CHANGE MANAGEMENT PRACTICES AND PERFORMANCE
OF KENYA REVENUE AUTHORITY

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DECLARATION

I declare that this research is my original work and has not been presented to any other University or college for academic purposes.

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

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DEDICATION

This project is dedicated to my late mum for being my source of inspiration. To my dad for his wise counsel and guidance and to my spouse for his encouragement and patience.
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ABBREVIATIONS AND ACRONYMS

BSC : Balanced Score Card
CMM : Capacity Maturity Model
KPI: Key Performance Indicators
KRA: Kenya Revenue Authority
ABSTRACT

Organizations nowadays are under intense pressure to fundamentally change how they operate and do business if they are to ensure their survival and competitiveness. As organizations go through this motion it is important to understand change management practices. Due to development of new products and processes, social and political change and economic fluctuations organizations are forced to change so as to align themselves to the environment. These changes have to be managed too so that they can improve performance of organizations. The phenomenon of managing change is a complex issue facing management today. The study seeks to answer the question: Does change management affect organizational performance in Kenya Revenue Authority? This study used a case study which is qualitative in nature. The respondents were managers from Kenya Revenue Authority. The study used interview guides to collect primary data. The interview guide had unstructured questions which was used to encourage the respondents to give an in depth response without feeling held back in revealing of any information. The data was then analyzed using content analysis. The study revealed that change management affects organizational performance in KRA. There have been four major strategic changes in KRA that is technological advancement, structural changes, strategic change and people. All these changes have increased efficiency and improved performance in KRA. The study established that organizations like KRA have had to align themselves to the environment so that they can increase their chances of survival. The study concludes that management should be competent in change management so that it can help employees to be able to embrace the changes quickly and improve efficiency therefore improving performance. The study also concludes that various changes have necessitated changes in KRA for instance, rapid development in information technology, demand for services from the government, changing operational environment and customers demand for more transparency. The study recommends that, KRA should do more on managing resistance to change especially among the staff. They should prepare the people who will be affected by the various changes. Change managers should sell the benefits of the changes to the employees rather than force changes on them. The findings of the study will assist the government in formulating a policy on the regulatory process in the economy in the areas that necessitate strategic change management, in order to ensure orderly economic growth and development. The results of the study are important to academicians and practitioners. The academicians can use the findings for further research while practitioners can apply the lessons in planning and implementing future changes. Lastly, the study will assist the management team in KRA to be able to evaluate the effectiveness of the strategies on change management and performance and adopt correct change management strategies that will achieve the required performance.
CHAPTER ONE
INTRODUCTION

1.1 Background of the Study

The world is rapidly changing into something too hard to easily predict, with a hundred opportunities and pitfalls passing by every minute. Due to these rapid changes, organizations are forced to change so as to align to changes in the environment. Developing organizations in particular, regularly have to go through change processes when having to respond to new development scenarios or part of their expansion or restructuring process. The number of mergers and acquisitions has also been on the increase, and more organizations have gone global because of competitive pressures.

Change management has been defined as the process of continually renewing an organization’s direction, structure and capabilities to serve the ever changing needs of the external and internal customers (Moran & Brighthan, 2011). Change management provides a competitive advantage allowing organizations to quickly and effectively implement changes to meet market needs. Various authors have shown that there is a clear link between change management and organization performance. Johnson & Scoles, (2002) notes that organizations undertake strategic changes in order to align their business strategies to the environment thereby matching their resources and activities to the environment. This is turn enhances the company’s performance. Porter (1985) argues that poor performance makes strategic change more likely and it also signals need for strategic change. Effective change management is essential to creating sustained level of performance.
Hardy, (1995) also argues that, as organizations work towards their strategic intention they are able to enhance their performance. Lebans & Euske, (2006) defines organizational performance as a set of financial and non financial indicators which offer information to the degree of achievement of objectives and results. Organizational performance is an indicator which measures how well an enterprise achieves their objectives. Organizational performance is concerned with management/employee relation, product or service innovation, employee attraction, employee retention, customer satisfaction and product and service quality.

Change management has been supported by various theories, according to Burners (2004), there are three schools of thought on change management; individual perspective school, group dynamic school and open systems school. The individual perspective school is further divided into two groups; the behaviorists and the gesalt-field psychologists. The former view behavior as resulting from an individual’s interaction with the environment while the latter believe that behavior that is rewarded tends to be repeated. The group dynamic school places emphasis on bringing about change through teams or work groups. The open systems school sees organization as composed of a number of interconnected subsystems. Any change to one part of the system will have an impact on other parts of the system and in turn on its overall performance.

Organization performance is also supported by various models which have been developed to measure and improve the performance of organizations. These models include; balance score card, the business excellence model, the key performance indicators and the capacity maturity model.
The balanced score card is used to evaluate whether a business is moving towards its strategic goals. Kaplan & Norton (1992) the business excellence model describes a cause and effect relationship between enablers and results of business processes within an organization. The key performance indicators are a measure of performance that focuses on critical aspects of outputs or outcomes (Chan & Chan, 2004). The capacity maturity model helps an organization to identify best practices they currently exhibit and those upon which they need to improve (Chrssis et al; 2003).

