STRATEGIC CHANGE MANAGEMENT PRACTICES AT DT DOBIE (K) LTD

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DECLARATION

This is to declare that this research project is my original work that has not been presented to any other University or Institution of Higher Learning for examination.

Signed: ___________________________  Date: 11/11/2010

REG. NO: D61/P/7122/04

DECLARATION BY SUPERVISOR:

This is to declare that this project has been submitted for examination with my approval as the university supervisor

Sign: ___________________________  Date: 11/11/2010

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DEDICATION

My study is dedicated to the following: My loving family for support and patience during the entire period of my study. For their encouragement and continued prayers towards successful completion of this course.

Finally I pay glowing gratitude and tribute to my employer and colleagues for understanding me during the entire period of study.

Thank you and God bless you abundantly.
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Lastly I thank Almighty God as my source of all inspiration in allowing me to undertake this project that is too involving in terms of time and resources.
ABSTRACT

Gekonge's study of 54 companies listed in the NSE found that over time the use of the strategic change management practices has increased in the companies listed with the Nairobi Stock Exchange and that it is particularly important to be able to implement new re-engineered processes with a minimum amount of difficulty. Adieri's study of NGOs found that NGOs in Kenya apply strategic change management practices and that there exist managerial differences among the organizations issues of strategic change management. Mbogo's study found that the commercial banks operate in an extremely competitive environment and that they are adopting dynamic strategic change management practices which is a signal that many banks believe they need to perform much better than they currently are. Issues of strategic change management gained from these studies may not be assumed to explain strategic change management practices at DT Dobie (K) Ltd which is a vehicle dealing company and the strategic change management practices adopted are likely to differ extremely from those adopted by the organizations covered by the previous studies. The main objective of the study was to determine strategic change management practices adopted by DT Dobie (K) Ltd.

The research design employed in this study was a case study method. This study collected primary data using interview guides which were self administered. The interview guides contained unstructured (open-ended) questions which enabled the researcher collect the respondents' views, background, opinions, hidden motivation, decisions, interests and feelings. This study collected qualitative data from the interview guides administered to the respondents on the strategic change management at DT Dobie after 2004. Content analysis generated qualitative reports which were presented in a continuous prose.

All the respondents projected in the previous chapter to be interviewed were interviewed which makes a response rate of 100%. The commendable response rate was achieved at after the researcher made frantic effort at booking appointments with the respondents despite their tight schedules and making phone calls to remind them of the interview. This study concludes that environmental factors such as competition from firms within the vehicle industry, global economic crisis, political influence and technological advancements influence the strategic change management. The study further concludes that organizations gain competitiveness by adopting strategic change management which can be favoured by the right combination of academic leadership, operational and strategic management and administration. The study concludes that leadership influences strategic change management in that the board members
steered the process and the organizations gain competitiveness by adopting strategic change management which can be favoured by the right combination of leadership. The study finally concludes that the major challenges of implementing change include lack of understanding arising from lack of documented strategy, mistrust among the employees, lack of finances, some employees being unsure of the strategic change and organization culture.

The study recommends that organizations in strategic change management need to streamline their academic leadership, operational and strategic management and administration, adoption of strong financial strategies, innovation and invention strategies.

**Key words:** Strategic Change, Practices, D.T.Dobie (K) Ltd, Kenya, Motor Industry.
# TABLE OF CONTENTS

DECLARATION .................................................................................................................... ii

DEDICATION ........................................................................................................................ iii

ACKNOWLEDGEMENT ......................................................................................................... iv

ABSTRACT ............................................................................................................................. v

CHAPTER ONE: INTRODUCTION .......................................................................................... 1

1.1 Background of the Study ................................................................................................. 1

1.1.1 Strategic Change Management Practices ............................................................... 2

1.1.2 Automobile Industry in Kenya ................................................................................. 3

1.1.3 DT Dobie Kenya Ltd ................................................................................................. 5

1.2 Statement of the Problem ............................................................................................... 6

1.3 Objectives of the Study .................................................................................................. 8

1.4 Value of the Study .......................................................................................................... 8

CHAPTER TWO: LITERATURE REVIEW .............................................................................. 9

2.1 Introduction ..................................................................................................................... 9

2.2 Concept of strategy ........................................................................................................ 9

2.3 Strategic Change ............................................................................................................ 10

2.4 Change Management ................................................................................................... 12

2.5 Approaches to strategic change management ............................................................ 15

2.6 Challenges in strategic change management ............................................................... 16

CHAPTER THREE: RESEARCH METHODOLOGY ............................................................ 18

3.1 Introduction .................................................................................................................... 18

3.2 Research Design .......................................................................................................... 18

3.3 Data collection ............................................................................................................. 18

3.3.1 Data Collection Instruments .................................................................................. 19

3.3.2 Data Collection Procedure .................................................................................... 19

3.4 Data Analysis ................................................................................................................ 19
CHAPTER FOUR: DATA ANALYSIS AND INTERPRETATION OF RESULTS ..........20

4.1 Introduction ......................................................................................................................20

4.2 General Information .........................................................................................................20

4.2.1 Respondents ..................................................................................................................20

4.2.2 Interviewees' Designation .............................................................................................20

4.2.3 Interviewees' Total Work Experience ........................................................................20

4.2.4 Duration Worked in the Company ..............................................................................21

4.2.5 Gender of the Interviewees .........................................................................................21

4.3 Strategic Change Management Practices ........................................................................21

4.3.1 Environment and Business Operations ........................................................................22

4.3.2 Policies that Govern Strategic Change Management ................................................22

4.3.3 Processes Employed to Ensure Significant Changes ..................................................22

4.3.4 Strategic Changes that have Taken Place at DT Dobie ..............................................23

4.3.5 The Pace of the Strategic Change at DT Dobie ..........................................................23

4.3.6 The Benefits of Strategic Change Management in the Organization .......................24

4.3.7 The Major Outcomes of Strategic Change Management ...........................................24

4.3.8 Responding to Changing Environment .......................................................................25

4.3.9 The Challenges Experienced in Strategic Change Management ...............................26

CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS ........27

5.1 Introduction ........................................................................................................................27

5.2 Summary of the Findings ..................................................................................................27

5.3 Conclusions .......................................................................................................................29

5.4 Recommendations ............................................................................................................30

5.5 Suggestions for Further Research ..................................................................................31

5.6 Limitations of the Study ..................................................................................................31

5.7 Implication on Policy and Practice ..................................................................................31
LIST OF TABLES

Table 4.1: Gender Composition ................................................................................... 21
CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

Strategic change is defined as a difference in the form, quality or state over time in organization’s alignment with its external environment (Rajagopalan & Spreitzer, 1997). In this paper, according to Hofer & Schendel (1978), strategic change is defined as changes in the content of a firm’s strategy as defined by its scope, resource deployments, competitive advantage and synergy.

Organizations deal with change on a day-to-day basis as do people. Change is inherent in contemporary organizations and its management is not only critical to organizational success and survival but is also at the crux of the field of organization development (OD). Along with important changes taking place in the social fabric within which organizations operate are vital forces impacting organizations within the context of their business operations. These include forces outside the organization and emanate from the external environment as well as forces within the organization itself that we classify as the internal environment.

Considering the definition of strategic change, strategic change could be affected by the state of firms and their external environments. Because the performance of firms dependent on the fit between firms and their external environment (the appearance of novel opportunities and threats in the external environment), then change in external environment require firms to adapt to the external environment. As a result, firms would change their strategy in response to the environmental changes. The state of firms will also affect the occurrence of strategic change. For example, firms tend to adopt new strategies in the face of financial distress for the purpose of breaking the critical situations. Additionally, organizations would possess structural inertia that they tend to keep their previous structure and strategy (Hannan & Freeman, 1984).

