?
   a) ......................................................................................... .
   b) ......................................................................................... .
   c) ......................................................................................... .
   d) ......................................................................................... .

2. What were/are the strategic objectives of the change programme?
   ................................................................................................. .

Section C: Approach to change management

1. Who in the Organisation initiated the change effort?
   a) Board of Directors......................................................... .
   b) CEO................................................................. .
   c) Senior management......................................................... .
   d) Others................................................................. .
2. Describe how, if at all, the changes have been initiated by staff (heads of units, sections, departments)

..........................................................................................................................

..........................................................................................................................

..........................................................................................................................

3. Have external consultants been involved in the change programme? Please explain the involvement if at all.................................................. 

..........................................................................................................................

..........................................................................................................................

4. Were the following preparations made before implementing change?

   a) Assessment of the environment
   b) Assessment of the resources to initiate change practices
   c) Forming of change committee
   d) Communicating to all stakeholders

Section D: Change content

1. Has the change programme affected either, structures, systems, processes, products or behaviour?

Please explain.................................................................................................

..........................................................................................................................

..........................................................................................................................

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..........................................................................................................................

..........................................................................................................................
2. What specific elements of the changes have/are affecting strategies, structures, systems, processes, products and behaviour?

a) ..............................................................................................................

b) ..............................................................................................................

c) ..............................................................................................................

d) ..............................................................................................................

Section E: Change management process

1. How was urgency built to get employees to co-operate and participate in the reform?

..................................................................................................................

..................................................................................................................

2. Was a vision developed? .................................................................................. 

..................................................................................................................

If applicable, how was the vision communicated to all those involved in the reforms programme?

..................................................................................................................

..................................................................................................................

3. Was strategy developed? ..................................................................................

..................................................................................................................

4. Please describe the process of strategy development stating those who were involved?

..................................................................................................................

..................................................................................................................

..................................................................................................................

..................................................................................................................
5. Was there specific teams mandated the responsibility to implement the changes?

Please provide details.................................................................

..............................................................................................

6. What was the role and powers of the teams..................................

..............................................................................................

7. How were those involved in the change process empowered

..............................................................................................

8. What steps have been taken to ensure that the change momentum is achieved and maintained?

..............................................................................................

9. Did you have short-term targets to monitor the changes?

Please provide details.................................................................

..............................................................................................
10. Were those who achieved such targets awarded?

Please provide details.


11. How does top management indicate their support for the change programme and activities?


12. What level of resources was allocated to the change programme?


Section F: Factors that have influenced the change outcome?

1. How have the following factors influenced the change management practices?

   Resistance.

   

2. How have the following factors influenced the performance indicators of the organization (where 1 is least positive and 5 are most positive)?

   

   Culture.

   

   Stakeholder politics.

   

   Teamwork.

   

   Leadership.

   

   Customer satisfaction.

   

   Profitability.

   

   Employee morale.

   

   Market share.

   

   Return on investment.
2. How does the top management indicate its support to the change practices

3. How positively have the changes impacted on the following performance indicators of the organization (where 1 is least positively and 5 are most positively)

<table>
<thead>
<tr>
<th>Performance Indicators</th>
<th>Least positively</th>
<th>Most positively</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profitability</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Employee morale</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Customer satisfaction</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Market share</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Return on investment</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Section g: Performance

PERIOD PRIOR TO CHANGE 1998-2001

1. How positively have the changes impacted on the following performance indicators of the organization (where 1 is least positively and 5 are most positively)

<table>
<thead>
<tr>
<th>Performance Indicators</th>
<th>Least positively</th>
<th>Most positively</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profitability</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Employee morale</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Customer satisfaction</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Market share</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Return on investment</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

2. How negatively have the changes impacted on the following performance indicators of the organization (where 1 is least negative and 5 are most negative)

<table>
<thead>
<tr>
<th>Performance Indicators</th>
<th>Least positively</th>
<th>Most positively</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profitability</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Employee morale</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Customer satisfaction</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Market share</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Return on investment</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
3. How positively have the changes impacted on the following performance indicators of the organization (where 1 is least positively and 5 are most positively)

<table>
<thead>
<tr>
<th>Profitability</th>
<th>Least positively</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>most positively</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee morale</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Customer satisfaction</td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Market share</td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Return on investment</td>
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<td></td>
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<td></td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>

4. How negatively have the changes impacted on the following performance indicators of the organization (where 1 is least negative and 5 are most negative)

<table>
<thead>
<tr>
<th>Profitability</th>
<th>Least positively</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>most positively</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee morale</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Customer satisfaction</td>
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<td>Market share</td>
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</tr>
<tr>
<td>Return on investment</td>
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<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

5. What are the visible benefits that the Organisation has realized from the change process?
6. What are the visible benefits that the Employees have realized from the change process?

1. Does NSSF prepare financial statements?

........................................................................................................................................................................................................................................................................................................................................................................

(If yes, please avail the researcher with financial statements covering the periods 1998-2004)

........................................................................................................................................................................................................................................................................................................................................................................

2. To what extent has NSSF implemented its strategic plan. Please avail the researcher with a copy of the strategic plan.

........................................................................................................................................................................................................................................................................................................................................................................

3. ........................................................................................................................................................................................................................................................................................................................................................................

change program reports prepared during planning and implementation of your strategic plan.

SECTION A: FINANCIAL DETAILS

<table>
<thead>
<tr>
<th>YEAR</th>
<th>1998</th>
<th>1999</th>
<th>2000</th>
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SECTION B: MEMBERSHIP UPDATE DETAILS

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APPENDIX 2: DATA COLLECTION FORM

1. Does NSSF prepare financial statements? 

(If yes, please avail the researcher with financial statements covering the periods 1998-2004)

2. To what extent has NSSF implemented its strategic plan. Please avail the researcher with a copy of the strategic plan.

3. Please provide the researcher with membership recruitment information list, change program reports prepared during planning and implementation of your strategic plan.

SECTION A: FINANCIAL DETAILS

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