Kenya Revenue Authority (KRA) is a state corporation established by an act of parliament of July 1st, 1995 Cap 469 as a central body. The Authority is charged with the responsibility of collecting revenue on behalf of the government of Kenya. The Authority’s mandate and core business is to access, account, administrate and enforce all the laws relating to revenue. The authority has not been left behind when it comes to issues of change management. There have been four major areas of organization change in KRA. These include strategic change, technological advances, structural changes and people.

1.1.1 Change Management

Change management is an important approach to transitioning individuals, teams and organizations to a desired future state. Change management has become an interest to different authors, Kotter (2002) notes that change management entails thoughtful planning and sensitive implementation and above all consultation with and involvement of, the people affected by the changes. He further notes that if you force change on people, problems arise. Changes must be realistic, achievable and measurable.
Organizations have to come up with new strategies every time there is a new economic, social, financial or political environment. Change management is a process which involves a critical assessment of an organization’s competitors, setting strategies to beat the competitors and checking the competitive strategies from time to time to make sure they are meeting the required objectives. Strategic change management is a set of processes employed to ensure that significant changes are implemented in a controlled and systematic manner.

Management of strategic change in any organization will depend on the magnitude of the challenge faced in trying to effect strategic change. It is not practical to assume that leading change effectively in one context is the same as in another and assumptions made that approaches to change are readily transferable between contexts (Johnson, Whittington & Scholes, 2011). Change management can be looked at as a deliberate and coordinated action taken to transform an organization to overcome environmental challenges in order to achieve its objectives. Organizations undertake strategic changes in order to align their business strategies to the environment thereby matching their resources and activities to the environment Johnson & Scholes (2002).

Change management involves creating awareness on why change is needed, inculcating a desire to cooperate and participate in the change process, providing and collating knowledge to guide in the change process and formulating reinforcement strategy and plans to sustain change.
A successful change process needs to articulate a compelling vision, form a coalition of supporters, focus on the business environment, examine the extent of fit between the business and its changing environment, challenge conventional wisdom, lead the implementation process, stay on course in spite of the perceived difficulties as well as rewarding and recognizing people for contributions made to the process.

The Kenya Revenue Authority has had to make a transition from one state to the other. There have been four major areas of change. These include strategic changes, technological advances, structural changes and people. Despite a few challenges such as limited budget, dealing with several competing initiatives and a bit of stakeholder resistance the change man agent process at the Authority led by team leaders has been a success story.

1.1.2 Change Management Practices

Change Management Practices include the various activities undertaken by managers as they handle various aspects of change. In order for the change processes to be manageable, clear priorities must be set since the processes involved in the change management are complex in nature. Change programs and projects have to make sense from the beginning, when the actual idea of change comes to place. The feeling that changes are right for an organization and the necessary sense of urgency to secure its realization will occur if it is clear that the changes have to be tailored to the organization and its particular business situation.
Successful change efforts seem to be those where the choices regarding the speed of the effort, the involvement of others, the amount of preplanning and the relative emphasis given to different approaches are both internally consistent and fit some key situational variables. These variables include the position and the power of the change initiator, the amount and the kind of resistance that is anticipated, the person who has the relevant data for designing the change and the energy for implementing it and the stakes involved in the change process.

Organizational efforts that ignore these factors run into problems (Kotter & Schlenker, 1979). According to Kotter (2007) change by definition requires creating a new system, which in turn always demands leadership. He stresses that for a change to be successful in an organization, the change process has to go through a series of phases that take a considerable length of time.

### 1.1.3 Organizational Performance

Leban & Euske (2006) defines organizational performance as a set of financial and non-financial indicators which offer information on the degree of achievement of objectives and results. Organization performance is also defined as an organization’s ability to exploit its environment for accessing and using the limited resources. Performance management involves goal setting, performance appraisal and reward systems that align member work behavior with business strategy, employee involvement, and workplace technology (Cummings & Worley, 2009).
Performance management is an integrated process of defining, assessing and reinforcing employee work behaviors and outcomes. Organizations with a well-developed performance management process often outperform those without this element of organization design. Organizational performance comprises the actual output or results of an organization as measured against its intended outputs.

The measure of performance can be divided into two distinct types namely; the financial function mostly announced at the end of every financial year in terms of profitability and the non-financial function mainly measured by the; the company staff welfare, the company participation in corporate social responsibilities, customer satisfaction, efficiency in production and ability of the company to honor in time its statutory obligations (Marangu, 2012). A number of studies have applied different ways to measure organizational performance. Steer (1975) reviewed 17 organizational effectiveness models, integrated these measurements of organizational performance from various studies, and generalized these measurements into three dimensions: financial performance, business performance and organization effectiveness. Delaney and Huselid (1996) suggested two ways to assess Organizational performance: Organizational performance and market performance.