As business environment becomes increasingly competitive and complex, organizations must be alert and flexible to remain competitive. Complacency within an organization can lead to inertia. Organizations that do not remain competitive will often begin a gradual downward trend in financial performance and must be revitalized for continued survival.
1.1.1 Strategic Change Management Practices

Strategic change management is designed to set a firm’s courses of action, identifying the strategies it will use to compete in the marketplace and how it will organize its internal activities. Strategic change management has evolved as an interdisciplinary corpus of knowledge. Strategic thinking is still an emerging field of study and as such embodies several different schools of thought and methods. One common feature shared by the different approaches is that strategic thinking is utilized by that organisation to plan for the future using a range of analysis techniques and decision-making processes. As such, it has become a common activity for many types of organizations and in many industries, mostly as a result of increasingly competitive behaviour.

While various schools of strategic thought exist, at the normative level there is general agreement in the literature on the strategic process, i.e. the process of designing and implementing strategy. The strategic process can be divided into three main areas of activity: strategic formulation, strategic implementation and strategic evaluation (Thompson and Martin, 2005), although Mintzberg et al. (2003) would argue that this division into three areas is more convenient than realistic and consequently promote a holistic view of the entire process (Pettigrew and Whipp, 1991).

Strategic management includes the setting of the mission, goals and objectives for the organisation, the analysis of the external environment as it affects the organisation, together with its internal resources and the choice of strategic alternatives. Assessment of stakeholder power and the impact of the organization’s culture on strategic decision-making are also important areas for analysis. Strategic choice is based on factors such as what is desirable for the organisation, what it is feasible for it to achieve with the available resources and competences and what is the desirability of potential strategies. Strategic implementation is concerned with effecting the chosen strategy for the organisation that is, putting the strategy into practice. Strategic implementation always involves a degree of change and the effective management of change can significantly affect the successful implementation of the desired strategy (Alexander, 1985). Strategic evaluation is vital in assessing the level of success of the chosen strategy. It is not only concerned with performance and performance measures but also helps to signal when the strategy requires adjustment in the light of experience and in the context of a rapidly changing external environment, as strategy is a continuous process rather than a single event.
The evolution of strategic thinking and the move from strategic planning to more of an emphasis on strategic management has contributed to the heterogeneous nature of strategic thought. For example, the strategy process has been criticized by researchers such as Stacey (2003), in that rational analysis and thinking tends to dominate the process at the expense of creativity and innovation. The rational approach to strategy is based on implicit assumptions concerning predictability, measurability and control in business. Although the relevant literature shows a continuing rift between rational and generative or more expansive strategic management, it is recognized that elements of each approach are present in many organization’s strategic processes and that each such element has an important role to play. Thus, although strategic management is sometimes seen as narrow and inward looking, it has a place in the design and implementation of strategy. Various techniques have been developed to promote wider thinking within the strategic formulation stage, one of these being strategic management. Strategic management assists managers in developing wider views of the future, as it affects their organisation and provides deeper insights than are otherwise available during the analysis of the external environment.

1.1.2 Automobile Industry in Kenya

The Automotive industry in Kenya is primarily involved in the retail and distribution of motor vehicles. It is also involved in service and repairs of motor vehicles as well as distribution of motor vehicle spare parts and accessories. There are a number of motor vehicle dealers operating in the country dealing with a different and distinct franchise as authorised by the manufacturers who are the licence holders. Motor vehicle companies in Kenya thus have to operate under the guidance and code of conduct from the manufacturers as pertains to quality of service and facilities and benefit from training and equipment provided by the manufacturers to uphold their brand image. The most established new motor vehicle dealers in Kenya include Toyota (East Africa), Cooper Motor Corporation (CMC), General Motors (GM), Simba Colt Motors, Marshals (E.A) Ltd and DT Dobie (K) Ltd.

The established dealers face intense competition from imported second-hand vehicles, mainly from Japan and United Arab Emirates. These imports now account for about 70% of the market. The last decade witnessed a significant decline in the number of new vehicles sold in the country. There has been a steady recovery in the last four years, but the numbers achieved still fall far short of the numbers recorded a decade ago. In 2004, the leading motor vehicle companies recorded sales of 9,979 units. Although 27% better than the previous year, this is still
well below the levels achieved in the early 1990’s. The slump in the volume of new cars sold is attributable to the increased competition from second hand vehicles and the depressed economic environment. The Kenya Motor Industry Association (KMI), the representative body of the corporate participants in the motor industry, has been lobbying hard to reverse this trend. Some of these measures have helped the industry recover from its lowest point in 2000, when only 5,869 units were sold. On their part, the companies themselves have become more innovative in responding to customer needs. Some of the measures that KMI has been advocating include: implementation of strict criteria on importation of second hand vehicles, incentives to promote local assembling of commercial vehicles and export incentives aimed at encouraging car manufacturers to expand operations in the region.

Since the beginning of the 1990s, the government of Kenya has made significant strides in the implementation of economic reform measures aimed at economic stability, sustainable economic growth, market liberalization and enhancement of domestic and external competitiveness. In Kenya, as a result of the liberalization of trade under the World Trade Organization, in 1994; under World Bank/IMF-imposed structural adjustment programmes (SAPs), which have been going on since 1980, (and which led to widespread liberalization of the economies of most developing countries well before 1994), and under regional free trade agreements, local companies have witnessed various challenges including cheap imports coming from both developed countries (especially the US, UK and the EU) and also from developing countries (mostly United Arab Emirates and Singapore).

By the end of 1994, the government had dismantled foreign exchange controls and allowed a free floating exchange rate, removed import licensing and liberalized domestic marketing of all items including motor vehicles. This made competition more intense in the motor vehicle industry and has led to many players going out of business and others are still struggling. Competition from cheap imports is putting companies in the automotive industry in developing countries out of business. In spite of this some companies including D.T. Dobie (K) Ltd have come out strongly and strengthened their position in the industry. This has been due to strategic planning and devising strategic responses to the various challenges brought about by this development.
The late colonel David Dobie, a veteran of World War 2, started D.T Dobie in 1949. The company started out with the Mercedes-Benz franchise for East Africa, which included both saloon cars and also heavy commercial vehicles. In 1964 the organization was awarded the sole franchise distributorship of Nissan passenger and light commercial vehicles in Kenya. In 2001, through the company’s franchise holding in DaimlerChrysler, it was awarded the Jeep franchise for Kenya. In 2007, DT Dobie acquired the Renault brand for saloons and light commercial vehicles.

For fifty years since its inception, DT Dobie was run as a family business closed to the global challenges but meeting the shareholders expectations. In the early 1990s, the Kenya government started implementing the famous Structural Adjustment Programs (SAPPs) driven by the IMF and the World Bank. This lead to liberalization of industries and opening up the Kenyan market to global competition. The motor industry was opened up to massive imports of used motor vehicles at a cheap price. Coupled with the corrupt practices as far as tax evasion was concerned, used vehicles were dumped into the local market at an alarming rate crippling the local new vehicle marketers. Again, there was the advent of advanced technology in the same period which saw computerization take the place of human capital in the work place. Companies had to critically look into the issue of costs and efficiency in production and distribution.