1.1.4 Change Management Practices and Performance of Organizations

The ability of an organization to anticipate and respond to opportunities or pressures for change both internal and external is one of the most important ways in which its productivity are ensured.
The nature and effectiveness of organizational responses vary in part with how top management triggers and interprets strategic issues (Dutton & Duncan, 1987; Kiesler & Sproull, 1982). Management role in defining the developments and events which have the potential to influence the organization’s current or future strategy (Dutton & Duncan, 1987) provides a major link between a firm and its external environment. Porter, (1985) stated that performance management can only be effective where the organization has a clear corporate strategy and has identified elements of its overall performance which it believes are necessary to achieve competitive advantage. Competitive advantage can be achieved if an organization is able to change and align itself to the environment and also manage the changes effectively.

Planning, implementing and managing change implementation in a fast changing environment is increasingly the situation in which most organizations work. Dynamic environments such as these require dynamic processes, people, systems and culture especially for managing strategic change successfully. Transforming an organization or department into a more creative and innovative one involves strategic change. Organizational strategic change efforts should be geared to improve the performance of organizations and the people in those organizations.

1.1.5 Kenya’s Public Sector

Kenya’s public sector comprises of the central government, local government and public corporations. It is that part of the economy that provides basic goods and services that cannot be provided by the private sector. It consists of state-owned institutions, including nationalized industries and services provided by local authorities. In August 2010, the republic of Kenya enacted a new
constitution following twenty years of failed attempts at constitutional reforms as well as a failed referendum. The new Kenya constitution witnessed 67% approval from the Kenyan people signaling a new era in Kenya history. It is expected to create the legal framework to allow the government to address several institutional problems like the concentration of vast political powers in the executive branch, aggravated by corruption, impunity and inadequate protection of minority rights.

Kenya has made attempts to increase tax revenue by focusing on closing the taxation gap and expanding the tax base. Since 1993 the main focus of tax reform has centered on trade liberalization and moving from a sales tax to a system of value added tax. More recently the focus has expanded to address the capacity and efficiency of the tax administration, and this has led to the creation of the Kenya Revenue Authority.

The Kenya Revenue Authority is a semi-autonomous state corporation under the ministry of finance. It was established by an act of parliament, chapter 469 of the laws of Kenya, which became effective on 1st July 1995. It was formed for the purpose of enhancing the mobilization of government revenue while providing effective tax administration and sustainability in revenue collection. A board of directors consisting of both public and private sector experts makes policy decisions to be implemented by KRA management. The chairman of the board is appointed by the president of the republic of Kenya. The chief executive of the authority is the commissioner general who is appointed by the minister of finance. The board and management of KRA has since its inception spent time and resources setting up systems, procedures and adapting new strategies aimed at enhancing the operational efficiency of the Authority’s processes.
1.1.6 Kenya Revenue Authority

The Kenya Revenue Authority was established by an act of parliament chapter 469 of the laws of Kenya, which became effective on 1st July 1995. The Authority is charged with the responsibility of collecting revenue on behalf of the government of Kenya. The Authority is headed by a commissioner general and he/she is assisted by departmental heads that are referred to as deputy commissioners. (See figure 1). The rationale behind the establishment of the authority arose from the need to enhance efficiency, transparency and accountability in this critical area of the public sector. In terms of revenue collection and other support functions, the authority is divided into the following departments; customs service department, domestic taxes, (the domestic taxes is further divided into domestic revenue and large taxpayers office), road transport, support services department and investigation and enforcement department.

Each department is headed by a commissioner. In addition to the four divisions the authority has seven service departments that enhance its operational efficiency. These are as follows; human resources department, finance, board corporate services and administration department, internal audit, information and communication department and marketing and communication department.

Before 1995, the revenue collection functions of the government were distributed among at least five different ministries. Lacking coordination, their performance was characterized by inefficiencies and low levels of accountability. The Authority was also unstable in that it had a mix of staff from various departments with diverse cultures, different structures, systems and procedures. The procedures were mainly
manual and the culture was more of enforcement of compliance rather than customer focus. Staff still considered themselves to be either income tax, value added tax and customs and not as KRA. Building a team sharing a common vision, culture and integrating the systems, procedures and processes was the immediate priority of management.

Organization change has occurred every time KRA has had to make a transition from one state to another. There have been four major areas of organization change at KRA. These include strategic change, technological advances, structural changes and people. To manage change effectively the Authority has adopted a more efficient corporate structure and systems as part of modernizing and improving business processes. All these changes have been done to enhance the Authority’s performance and assist the Authority in meeting its goals and objectives. Despite facing a few challenges such as limited budget, dealing with several competing initiatives and a bit of stakeholder resistance, overall, the change management process at KRA has been a success story. The Authority has achieved an exemplary record of successfully mobilizing the bulk of government revenue at minimal cost by building and utilizing an enabled professional team that is self-driven.

In an effort to develop its staff, enhance efficiency and work performance, KRA has come up with a training institution called Kenya Revenue Authority Training Institute which focuses on customs, tax administration and management studies. The institute not only trains KRA staff but also provides tailor made training programmes to members of the public and government departments. The Authority has in place a corporate plan that runs for a period of three years.
Each year of the plan period is divided into four perspectives under the performance contracting arrangements. These are people’s perspective, internal processes perspective, customer perspective and financial perspective. The Authority also sets revenue collections targets every year. In the first half of 2013-2014, KRA surpassed its targets. It posted Kshs.470.2 billion against a target of kshs.470.2 billion representing a 23% growth compared to the previous year when they collected 380.7 billion. The performance was attributed to a strong VAT growth and enhanced monitoring of pay as you earn. VAT also grew significantly in customs due to enforcement activities backed by the new legal provisions and a better business performance.

1.2 Research Problem

Change Management is becoming a highly important subject in organizations thus it is important to understand that organizational success depend on it (Balogun & Hailey, 2008). Organizational performance is increasingly being viewed as a key organizational activity (O’Regan, Sims & Gallear, 2008). O’Regan, et al (2008) has defined performance as the ability of an object to produce results in a dimension determined a priori, in relation to targets.

Organizations with a focus of being world class have adopted some ten performance measures of business which have a customer orientation. These include operational measures such as environmental and safety standards, quality delivery and service standards, winning and retention of skilled staff, cycle times and waste elimination and companywide measures such as customer, community and employee satisfaction in addition to productivity and flexibility.
The relationship between change management and organizational performance is seen clearly in the above definition because organizations have to be alert to changes in these ten performance measures of business and they have to manage the changes effectively so as to be able to enhance performance.

Kenya Revenue Authority was established by an act of parliament of chapter 469 of the laws of Kenya, which became effective on 1\textsuperscript{st} July 1995. The Authority is charged with the responsibility of collecting revenue on behalf of the government of Kenya. Organization change has occurred every time KRA has had to make transition from one state to the other. There have been four major areas of organization change KRA. These include strategic change, technological advances, structural changes and people. To improve performance KRA has built a training school known as Kenya Revenue Authority Training institute which provides quality services and enhances efficiency and integrity. It does not only train KRA staff but also trains the members of the public and government departments. KRA has also introduced capacity building programmes, increased the span of benefits, rewards and introduction of recognition awards for good performance, employee involvement and stakeholder involvement.

Change Management has been defined as actions, processes and decisions that are executed by an organization’s members to realize their strategic intentions. (Hardy, 1995). According to Burners (2004) change is an ever present future organizational life, both at an operational and strategic level. Therefore there should be no doubt regarding the importance to any organization of its ability to identify where it needs to be in the future and how to manage the changes required getting there.
Mc Carthy & Eastman (2010) argue that the overarching purpose of change management is to accelerate the speed at which people move successfully through the change process so that anticipated benefits are achieved faster. Kanter (1997) says that change management will require; tuning into the environment, challenging assumptions, crafting a vision, using diplomatic skills to get favorable responses (this builds coalitions of backers), keeping action moving by handling interferences/resistance, maintaining the momentum, incorporating emergent developments and never losing sight of the overall goal.

Considerable studies on Change Management have been done in Kenya, Kirop (2008) found out that due to increased demand for higher education, rapid technological changes, the need to keep tuition fees affordable and competition, University Of Nairobi had to reposition itself to cope up with changes in both external and internal environment. Mutua (2011) found out that the pension reforms in Kenya has resulted in a sea change in the operations of the retirement benefits schemes in the country. Due to rapid growth of the industry, the government has been forced to introduce reforms. Ogwora (2003) found out that change management has tremendously improved the efficiency of service delivery at the National Cereals and Produce Board. Kasulu (2011) found out that early involvement of firm members in the strategy process helped members understand super-ordinate goals, style and cultural norms and thus become essential for a continued success of firm change management practice. Many studies have been done in KRA on change management but none has been done on Change Management Practices and performance of KRA thus forming my research gap. Does Change Management Practices affect Performance in Kenya Revenue Authority?
1.3 Research Objectives

This study seeks to determine the following:

(i) To establish change management practices in Kenya Revenue Authority

(ii) To establish performance indicators at Kenya Revenue Authority

(iii) To establish the relationship between change management practices and performance in KRA

1.4 Value of the Study

The findings of the study will help the government in formulating a policy on the regulatory process in the economy in the areas that necessitate strategic change management, in order to ensure orderly economic growth and development. The study can also be of importance to government agencies whose interest lies on improved services delivery for economic development and creating investor confidence.

The results of the study are important to the practitioners and academicians both in the private and public sector by contributing to the existing body of knowledge in the area change management practices and performance.