The challenge posed by competition and technological advancement meant companies had to change strategy and invest more to survive. Investments were required in the areas of marketing and new technology. Companies were ill prepared for such massive investments and some of them closed down while others were acquired for capital injection. It is against this background that DT Dobie found itself short of the required capital and had to look for investors to inject the much required capital and forge a new strategy for a turn around. The company was thus in the year 2000 acquired by CFAO, a French company that is a wholly owned subsidiary of the Pinault Printemps–Redoute (PPR) group. PPR are a world-renowned organization in specialized distributorship with a market value currently estimated to be in excess of US$ 25 billion. CFAO is the leader in vehicle distribution in Africa and the French overseas departments and territories. They are present in 30 African markets and D.T Dobie benefits from their international management and technical experience in different markets and also their financial support. DT
Dobie enjoys unmatched after sales service facilities and has an unrivalled service network consisting of branches in Mombasa and Nakuru and dealers and service centres countrywide. The company also has a body shop located on Lusaka Road, Industrial Area which provides high quality workmanship for accident vehicles. Over the last few years in keeping with worldwide technological advancements, the organization has invested heavily in Hi-tech equipment and ongoing training of the personnel. This has significantly helped the company in its restructuring and re-organization process of its workforce. As a result, the company has undergone three phases of re-organization and restructuring and currently has a workforce of 200 employees compared to a workforce of about 600 employees in the 1996. The company has adopted a narrow organization structure with departments focusing on each market segment for effective management of its customers. The main departments are Sales and Marketing, After sales department and Finance and Administration department with the Managing Director being the overall overseer of the company operations. Appendix 1 shows the organizational structure at D.T Dobie Kenya Ltd.

In terms of market performance, D.T Dobie Kenya has continued to be one of the top players in the motor industry. It has consistently defended its market share over the years while focusing on profitability and efficiency in service delivery. Appendix 2 shows the market share trend for the company between the years 2004 to 2009 obtained from the Kenya Motor Industry Association (KMI) report for the year 2009. The study chose DT Dobie Kenya Ltd since it has succeeded in dealing with the challenges that came up in the eve of the motor vehicle industry liberalization. It therefore follows that to succeed in such a changed environment, DT Dobie Kenya must have employed quick strategic responses to those challenges which have enabled it to maintain its competitive position and its market share.

1.2 Statement of the Problem

To date, investigations have largely focused on the identification of critical variables that might better explain how organizational change can be managed to the best effect (Kanter et al., 1992). In particular, the aim is to understand how managers themselves understand the meaning and priority of change management and the ways in which they explain the characteristics that facilitate or inhibit the process. This can shed light on the reasons for the apparent mismatch between exhortation and action. In contrast to studies that have pioneered the way (Weick,
1995). This paper develops a systematic approach to understanding the barriers to change management by empirically highlighting the critical line of thinking adopted by managers in launching organizational change. It sets out to examine the issue of change management by viewing it through the eyes of the participants most critical to the process that is the managers themselves, the people who establish priorities, devise strategies, control resources and manage performance.

In this respect, managers constitute internal change agents that shape the conditions for change (Hartley et al., 1997). They hold views and visions that often conflict with established mental models hence fail to be put into practice. In line with this conceptualization, the use of the term “internal change agents” refers to managers rather than internal consultants all throughout the paper. As Hartley et al. (1997, p. 62) argue, “The literature is less informative about those who try to develop change from within the organization”. Such change agents may be senior line managers or those specifically charged with managing the processes of organizational development (OD) and cultural change in the organization. Unlike the definition that is commonly adopted, for instance, by US firms, internal change agents in the cases reported here do not necessarily have the skills and knowledge in change theory or change processes.

Locally, many studies have been done on change management practices. These studies include a survey of the strategic change management practices companies quoted in NSE (Gekonge 1999), a survey of strategic change management practices within non-governmental organizations in Kenya (Adieri 2000) and a study of strategic change management process in commercial banks in Kenya (Mbogo 2003). Gekonge's study of 54 companies listed in the NSF found that over time the use of the strategic change management practices has increased in the companies listed with the Nairobi Stock Exchange and that it is particularly important to be able to implement new re-engineered processes with a minimum amount of difficulty. Adieri's study of NGOs found that NGOs in Kenya apply strategic change management practices and that there exist managerial differences among the organizations issues of strategic change management. Mbogo's study found that the commercial banks operate in an extremely competitive environment and that they are adopting dynamic strategic change management practices which is a signal that many banks believe they need to perform much better than they currently are. Issues of strategic change management gained from these studies may not be assumed to explain strategic change management practices at DT Dobie (K) Ltd which is a vehicle dealing company and the strategic
change management practices adopted are likely to differ extremely from those adopted by the organizations covered by the previous studies. To the researcher’s understanding, no known study has been carried out on strategic change management practices in the motor industry. This warranted for a comprehensive study to be carried out on strategic change management practices in the motor industry. It was in this light that the researcher seeks to fill in this gap by establishing the strategic change management practices at DT Dobie (K) Ltd.

Therefore the researcher sought to fill in this gap by responding to the following questions:- How do managers understand the meaning and priority of change management? What are the characteristics that facilitate or inhibit the change process? What are the barriers to change management and what strategies do managers adopt in launching organizational change?

1.3 Objectives of the Study

The main objective of the study was to determine strategic change management practices adopted by DT Dobie (K) Ltd.

1.4 Value of the Study

This study would also help bring up the best change management practices which can be applied to organizations and sectors of the economy facing challenges and opportunities arising from changes in strategy. These practices can be custom made to fit specific needs of a given company or industry. Managers will get more informed as to the challenges expected in implementing strategic change and the best way of dealing with the minimum resources at their disposal.
CHAPTER TWO
LITERATURE REVIEW

2.1 Introduction

Strategy has been at the centre of managers and researchers debate for many decades and there are several perspectives and interpretative models proposed for investigating managerial activities and actors' behaviour in building this strategy (Mintzberg, 1990). Whittington (1996) drew an evolution in this field in relation to on one hand the target levels - organizations or managers - and on the other hand the dominant concern - where strategies should go or how they are developed.

2.2 Concept of strategy

The initial interests of researchers were addressed at the rational deliberation of managers strategies identifying a seminal stream of studies refereed to as “planning” approach. The focus of this approach was then extended to the organization directions, exploring different policies such as diversification and acquisition. At the beginning of the 1980s there was a significant change in the field, moving from the where to the how, starting to investigate the process whereby organizations try to achieve strategic change. This different perspective highlighted the variety of elements involved and their complex relation, shaping the strategy development as a path incrementally adjusted. The early work of Quinn (1980) gave an important contribution, being one of the first attempts to analyze systematically the apparent chaotic process enacted by strategists. He observed the experiences of several companies in achieving strategic change and going beyond the apparent chaos of events, he identified a series of incremental steps undertaken by managers in the attempt of reaching a goal. Other researchers supporting the processual perspective recognized and have searched for logic behind the path for strategic change. Its clarification is indeed complex and it needs the exploration of both the macro-organizational level and the micro-subsystems involved in the transformation.

Quinn (1980) entailed the logical incrementalism observing strategy evolution overtime, which starts from the perception of a problem or an opportunity; managers initially react cautiously with an idea, which is further refined for identifying the goal. However the intervention is not clearly identified by time line, managers may know where to arrive but they do not know how to
achieve the goal. Furthermore, while leading the change, new opportunities and problems could occur and move them away from the initial idea. Revealing similarities in the case studies, he defines a dominant model based on three major stages: creating awareness and commitment; solidifying progress; integrating processes and interests.

At the first stage, managers develop an informal network of relation to get information, usually bypassing formal systems and giving more prompt and focused information. The enlargement of the debate on possible solutions improves again the basis of decisions and it influences managers' behaviour. Influencing behaviour and searching for consensus remain basic issues also at the second stage incremental solidifying progress. This phase narrows the set of options previously considered in terms of organizational structure and human resource empowerment. The last stage instead entails the use of formal analytical techniques for establishing, measuring and rewarding key initiatives. This framework presented is an interesting rationale for interpreting change in complex organizations and environments, in which two key issues clearly emerge: the stages of strategy processual development and the importance of human resources. However this processual perspective has been further developed alternatively tackling the organizations themselves, the organizational change and the formulation of strategies (Pettigrew, 1985).

These studies enriched the systematic analysis of the change as a process, enhancing the idea that neither organization nor the environment are fixed entities, in which there are a variety of actors and contextual influences playing a significant role. They tended to use an organizational perspective and have not further investigated the micro-elements in reaching strategic outcomes; these elements include managerial activities, actors and activities undertaken. Recently there has been a further change of focus, claiming for investigations of how these elements and can influence macro-organizational change (Whittington, 1996, 2002). This contributed in stimulating the debate and researchers have begun to address specific dimensions such as strategy creation activities and the relation between personal strategies of managers and strategic direction (Watson, 2003).

2.3 Strategic Change

Strategic change occurs in firms when changes of external environment occur. For their survival, firms should adapt to their external environment. The changes of external environment may
motivate firms to alter their strategies. The strategic change in response to environmental change
might be obvious strategic decision making in firms. Those situations would be suitable to test
the effects of corporate governance on strategic decision making. Therefore, this paper sheds
light on the strategic change. The impact of the external environment is relatively unchangeable
in the short run and these changes include increased competition, technological obsolescence and
abrupt discontinuities. The turbulence of the external environment has been highlighted by
numerous researchers. For example, Milliken (1987) and Thompson (1967) have asserted that
uncertainty about the environment is the fundamental problem with which top-level
organizational administrators must cope. Mohrman and Mohrman (1991) have suggested that it
is time for a new paradigm to understand the organization-environment relationship. They
suggest that environmental trends like increased competition, changing expectation of
shareholders and technological development require organizations to radically rethink how best
they can “fit” most effectively with the environment. Huber and Glick (1993) have emphasized
that the environment is getting increasingly more complex and turbulent and that the quantum of
knowledge (or information) is increasing rapidly. These, according to them, have major
implications on the design of organizations. While commenting on the different aspects of the
environment and its extremely volatile and dynamic nature, scholars are generally in agreement
with the fact that business organizations are likely to be most affected by the many powerful
changes in the external environment.

The second set of changes is internal forces emanating from within organizations. Organizations
have somewhat greater control over these forces and in many cases can be proactive in handling
these forces. Proactive actions include training, development, redesign, recruitment,
compensation, investment in plant and equipment, modernization, joint ventures, contracting,
mergers and strategic reorientation. Thus the focus of organization development should include
the management of these internal forces and the transition to organization forms that are most
appropriate within the context of the new environment. The internal changes affecting
organizations are perhaps better understood with a newer understanding of organizational
effectiveness which implies that not only are the organization’s goals to be met, but also that the
goals of the individual, both organizational and non-organizational, must be seriously
considered.
In line with the issues raised in this paper and based on the changing nature of the environment and individuals, Connolly et al. (1980) have suggested a multiple constituency approach, which defines effectiveness as the extent to which an organization satisfies its strategic constituents or stakeholders. One widespread and widely acknowledged typology of strategic change categorizes forms of organizational change according to different dimensions. A first dimension is the intensity of change, ranging from no change required to radical renewal of the company (Fopp and Schiessl, 1999). In this context, Nadler differentiates between incremental and radical change. The second dimension is the chronological positioning of the change. Here, a difference is made between anticipative and reactive change processes. Using these two dimensions, Nadler draws up a matrix in which he positions the basic types of change of company strategy. In so-called tuning, future environmental developments are anticipated to increase company efficiency. In contrast to this, adaption means the adaptation of the company to the environmental changes. What tuning and adaption have in common is that the change is evolutionary and starts off in subsections of the company. If the whole company is restructured anticipatively through fundamental transformation, we speak of a reorientation. The alternative to this is reactive redesign, in which environmental changes are reacted to which have already taken place (Nadler, 1994).

Strategic change process has been characterized as being highly complex, politically laden, affecting large parts of an organization and driven by the upper level managers, Hamel and Prahalad (1994). Lippiti (2007) argues that in the rush to act on strategy, too little attention is paid to finding the best implementation initiatives. Shortcuts such as repackaging existing projects which appear to support the new strategy, cannot work because while strategic plans can be copied, execution cannot be duplicated. Execution must address the intangibles of cross functional integration, reward systems, and cultures as well as the tangibles captured in most planning documents. For many firms, false starts, delays and confusion characterize implementation.

2.4 Change Management

This era is a period of change. This is not unusual in the history of mankind. What perhaps is different this time is that change shall be managed. This is true for societies and individuals but in particular for organizations. Organizational change management does not only happen in
business organizations but increasingly also in public sector organizations. And there is a particular understanding based on neo-liberalism about the nature and objectives of organizational change which dominates discourses and policies – new public management or managerialism (Dent and Barry, 2004). It is a (inconsistent) set of assumptions and conclusions about how public sector-organizations should be organized, run and function in a quasi-business manner. It might be defined as a strategic initiative, if not ideology, to make public sector organizations – and the people working in them – “market-oriented” and “business-like”, i.e. performance-, cost-, efficiency- and audit-oriented (Deem and Brehony, 2005).

The key benefits of change management include; helping one to recognize the power of human dynamics in a change process, acting as a map for guiding action and helping stay on course rather than getting caught up in the complexity and tumult of change and thirdly, it can help you develop a relationship you need to maximize effectiveness of a change effort.

According to Nyambok (2005), organizational change management is a careful planning, organization and execution of an alteration from the norm to the unknown which will require thinking and doing things differently. The entire process has to involve people from the beginning to the end by making the stakeholders buy into the change process and own the process itself. Change must be managed because it is disruptive and alters the equilibrium of operations. It results in a paradigm shift and causes variations in the status quo. Nyambok adds that it is vital to carefully manage change for the good of the people affected and the organization. Good change management yields good results.

The pace of change is ever increasing-particularly with the advent of the internet and the rapid deployment of new technologies, new ways of doing business and new ways of conducting ones life. Organizational change management seeks to understand the sentiments of the target population and work with them to promote efficient delivery of the change and enthusiastic support for its results.

Change can be looked at in two levels; the first level is generic enough to apply to any type of change. It is mostly targeted at understanding the human response to change and creating effective strategies for engaging people to achieve change. The second level of change management includes strategies that are specific to a particular type of change, Nyambok (2005).
There are two related aspects of organizational change that are often confused. Organizational change management is concerned with the hearts and minds of participants and target population to bring about changed behaviour and culture. The key skills required are founded in business psychology and require “people” people. The other aspect of organizational change is the organizational design where roles, skills, job descriptions and structure of workforce may be designed. Typically, this is more analytical and directive activity, suited to tough skinned Human Resources professionals. Organizational change management issues are often underestimated or ignored altogether. People issues collectively account for majority of change effort failures. Nyambok (2005).

The recipe-givers, who ascribe to the large consulting firm model of change (Miles, 1997), are seen as advocating the rational-linear view of organizational change, while the model-builders are perceived as supporting the systemic-multivariate view of organizational change (e.g. Cooperrider and Bilimoria, 1993). It is commonly observed among the advocates of the rational-linear view of organizational change that there is an optimum solution for organizing labour, raw materials and capital and for adopting new organizational practices (Church et al., 1994). Within this view, the focus has been primarily on the contingencies necessary for the success and effectiveness of implementing organizational change. Situational models of contingencies, under which different approaches to change assume one-best-way across business contexts or timescales (Kotter, 1995; Tushman et al., 1997), present an ideal model of what happens in organisations at different points in time or in different contexts. Although a contingency approach to organizational change has encouraged practitioners to consider aspects of their environment, technology and size as a basis for deciding on the appropriate paths of change, it delineates deterministic assumptions about the nature of change in organisations, presents inadequate appreciation of the role of strategic choice, beliefs and power and neglects the fact that organisations are collections of diverse interests (Dawson, 1996). There is much research reporting on implementation of change programmes where the resulting picture is far from a replica of discrete set of economic, structural and technological contingencies (Senge, 1990). Thus, there is evidence to suggest that universal prescriptive models of change management are inadequate to describe the diversity of approaches actually used by organisations (Dunphy and Stace, 1993).
The vital importance of change management in today's competitive climate has been widely investigated. While the need for successful change management is intensively proclaimed by "expert" consultants, the response for some time has been regarded as falling short of what is required. Change is the order of the day for today's managers. Kreitner (1992) quotes Tom Peter's words in his book "Thriving on chaos" an IBM executive as saying "we must re-examine every relationship, every element of doing business, every process and procedure. The only plausible criterion for success is: are you changing enough, rapidly enough to successfully confront the future?" However to Nickols (2006) the overall process of change and change management remain pretty much the same. Thus it's this fundamental similarity of the change processes across organizations, industries, structures in different countries, continents i.e. globally makes change management a task, a process, and an area of professional practice. The environment as Stoner & Freeman notes (1992) determines both the amount of uncertainty an organization faces and the extent to which one is dependent on others for vital resources. In turbulent environments organization must devote more of their resources to monitoring their environment.