Academics can use the findings for further research, while practitioners may apply lessons in planning and implementing future changes. The study will assist the management team in KRA to be able to evaluate the effectiveness of the strategies on change management and performance and adopt correct change management strategies that will achieve the required performance. KRA management will also be able to ensure sustained revenue collection for provision of public goods and services for a stable economy.
CHAPTER TWO
LITERATURE REVIEW

2.1 Introduction

In this chapter, past studies will be reviewed in regards to change management practices and performance. The areas covered here are; what different scholars and authors have documented about change management and performance, the relationship between change management and organizational performance and theoretical foundations.

2.2 Theoretical Foundation

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. Theories of management education and learning which help us understand the behavior of those who manage change, cannot be fully discussed without reference to theories of child and adult psychology.

According to Burners (2004), there are 3 schools of thoughts on Change management; individual perspective school, group dynamics school and open systems school. The Individual Perspective School is further divided into two groups; the behaviorists and the gesalt-field psychologists. The behaviorists view behavior as resulting from an individual’s interaction with the environment. In this theory behavior is learned, the individual is the passive recipient of the external and object data. Gestalt-field psychologists argue that an individual’s behavior is the product of environment and reason.
For them, learning is a process of gaining or changing insights, outlooks, expectations or thought patterns. This group takes into account not only a person’s actions and the responses these elicit but also the interpretation the individual places on these. As a component of the change theory the group dynamics has the longest history. Hallgrímsson (2008) argues that organizational change will be hapless endeavor without the participation and commitment of individuals; however the focus on individuals within organization studies is almost exclusive to psychological or social psychological research. This individual implication therefore makes organizational change intrinsically personal. The group dynamics school places emphasis on bringing about change through teams or work groups. People in organizations work in group’s therefore individual behavior must be seen and modified to suit group norms and practices.

Lewin (1947b) postulates that group behavior is an intricate set of symbolic interactions and forces that not only affect group structures but also modify individual behavior. He argued that individual behavior is a function of the group environment or ‘field’ as he termed it. This field produces forces, tensions emanating from group pressures on each of its members. An individual’s behavior at any given time, according to Lewin is an interplay between the intensity and valance (whether the force is positive or negative) of the forces impinging on the person. Because of this, he asserted that a group is never in a ‘steady state of equilibrium’, but is in a continuous process of mutual adaptation which he termed as ‘quasi-stationary equilibrium’. Mulin (1989) articulates that it is now usual for organizations to see themselves as comprising of groups and teams rather than merely collections of individuals.
Burner (2009) acknowledges the work of other researchers like (Cummings & Woodley, 2005; French & Bell, 1999; Smith et al, 1982) who said that it was useless to concentrate on changing the behavior of individuals according to the group dynamics. The focus of change must be at group level and should be concentrated on influencing group norms, roles and values. Scott (1987) argues that the open systems school sees the organizations as composed of a number of interconnected sub-systems. It follows that any change to one part of the system will have an impact on the other parts of the system and in turn on its overall performance. This approach is based on the method of describing and evaluating these subsystems in order to determine how they need to be changed so as to improve the overall functioning of the organization.

2.3 Strategic Change Management Models

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. This section discusses some of the strategic change models. These models are; Kotter’s eight step change model, Mckinsey 7-S Model and “ADKAR” model.

2.3.1 Kotter’s Eight Step Change Model

Kotter’s change model (1996) can be described as a simple model that has a twofold focus: To begin with it involves a step by step process of implementing change then secondly it allows individuals the opportunity to prepare and accept the change as part of the change management process. Kotter eight step model has been identified as an appropriate tool to elaborate the steps of change management. The model has the following eight steps as explained by Kotter.
Establishing a sense of urgency, creating the guiding coalition, developing a vision and strategy, communicating the change vision, empowering broad based action, generating short term wins, consolidating gains and producing more change and anchoring new approaches in the culture. The model helps and prepares employees for change before the company comes up with a vision. It also provides guidance even after the transition has occurred. For the change process to be successful, Kotter advises that the eight process must be consulted when managing change. Some managers believe that with the new working, successful changes can be achieved after completing step six (Kotter & Cohen, 2002).

However researchers differ on this and note that ignoring the impacts of complacency or the ineffective guiding team that is the (last 2 steps of the model) managers may allow for failure to set in before the transition process is complete. According to Kanter managers should allow employees to participate in the change process so that they can build commitment to organizational change. To show commitment managers should also provide a clear picture or vision of the future and share information about changes that will occur. They should also offer positive reinforcement to those in need of direction and tell people what is expected of them.

2.3.2 The McKinsey 7-S Model

This model was created by Robert Waterman, Tom Peters, Richard Pascale and Anthony Athos in 1978. This model offers a holistic approach to organizations. It has 7 factors that operate as collective agents of change; shared values, strategy, structure, systems, style, staff and skills.
Strategy, structure and systems are the hard elements while the bottom four that is, skills, staff, style and shared values are the soft elements. All these elements are interdependent. Changes in one will have repercussions on the others. Thus introduction of new systems will certainly affect skill and may well affect structure, style and staff. It could even have an impact on strategy. Similar repercussions occur with decentralization. In case you try to change one element on its own, the other element may resist the change and try to maintain the status quo. Any change in the organization is best seen as a shift in the whole picture. The model can be used for the following: organizational alignment or performance improvement; understanding the core and most influential factors in an organization’s strategy; determining how best to realign an organization to a new strategy or other organization design and examining the current workings and relations an organization exhibits (Whittblog, 2011).