2.5 Approaches to strategic change management

The notion of implementing planned reforms to reorder the human and technological dimensions of the organisation has been in existence since the conception of the earliest armies and bureaucracies pre-dating Christian times (Postman, 1992). In recent times the idea of planned interventions to bring about changes in individual behaviours, team and organizational performance was popularized by Kurt Lewin, Rensis Likert and other US-based figures in the organizational development movement of the 1950s to the 1970s. During the same era Europe and Scandinavia witnessed the emergence and growth of socio-technical movement, which made a significant contribution to current systems thinking and the nature of interactions between people and technology (Waddell, 2000). In the 1980s and 1990s the dominant approaches to planned change were premised on the assumption that structures, processes, technology and human skills, capabilities and knowledge can be reconfigured to support or optimize the achievement of identified strategic goals. These included total quality management (TQM); BPR and various forms of strategic IT interventions including ERP and e-commerce systems (Stace and Dunphy, 2001; Wilkinson, 1998; Burnes, 1996).
The structural (Re-engineering) approach is one commonly used approach in implementing the TQM. It deals initially and directly with the systems barriers. Using this approach, senior management forms a steering committee, which then designate a design team made of a diagonal slice of the company. This design team then assesses the company’s culture, systems and environment and develops recommendations for the steering committee. Such recommendations can include self-directed work teams, profit-based pay, pay for knowledge and reorganizing the company away from the “functional stovepipes” of manufacturing, engineering, sales and service towards a more product, customer or geographically based orientation. This approach is also referred to as organizational design and the “socio-technical” approach. Companies which use this approach to launch strategic change usually enjoy the capability of dealing with major issues up-front rather than avoiding them. They are also able to change aspects of the company that have a substantial effect on productivity as well as demonstrating the seriousness of the top management in strategic change. These require allot of courage to launch and tackle issues head on which lacks in allot of managers.

2.6 Challenges in strategic change management

What faces those charged with bringing about changes in organisations is much more of a mess than a difficulty. There is evidence to suggest that the universal, prescriptive model of change management is inadequate to describe the diversity of approaches actually used by organisations (Dunphy and Stace, 1993).

Some seek to restrict the meaning of change management to the felt need to improve organizational performance and members’ own position within the organisation (Goodstein and Burke, 1991). Dawson (1996) has discussed the limitations of adopting such a simple definition of change. She sees conflicting interests and resistance as some of the barriers to achieving the desired results in the felt need for change. Other researchers (Tichy, 1983) acknowledge the frustration that managers feel when their organisations do not respond to elaborately analyzed plans, where there is a lack of interaction between decision and action. The mismatch of resources and the strategy itself brings allot of frustration in implementing strategic change. These resources may include human capital, expertise, equipment and money which are in most case insufficient for organizations to implement the required strategy.
In contrast to the rational-linear view embedded in the traditional approach to change, there are those who perceive change management as a systemic process incorporating systems of interpretation and meaning (Hassard, 1991). This view is particularly important, as it emphasizes the social aspects of exchange through which the locus of knowledge and the understanding of "real" things is subjectively shared and shaped by individuals through conversation and dialogue. What is seen as real is made real through sense-making processes (Weick, 1995), and "the social world is best understood from the viewpoint of the participant-in-action" (Hassard, 1991) on "appreciative inquiry" where the organisation is seen as a mystery to be embraced. In an empirical sense, this perception of change management reflects the management of processes through liberal exchange of knowledge, building of trust and acknowledgement of the heterogeneity in values, preferences and interests.

In spite of the attention that the management of change has received, organisations continue to have problems in managing organizational change and "the search for generalized laws of change still pervades the discipline" (Wilson, 1992). There is a gap between what the rational-linear change management approach prescribes and what change agents do. It is suggested in this paper that one possible source of this gap can be revealed by the way change agents perceive and interpret the issue. Hence, close attention is paid here to change agents’ perceptions of the nature of the organizational change process.
CHAPTER THREE
RESEARCH METHODOLOGY

3.1 Introduction

The chapter presents the research design and methodology of the study. It entails the way the study was designed, the population, the data collection techniques and the data analysis procedure.

3.2 Research Design

The research design employed in this study was a case study method. This method was preferred because it allowed for prudent comparison of the research findings. It was the case study that determined the strategic change management practices adopted by DT Dobie. This required primary data collection on qualitative data for comparison.

3.3 Data collection

This study collected primary data using interview guides which were self administered. Primary data collection first involved how the research instrument was administered to the respondents. Using interview guides as the data collection instrument ensured quality and adequate data was collected for best results. This also eased the analysis process.

The study sought to come up with the strategic change management practices at DT Dobie (K) Ltd covering the period of strategic change between the years 2004 to date. The change in strategy was necessitated by the change in ownership as the company was acquired by a French conglomerate in the year 2000 which has a global presence and needed to align D.T Dobie operations to its global standards. Before the acquisition, D.T Dobie was run as a family business locally and could not compete effectively in the global market. There was need to modernize the company to international standards. Besides, there was also need to modernize its equipment and facilities to enhance its efficiency and effectiveness in rendering services as well as have a competitive edge in the local market. The company depended heavily on a very large workforce with minimal technological investment which made it cost ineffective to operate meaning less returns to investors. Thus allot of focus was on investing in new technology which meant a reduction in its work force and change of the way things are done.
3.3.1 Data Collection Instruments

The interview guides contained unstructured (open-ended) questions which enabled the researcher collect the respondents' views, background, opinions, hidden motivation, decisions, interests and feelings about the strategic change management at DT DOBIE since 2004. With the unstructured questions the respondents were given enough freedom to express any information they had without holding it back. This enabled the researcher to obtain information about the strategic change management at DT Dobie after 2004.

3.3.2 Data Collection Procedure

The interview method was used to collect data. The structured questions were used in an effort to conserve time and money as well as to facilitate in easier analysis as they were in immediate usable form; while the unstructured questions were used so as to encourage the respondent to give an in-depth and felt response without feeling held back in revealing of any information.

3.4 Data Analysis

This study collected qualitative data from the interview guides administered to the respondents on the strategic change management at DT Dobie after 2004. The data obtained was analysed using content analysis. Content analysis is defined as a technique of making inferences by systematically and objectively identifying specific characteristics of messages and using the same to relate to trends. It provided the researcher with a qualitative picture of the respondent’s concerns, ideas, attitudes and feelings. Content analysis generated qualitative report which was presented in a continuous prose.
CHAPTER FOUR
DATA ANALYSIS AND INTERPRETATION OF RESULTS

4.1 Introduction

This chapter presents the findings of the study and the analysis of the data collected from the interview guide which was administered to the management staff working in DT Dobie. The interviewees to the interview guide were the managers and other staff in the supervisory level at DT Dobie. According to the data collected, all the respondents projected in the previous chapter to be interviewed were interviewed which makes a response rate of 100%. The commendable response rate was achieved after the researcher made frantic effort at booking appointments with the respondents despite their tight schedules and making phone calls to remind them of the interview.