2.3.3 “ADKAR” Model

(Hiatt, 2006) defines the “ADKAR” model as a change management tool that allows change management teams to focus their activities on specific business results. The model has its origin in aligning traditional change management activities to a given goal or result. The “ADKAR” model to check whether was initially used to check whether change management activities for instance training and communications were having the desired results during organizational change. The model has its origins in aligning traditional change management activities to a given result or goal. “ADKAR” model becomes a useful framework for change management teams in the planning and execution of their work by identifying the required outcomes or goals of change management.
Effective dimension of change management requires managing five key goals that form the basis of the ADKAR model that is; awareness of the need to change, desire to participate and support the change, knowledge of how to change (and what the change looks like), ability to implement the change on a day-to-day basis and reinforcement to keep the change in place. Hiatt (2006) refers to each of the five actions as building blocks for successful individual change and organization change. An individual must obtain each element in sequence in the “ADKAR” model in order for a change to be implemented and sustained. The goals and outcomes are normally sequential and cumulative. Managers can use this model to provide effective coaching for your employees and identify gaps in the change management process.

The ADKAR model has the ability to identify why changes are not working and help you take the necessary steps to make the change successful. You will be able to break down the change into parts, understand where the change is failing and address that impact point. The ADKAR model can be used to; diagnose employee resistance to change, help employees transition through the change process, create a successful action plan for personal and professional advancement during change and develop a change management plan for your employees.

2.4 Forces of Organizational Change
Nowadays, organizations are facing a dynamic and changing environment. Change has become inevitable in organizations. Organizations have been forced to change or else they may be forced out of the market. Organizations that change according to the changes that are taking place survive and flourish. Certain forces make changes not only inevitable but also desirable.
These forces are economical, political, technological, social, legal, international and labor market environments. Recent surveys of some major organizations around the world have shown that all successful organizations are continuously interacting with the environment and making changes in their structural design or philosophy or policies or strategies as the need be (Mullins, 2002).

Organizational functioning is affected by a number of factors which are both external and internal. Any change in these factors necessitates changes in an organization. The more important factors are; External forces for Organizational Change and Internal Forces for Organizational Change. The organization is affected by the external environment both directly or indirectly. The organizations do not have any control over the external environment and they cannot change the environment thus they are needed to make some changes to align themselves to the environmental changes. Some of these factors are: social changes and political forces, technology, and market conditions.

Porter (1985) points out that technological changes is one of the principal drivers of competition. The substitution of computer control for direct supervision is resulting in wider spans of control for managers and flatter organizations. Sophisticated information technology is also making organizations more responsive. The adoption of new technology such as computers, telecommunication systems and flexible manufacturing operations has profound impact on the organizations that adopt them. Both the organizations and their employees will have to become more adaptable.
Many jobs will be reshaped. Individuals, who do routine, specialized and narrow jobs will be replaced by workers who can perform multiple in decision making. Employees skills are becoming obsolete more quickly and management will have to increase their investment in training and educating employees.

The needs, desires and expectations of the customers are rapidly changing and organizations have to change their products to suit the needs of customers so as not to lose them. There is also a lot of competition in the market as organizations come up with new products and innovations. Advertising has also taken a top notch so as to woo customers. The concept of consumerism has gained considerable importance and thus, the consumers are treated as kings. Moreover, competition today has some significant new twists. Most markets will soon be international because of decreasing transportation and communication costs and the increasing export orientation of business.

(Kotter, 1996) adds that globalization itself is being driven by forces such as international economic integration, technological change, domestic market maturation within more developed countries and the collapse of worldwide communism. Successful organizations will be those who can change in response to the competition. Burners(2004) says that organizations that are not ready for these new sources of competition in the next decade may not exist for long.

2.5 Resistance to Change in Organizations

Change in organizations is not always a smooth process. Impediments to change exist at all levels that is from the individual all the way up to the organization.
George & Jones, (2008) notes that managers should be able to recognize where the resistance is coming from and they should come up with strategies to curb the same so that it cannot hampers the growth of the organization. He also notes that individual resistance to change is the easiest for managers to identify.

Employees fear and resist organizational change because they feel threatened. Some think that the changes will impact on them negatively (Kline, 2007). Employees often fail to recognize the positive impact that change will have on the organization they are more concerned with their current circumstances than that of the organization. The insecurity that individuals feel regarding organizational change can manifest itself in employee churn and increased absenteeism. In extreme cases, individuals may take steps to prevent the change from occurring. Some individuals tend to develop work habits that maybe impacted by the proposed organizational change. Bad habits are hard to break, but they must be in order for the organization to advance. Finally, the organization as a whole may resist change.