4.2 General Information

The study first sought to establish the general information of the respondents as pertains to their department, position in the company, work experience in years and the number of years worked for the company. This information was important in making sure that the data collected represents the entire company as it cuts across all the departments making up the company. It was also important in making sure that the respondents were the right people involved in strategic change in the company and in getting a good representation of gender as is in the company under study.

4.2.1 Respondents

The study sought to establish the interviewees' departments. From the findings, the interviewees indicated that they worked in the three departments of the company namely finance and administration, sales and marketing and after sales departments with the Managing Director being one of the respondents.

4.2.2 Interviewees' Designation

On the interviewees' designation in the departments, the interviewees held positions such as Managing Director, Sales Manager, Human resources manager, Sales administrator, Chief Accountant, Credit Control Assistants and Parts Sales Supervisor.

4.2.3 Interviewees' Total Work Experience

The study, in an effort to establish the interviewees' competence and conversance with matters
regarding DT Dobie asked questions on the years that the interviewees had worked for the organisation. According to the interviewees' response, all of them had worked for the organisation for at least five years as most promotions are internal, within the organization. The interviewees' responses hence had the advantage of good command and responsibility being that they have experience and aptitude owing to their years of experience in the organisation.

4.2.4 Duration Worked in the Company
The study sought to investigate the duration over which the respondents had worked in the company. Majority of the respondents indicated that they had worked in the company for a period of between 5 and 30 years, with a small population working for a period of between 0 to 4 years.

4.2.5 Gender of the Interviewees
The study also sought to investigate the gender of the interviewees of this study.

Table 4.1: Gender Composition

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>6</td>
<td>75</td>
</tr>
<tr>
<td>Female</td>
<td>2</td>
<td>25</td>
</tr>
<tr>
<td>Total</td>
<td>8</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: Author, 2010

On the issue of gender composition of the employees working with DT Dobie, the study established that 75% of the interviewees were Male while 25% of the interviewees are Female. This implies that majority of the people working in DT Dobie are male.

4.3 Strategic Change Management Practices

The study sought to establish the various strategic change management practices employed by DT Dobie during and after the change process. It establishes the various environmental factors influencing the change process, how the company realigns itself to counter the environmental forces and the challenges it faced and how it dealt with them. In the end, the study sought to establish the strategies the company has employed to succeed in the turbulent environment.
4.3.1 Environment and Business Operations
The study sought to investigate the influence of environment on the operations of the company in terms of strategic alignment. The interviewees indicated that environment influences the operations of DT Dobie in terms of competition from firms within the vehicle industry, global economic developments, political influence and technological advancements. Others cited government regulations and policies on liberalization of the motor vehicle industry to importation of used cars as well as economic integration as other environmental aspects that influence the operations of DT Dobie since its acquisition in 2004.

4.3.2 Policies that Govern Strategic Change Management
The study sought to describe the strategic change that had taken place at DT Dobie since 2004. From the study, these strategic changes were cited as: policies formulated to govern human resource development as regards employment process and placement, training and motivation; policies on improved communication and teamwork in the work place; policies on improvement in staff attitude and understanding of the job as these areas scored poorly before takeover but have since drastically improved. Staff performance policies have also been put in place which has seen improved performance and work culture owing to the introduction of performance based reward system. Communication between the employees and senior management had improved owing to the open door policy and staff involvement in decision making adopted by the management after takeover.

Also, the company has adopted financial management policies for prudent and efficient management and control of its financial resources; Information Technology policies have also been put in place to look into issues of computerization and information flow in the company as well as replacement of computer equipment; policies on quality delivery of products and services to customers have also been cited as customers demand for more value; Marketing policies have been enhanced to take care of increased competition in the market place.

4.3.3 Processes Employed to Ensure Significant Changes
On the processes that are employed to ensure significant changes are implemented in an orderly manner in DT Dobie, majority of the interviewees indicated that the board communicated the vision and involved the entire staff and community in decision making. The management continuously run an employee satisfaction survey to get feedback on various programmes and
policies implemented within a period of two years while seeking information on areas of improvement. They also continuously reaffirmed the new direction and continuous review of the processes and gave feedback on short term gains and areas of improvement. Also, continuous training and forward planning has been cited as one of the processes which guarantee smooth management of change. Some employees also cite implementation of strategy in phases, provision of required material support and setting of targets as another way of ensuring orderly implementation of the desired change.

4.3.4 Strategic Changes that have Taken Place at DT Dobie
The respondents of the study were requested to cite the various changes that had taken place at DT Dobie since 2004. The respondents indicated that the strategic changes that had taken place in DT Dobie include restructuring of the work force which was reduced by 55%. In addition, the respondents also cited entry of many competitors which have lead to more investment in marketing programmes. The company has also focused on technological advancement by implementing a new operating system as well as changing the hardware for efficiency. It has also invested on better tools, equipment and modern facilities as well as on new product lines and markets to keep pace on the changing demands in the market. The respondents also cite competitive pricing strategy to beat competition as another change which has occurred in the period in question.

4.3.5 The Pace of the Strategic Change at DT Dobie
The study sought to investigate the pace of strategic change management that has taken place at DT Dobie since 2004. Some respondents indicated that strategic change at DT Dobie was gradual starting with introduction of new strategic processes then to new management to an overall change in business operations within the vehicle industry. Other respondents said that the process was slow and not so drastic. Management intends to focus more on the issues of strategic application.

On the people involved in strategic change management in the company, the respondents indicated that all the stakeholders were involved in the change process. These stakeholders were the directors, staff, technical experts, consultants and partner organizations.
4.3.6 The Benefits of Strategic Change Management in the Organization

From the study, the benefits of strategic change management in DT Dobie were DT Dobie was able to secure the market through strategic positioning that led to its winning an award for being the best General Distributor in Sub-Saharan Africa in 2004 and 2006; improved service delivery leading to increased customer satisfaction; increased competitive edge for the available human resources; improved communication in the organization and enhanced company image and reputation. Also, reduction in overheads, increased customer focus, better working conditions, increased reinvestment in the business and increased preparedness to changes in the environment were cited by other respondents as some of the benefits of the strategic change in the organization.

On the factors that favour the strategic change processes in the organization, the respondents cited the right combination of academic leadership, operational and strategic management and administration, adoption of strong financial strategies, good communication and feedback, lean organization structure and management support as the key factors that favour strategic change process. The respondents also cited proper forward planning and thorough implementation strategy as important factors of implementation success. The study also required the respondents to indicate the factors that inhibited the strategic change process at DT Dobie. The respondents indicated factors such as financial difficulties, political factors and government policies, low morale among the staff, incompetent staff and also global economic factors as well as bureaucracy as major decisions are made by the board sitting out of the country thus not visible on the ground.

4.3.7 The Major Outcomes of Strategic Change Management

On the major outcomes of strategic change management in DT Dobie, the study found that the major outcomes of strategic change were new organization culture which influence performance due to change of staff attitude, well trained staff, increased efficiency in service delivery, flexible and adaptable organization structure, enhanced training and equipment allocation for the staff, enhanced financial base, organization capacity i.e. more training to staff, new machines, improved performance, unity and teamwork among the staff, increased customer satisfaction hence more return customers, increased staff morale, increased preparedness to changes in the environment and increased return on investment.

24
The study sought to investigate the major successes of the strategic change management process at DT Dobie. The study revealed that the major successes of this process were that there was more impact on the customers through developed programmes, acceptance of change and creating a learning organization, high volume of sales, customer confidence, improved governance, enhanced image of the organization to the customers and financial output. Notably, D.T. Dobie & Co (K) Ltd received an award for being the best General Distributor in Sub-Saharan Africa in 2004 and 2006 and also attaining the "Super brands" recognition in the year 2007 for quality products and services. Other major successes of the project were the staffs were more motivated, renewed energy in the organization, financial stability, well trained and competent staff and positive organizational culture.

4.3.8 Responding to Changing Environment
On how the organization is currently responding to the changing environment, the study found that the organization was responding to changing development landscape by regular reviews of the strategy in relation to the environment and continuously improving on its systems and programmes such as employee empowerment programmes, conflict transformation and emergency response, adaptation of ICT/technology to enhance service delivery, developing new programmes in line with global trends, introduction of packages that are in line with the need, enhancing performance, responding positively to developmental change, appreciation of the programmes, seeking advice continuously both internally and externally (consultants) and by having a good feedback system.

The study sought to investigate the relationship between strategic change management practices and firm structure. The interviewees indicated that the organization conducts a mid-course quality check-up in an effort to uncover potential problems, team members rate themselves and their progress against specific critical indicators, installing of items which change experts who are experienced in industry, consulting and case research which is important for successful strategic change in the company. The company also carries out an evaluation process looking at areas such as strength of the governance structure, clarity and strength of the business case, resources, participation, benefits and the change management dimension.

The study required the respondents to cite the influence of leadership on the strategic change management at DT Dobie. The respondents indicated that leadership influenced strategic change
management in that the board members steered the process, the leadership embraced receptive management, there was flexible leadership structure, leaders had adequate skills to accommodate change, recruitment of new and skilled staff, change in management and new people came into the organization, emergence of new interventions e.g. advocacy, people were aware of the need for change and global developmental trends. In general terms, there is full leadership involvement in every aspect of strategy right from strategy formulation to implementation and that the leaders offer their support in terms of financial and material support, communication and feedback as well as moral support as far as teamwork is concerned.

4.3.9 The Challenges Experienced in Strategic Change Management

The study sought to investigate the challenges experienced in change management at DT Dobie. The major challenges of implementing change were lack of understanding by staff due to non documentation of the strategy and slow learning process, mistrust among the employees, scarce resources (especially finances), some employees were not sure of the strategic change, organization culture was negative, changing people's attitudes, target group was ignorant of services, there was some resistance to change in the organization, political instability in the country and economic hardships such as recession.

Another major challenge is bureaucracy in decision making as major decisions are made by the board which sits in France. Communication and feedback takes time and some decisions get time barred due to disconnect of the board with the local happenings. Others cite stakeholder requirements which may conflict at times hence sidetrack the intended strategy. Changes in government policy is another challenge which forces the company to either change their strategy or abandon it all together.
CHAPTER FIVE
SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter provides the summary of the findings from chapter four and also gives the conclusions and recommendations of the study based on the objectives of the study. The objectives of this study was to determine strategic change management practices adopted by DT Dobie (K) Ltd and specifically to investigate the managers' understanding of the meaning and priority of change management, the characteristics that facilitate or inhibit the change process and the barriers to change management and what strategies managers adopt in launching organizational change.

5.2 Summary of the Findings

The study found that environment influences the operations of DT Dobie in terms of competition from firms within the vehicle industry, global economic crisis, political influence and technological advancements. There were policies formulated on career development, there was more teamwork and cooperation among the staff and the staff attitude and understanding was very low but it has drastically improved.

The board communicated the vision and involved the entire staff and community; they continuously reaffirmed the new direction and continuous review of the process and gave feedback on short term gains. The strategic changes that had taken place in DT Dobie include restructuring of the work force, departments and processes for increased efficiency in service delivery while saving on costs. In addition, increased competition has forced the company to come up with more aggressive and innovative marketing programmes hence more investment in marketing. The company has also focused on technological advancement and has continuously invested on better tools and equipment as well as modernization of its facilities to world class standards.

Strategic change at DT Dobie was gradual starting with introduction of new strategic processes to new management to an overall change in business operations within the vehicle industry. Management intends to focus more on the issues of strategic application. All the stakeholders
were involved in the change process. These stakeholders were the directors, staff, technical experts, consultants and partner organizations.

The benefits of strategic change management in DT Dobie were DT Dobie was able to secure the market through strategic positioning, improvements and innovations leading to efficiency in service delivery thus cutting on costs and improving on profitability and competitiveness. Further, improved communication within the organisation has eased organisational conflicts and improved staff morale. Introduction of performance based reward system has changed staff perception to work thus improving on their productivity. Also, service delivery has drastically improved in terms of quality and efficiency thereby increasing customer satisfaction and boosting company sales and image.

On the factors that favour the strategic change processes in the organization, the study found that the right combination of academic leadership, operational and strategic management and administration, adoption of strong financial strategies, innovation and invention strategies and research and development ventures aimed at developing the relevant customer knowledge favour the strategic change management process at DT Dobie. While factors such as financial difficulties, negative organizational culture, uncertainty of the consequences of change, rigidity of organizational structure and culture, low morale among the staff and incompetent staff in strategy implementation inhibit the success of strategic change.

The major outcomes of strategic change were new organization culture which influence performance due to change of staff attitude, well trained staff, new vision, mission, objectives and programmes, flexible and adaptable organization structure, collaboration with the government, enhanced training and equipment allocation for the staff, enhanced financial base and organization capacity. The organization has also reaped in terms of reinvestment in the business which has seen it expand its operations and also acquire more brands to add to the already existing ones. The major successes of this process were that there was more impact on the customers through developed programmes, acceptance of change and creating a learning organization, high volume of sales, customer confidence, improved governance, enhanced image of the organization to the customers and financial output. Other major successes of the project were the staff were more motivated, renewed energy in the organization, financial stability, well trained and competent staff and positive organizational culture.
The organization was responding to changing development landscape by regular reviews of the strategy, introduction of new programmes such as employee empowerment programmes, conflict transformation and emergency response, adaptation of ICT/technology to enhance service delivery, developing new programmes in line with global trends, introduction of packages that are in line with the need, enhancing performance, responding positively to developmental change, appreciation of the programmes, seeking advice continuously both internally and externally (consultants) and by having a good feedback system.

The organization conducts a mid-course quality check-up, in an effort to uncover potential problems, team members rate themselves and their progress against specific critical indicators, installing of items which change experts who are experienced in industry, consulting, and case research which is important for successful strategic change in the company. The company also carries out an evaluation process looking at areas such as strength of the governance structure, clarity and strength of the business case, resources, participation, benefits, and the change management dimension. The study established that leadership influenced strategic change management in that the board members steered the process, the leadership embraced receptive management, there was flexible leadership structure, leaders had adequate skills to accommodate change, recruitment of new and skilled staff, change in management and new people came into the organization, emergence of new interventions e.g. advocacy, people were aware of the need for change and global developmental trends.

The major challenges of implementing change include lack of understanding, mistrust among the employees, lack of finances, since there was no documented strategy and therefore there was lack of understanding by staff, some employees were not sure of the strategic change, organization culture was negative, changing people's attitudes, target group was ignorant of services, there was some resistance to change in the organization, political instability in the country and economic hardships such as recession.

5.3 Conclusions

This study concludes that environmental factors such as competition from firms within the vehicle industry, global economic crisis, political influence and technological advancements influence the strategic change management. Policies formulated on career development, more
teamwork and cooperation among the staff and the staff attitude and understanding are also likely to influence the strategic change management.

The study also concludes that communication of the vision, involvement of the entire staff and community; continuous reaffirmation of the new direction, continuous review of the process and giving feedback on short term gains are some of the means through which strategic change management can be made possible. Further, organizations gain competitiveness by adopting strategic change management which can be favoured by the right combination of academic leadership, operational and strategic management and administration, adoption of strong financial strategies, innovation and invention strategies and research and development ventures aimed at developing the relevant customer knowledge favour the strategic change management process at DT Dobie.

Leadership also influences strategic change management in that the board members steered the process, involved the staff and communicated continuously on the progress made. Generally, leadership supports strategy in all aspects. The study also found out that the major challenges of implementing change include lack of understanding by staff, mistrust among the employees, lack of finances, some employees were not sure of the strategic change, negative organization culture, people's attitudes, target group was ignorant of services, resistance to change in the organization, political instability in the country and economic hardships such as recession.