Organizations may also experience power stagnation especially when there is change of power from certain individuals to other individuals, there may be a power struggle between those losing power and the ones gaining power. The proposed change may make some individual’s goals more difficult while some individuals achieve their goals more easily. Large organizations with a divisional structure may falter as divisions fail to recognize the benefit of change to the entire organization.
Organizations with tall hierarchies or strict organizational reporting tend to resist change as individuals within the organization are not encouraged to find their own solutions. Finally, change that cuts against the grain of the organization’s existing culture or values will find little acceptance from those entrenched in it (George & Jones, 2008).

### 2.6 Measures of Performance in Organizations

Organizational Performance can be defined as the total economic results of the activities undertaken by the organization. Today managers worldwide are expected to increase the productivity and performance of their organizations in times of great uncertainty and with shrinking resources (Mabey & Ramirez, 2005).

Many realize that managing change appropriately and without delay will put them ahead of their competitors. Performance is normally measured using standards which are usually detailed expressions of strategic objectives. They are also measures of acceptable performance results. Measures used to assess organizational performance depend on the organization and objectives that need to be achieved (Hunger & Wheelen, 1995). Delaney & Huselid (1996) identified two distinct performance yardsticks; those relating to financial performance and the strategic performance. Those related to strategic performance are the outcomes that results from a company strengthening its market standing, competitive vitality and future business prospects.

Some authors have however indicated that firm performance can be measured in dividends, growth, sales, profit, productivity, capital, stock price, return on assets, cash flows, return on equity, return on capital, earning per share and return on
investment. Financial measures of performance adopted by most resources have tended to focus on financial related measures like profitability. Profitability is measured in qualitative measures such as return on sales, growth in revenues, return on investment, market share, cashflow/ investment, market share gain, new product activities relative to competitors, product quality relative to competitors, direct cost relative to competitors, process research and development, product research and development, variation in return on investment, percentage point change in return on investment and percentage change in cash flow/investment.

There is a trend of moving away from reliance on financial oriented measures towards stronger emphasis on a more comprehensive performance measurement system comprising both non-financial and financial measures. When non-financial and financial measures are incorporated in the same model, managers are able to survey performance in several areas simultaneously.

The Kenya Revenue Authority uses performance contracting and performance appraisal systems as operational tools. They set clear and achievable goals and objectives and employees are motivated to achieve their respective targets. The performance management system clearly outlines how the work gets done and measured and also creates the environment in which employees feel valued for their achievements. Using performance contracting, the executives, managers and supervisors undertake to manage change initiatives in the Authority. Various career paths have been developed and put in place it guide on the progression of employees within the authority. The Authority has also ensued that all employees are conversant with career paths and human resources policies.
2.7 Performance Management Models

The models discussed below are all relevant to the performance in the public sector. These models are; the Balance Score Card (BSC), the business excellence model, Key performance indicators and the Capacity Maturity Model.

2.7.1 Balanced Score Card

The roots of the Balanced score card include the pioneering work of General Electric on the performance measurement reporting in the 1950’s and the work of French process engineers (who created the *Tableau de Bord*—literally, a “dashboard” of performance measures) in the early part of the 20th century (Chadler, 1962). The balanced score card is a strategic planning and management system tool that is used in businesses, governments and nonprofit organizations to improve internal and external communication, align business activities to the strategy and the vision of the organization and monitor organization performance. Kaplan & Norton (1992) introduced the BSC to evaluate whether a business is moving towards its strategic goal from four different perspective; financial, customer, internal business process and learning and growth. The BSC is often regarded as a tool to support strategic management. It aims to balance long with short term objectives, to balance financial with non-financial concerns and to balance internal with external environments (David, 2005). The BSC has moved from a pure performance model to a full management system with applications for both public and private sector organizations (Rohm, 2002).
Although the Balanced score card has gradually gained popularity, it has its shortcomings, one of which is the insufficiency of four perspectives (Neely & Bourne, 2000; Bassioni et al; 2004) for this reason, some BSC-related models have gone beyond the definition of four perspectives. For instance, in order to measure the physical and service performance in local government facilities, Brackertz (2006) defined six perspectives of facility performance; service, physical, community, financial, utilization and environmental. Beginning 2005/06, a new appraisal system based on the Balanced Scorecard was introduced in KRA and members of staff were sensitized on the same. Contracts were introduced in line with Government policy. The performance contract was cascaded down to management level, heads of stations and sections.

2.7.2 The Business Excellence Model

The BEM was developed by the European Foundation of Quality Management (EFQM) in 1990 (Conti, 2007). Based on nine criteria this model describes a cause and effect relationship between enablers and results of business processes within an organization: results-financial, customer, satisfaction, people satisfaction and impact on society are achieved through acting on enablers-leadership, policy & strategy, people management, resources and processes management.