5.4 Recommendations

This study recommends that organizations should implement strategic change management in the current environment to counter environmental factors such as competition from firms within the industry, global economic crisis, political influence and technological advancements. The study also recommends that organizations should communicate the vision and mission of the company to the employees for proper understanding of the direction the organization is taking. Further, involvement of the staff and community in strategy formulation is critical in the success of strategy implementation. It is also recommended that continuous feedback of the progress is necessary for review and improvements of the strategy adopted if it is to succeed. The study further recommends that for organizations to gain competitiveness in adopting strategic change management, they need to ensure the right combination of all the required resources is in place and that there is harmony between the strategy adopted and the actual resources on the ground.
5.5 Suggestions for Further Research

This study has explored the strategic change management practices at DT Dobie since 2004 and identified the benefits and challenges of strategic change management in the organization. The motor industry remains competitive both in Kenya, region and internationally. There is therefore need to carry out a similar study to investigate the effects of strategic change management at DT Dobie (K) Ltd.

Further, it is assumed in this study that the strategic change management practices at D.T. Dobie (K) Ltd cuts across the entire motor industry. It is recommended that a similar study is carried out covering several motor industry players in the Kenyan market to see if what has been found in this study is a representative of the whole motor industry in Kenya.

5.6 Limitations of the Study

The researcher encountered problems of time as the research was being undertaken in a short period which limited time for doing a wider research. However the researcher countered the limitation by carrying out the research across all management levels which enabled generalization of the study findings. Some respondents approached were reluctant in giving information fearing that the information sought would be used to intimidate them or print a negative image about the organization. The researcher handled the problem by carrying with him an introduction letter from the University and getting permission from the Human Resources Manager at D.T.Dobie and assured them that the information they gave would be treated confidentially and it was to be used purely for academic purposes.

The researcher also encountered problems in eliciting information from the respondents as the information required was subject to areas of feelings, emotions, attitudes and perceptions, which could not be accurately quantified and/or verified objectively. The researcher encouraged the respondents to participate without holding back the information they had as the research instruments did not bear their names. Lack of sufficient funds limited the researcher from accessing all the motor vehicle companies in the country to collect data for study. The researcher however limited himself to DT Dobie due to inadequacy of funds.
5.7 Implication on Policy and Practice

This study will serve to challenge policy makers in the motor industry on the need to be proactive to the environmental changes by constantly studying and aligning themselves to the environment other than reacting to the changes as and when they occur. It also brings out the importance of people involvement in policy formulation and implementation, that the right combination of knowledge and goodwill from all the stakeholders is important in achieving the desired results with minimal resistance. It is also important to note that change is the only constant in life and that the practitioners must be ready at all time to face change.
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33


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Appendix I: Letter of Introduction

29th July, 2010

The Human Resources Manager,

DT Dobie & Co. (K) Ltd,

P.O Box 30160-00200,

Nairobi.

RE: REQUEST TO COLLECT DATA FOR MBA RESEARCH PROJECT

I am a student at the University of Nairobi pursuing a Master of Business Administration program.

Pursuant to the pre-requisite course work, I am conducting a research project on STRATEGIC CHANGE MANAGEMENT PRACTICES AT DT DOBIE AFTER 2004. The focus of my research will be DT Dobie and this will involve use of interview guides administered to members of the management team.

I kindly seek your authority to conduct the research at DT Dobie through interview guides and use of relevant documents. I have enclosed an introductory letter from the University. Your assistance is highly valued. Thank you in advance.

Yours faithfully,

Wilson Musyoka
Appendix II: Interview Guide for DT Dobie Staff

PART A: GENERAL INFORMATION

1. Name of department.

________________________________________________________________________

2. What is your designation in the department?

________________________________________________________________________

3. What is your total work experience in years?

________________________________________________________________________

4. How long have you worked in this company?

________________________________________________________________________

5. What is your gender? (Please tick)
   Male [ ]
   Female [ ]

PART B: STRATEGIC CHANGE MANAGEMENT PRACTICES

6. What environmental factors influence the operations of this company in terms of strategic alignment?

________________________________________________________________________

________________________________________________________________________

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7. What policies have been put in place to govern the strategic change management in DT Dobie since 2004?
8. Which are the processes that are employed to ensure significant changes are implemented in an orderly manner?

9. Which are the strategic changes that have taken place at DT Dobie over the last six (6) years?

10. How would you describe the pace of the strategic change that has taken place at DT Dobie?

11. Who are involved in the strategic change management in this company?

12. What are the benefits of strategic change management in the organization?
13. Which factors favour the strategic change processes in your organization?

14. Which factors inhibit the strategic change process in your organization?

15. What are the major outcomes of strategic change management in your organization?

16. What are the major successes of this strategic change management process?

17. How is the organization currently responding to changing environment?

18. How are the strategic change management practices affected by the firm structure?
19. How do the company's mission, vision and values affect the strategic change management practices?

20. How does leadership influence the strategic change management at DT Dobie?

21. Which are the challenges experienced in strategic change management at DT Dobie?

THANK YOU FOR YOUR TIME AND COOPERATION!!
Appendix III: Organizational Structure at D.T. Dobie Kenya Ltd

Source: D.T Dobie (K) Ltd management reports year 2006
### Appendix IV: Market share figures for the year 2004 to 2009

<table>
<thead>
<tr>
<th>Company</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>D.T.Dobie Kenya</td>
<td>15.05</td>
<td>17.31</td>
<td>16.89</td>
<td>14.21</td>
<td>14.76</td>
<td>14.39</td>
</tr>
<tr>
<td>Toyota (E.A) Ltd</td>
<td>25.50</td>
<td>26.65</td>
<td>24.93</td>
<td>22.07</td>
<td>24.00</td>
<td>23.11</td>
</tr>
<tr>
<td>General Motors (E.A) Ltd</td>
<td>20.62</td>
<td>16.25</td>
<td>17.15</td>
<td>18.44</td>
<td>19.46</td>
<td>20.07</td>
</tr>
<tr>
<td>CMC Motors</td>
<td>7.32</td>
<td>15.35</td>
<td>15.25</td>
<td>20.16</td>
<td>16.26</td>
<td>15.47</td>
</tr>
<tr>
<td>Simba Colt Motors</td>
<td>18.30</td>
<td>17.88</td>
<td>19.12</td>
<td>17.87</td>
<td>17.96</td>
<td>18.40</td>
</tr>
<tr>
<td>Others</td>
<td>13.21</td>
<td>6.56</td>
<td>6.66</td>
<td>7.25</td>
<td>7.56</td>
<td>8.56</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>100.00</td>
<td>100.00</td>
<td>100.00</td>
<td>100.00</td>
<td>100.00</td>
<td>100.00</td>
</tr>
</tbody>
</table>

Source: KMI Report for the year 2009
TO WHOM IT MAY CONCERN

The bearer of this letter, Wilson M. Musyoka, is a Master of Business Administration (MBA) student of the University of Nairobi.

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

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

Thank you.

UNIVERSITY OF NAIROBI
SCHOOL OF BUSINESS
MBA OFFICE

DR. W.N. IRAKI
P. O. Box 30197
CO-ORDINATOR, MBA PROGRAM.
INTER OFFICE COMMUNICATION

To: To Whom It May Concern

From: Human Resources Manager

Date: 19 August 2010

RE: REQUEST TO COLLECT DATA FOR MBA RESEARCH PROJECT FROM EMPLOYEES OF D T DOBIE

We wish to inform you that permission has been granted to Wilson Musyoka to collect the above data from the D T Dobie staff based on his research topic “Strategic change management practices at D T Dobie & Co. (K) Limited after 2004.”

By a copy of this letter, I am requesting all the respondents to give their full co-operation to Wilson to enable him complete his project.

We look forward to your co-operation.

DT DOBIE

VICKI NYAGA