The model has gradually evolved from the classic total quality management (management of quality) concept to a more business excellence (quality of management) approach (Adebanjo, 2001).
Based on the BEM concept, various similar models have been developed in similar disciplines for instance, a conceptual framework built by Bassioni et al (2005) for measuring business performance in construction organizations.

Those who use the business excellence models face two major challenges. The first challenge encountered involves the fact that the criteria in the models contain hundreds of questions responses on how or what is done in particular areas of focus. The questions are designed to apply to a generic organization (although there are three versions of the Baldrige Model which are specific to business, education and health industries), as such they can be difficult to interpret and specific circumstances without spending a reasonably large amount of time reading around the model. The challenge has given rise to much work for consultants on the subject. The second and main challenge encountered when using business excellence models is that there is no specific advice given on how to improve performance. None of the models provide solutions. Although understanding the criteria and responding with the organization’s practices or results should bring enlightenment relating to what the organizations should be considering. It is left up to the user to find ways to improve in the areas identified.

**2.7.3 Key Performance Indicators**

A performance indicator is a measure of performance. KPI’S are general indicators of performance that focus on critical aspects of outputs or outcomes (Chan & Chan, 2004). Hinks and Mcnay (1999) identified a list of 23 performance indicators for managing various facilities, including no loss of business due to failure in service, customer satisfaction, and completion of project to customer satisfaction, provision of safe environment, effective utilization of space, effectiveness of communication, service reliability, professional approach of staff and responsiveness to problems.
KPI’s are qualitative measures used to review an organization’s progress against its goals (Bauer, 2005). To complete traditional financial measures of business performance, KPI’S are related to a diverse set of performance measures including financial performance, customer relations, internal business process and learning & growth (Gascho & Salterio, 2000).

The definition of what KPI’S are and how they are measured do not change often (Chan & Chan, 2004). The goals for a particular KPI may change as it gets closer to achieving a goal or when the organization’s goals change. An organization that has one of its goals “to be the most profitable firm in the industry” will have KPI’S that are related fiscal measures and measure profit. “Pre-tax profit and shareholders’ equity” will be among them. KPI’S should be designed to allow managers to provide advice on the success, appropriateness, shortcomings and or future direction of an organization. They must be quantifiable. The effective use of the KPI’S should enable the measurement and assessment of the achievement of organization’s objectives in support of respective outcomes.

Campbell classifies the commonly used measures of maintenance performance into three categories based on their focus. These categories are measures of equipment performance, (for instance, availability and reliability), measures of cost performance (for example, Maintenance, labour and material cost) and measures of process performance (for example, ratio of planned and unplanned work and schedule compliance).
2.7.4 The Capacity Maturity Model

The Capability Maturity Model (CMM) was after study of data collected from organizations that contracted with the U.S. Department of Defense, who funded the research. The term "maturity" relates to the degree optimization and formality of processes, from *ad hoc* practices, to formally defined steps, active optimization of the processes and to manage results metrics.

The CMM was proposed by the Software Engineering Institute (SEI) of Carnegie Mellon University in 19991 as a software development evaluation standard (Chrissis et al; 2003). It helps an organization to identify best practices they currently exhibit and those upon which they need to improve. A capacity or a maturity level is a well-defined evolutionary plateau of process improvement for an organization. The CMM provides a generic methodology for the assessment and improvement of an organization’s capacity maturity. Following its success in the software industry, the CMM methodology has been introduced into many other disciplines for instance, the Structured Process Improvement for Construction Enterprises (SPICE) has been developed as a diagnostics tool to help construction organizations improve their management processes (Sarshar et al.,2000). The CMM is a way to develop and refine an organization’s processes.

The Capability Maturity Model (CMM) is a methodology used to refine and develop an organization's software development process. The model describes a five-level evolutionary path of increasingly organized and systematically more mature processes. At the initial level, processes are disorganized, even chaotic.
Success is likely to depend on individual efforts, and is not considered to be repeatable, because processes would not be sufficiently defined and documented to allow them to be replicated. At the repeatable level, basic project management techniques are established, and successes could be repeated, because the requisite processes would have been made established, defined, and documented.

At the defined level, an organization has developed its own standard software process through greater attention to documentation, standardization, and integration. At the managed level, an organization monitors and controls its own processes through data collection and analysis. At the optimizing level, processes are constantly being improved through monitoring feedback from current processes and introducing innovative processes to better serve the organization's particular needs.
CHAPTER THREE
RESEARCH METHODOLOGY

3.1 Introduction

This chapter highlights the research design method that will be used in the study, data collection method and how data will be analyzed and presented.

3.2 Research Design

Burns & Grove, (2003) define a research design as a blueprint for conducting a study with maximum control over the factors that may interfere with the validity of the findings. A research design can also be described as a plan that describes how, when and where data is to be collected and analyzed.

This study was conducted using a case study design. A case study is a research design where data is collected from one or a few study units only. The research design was chosen because the objectives of the study require an in depth understanding of the change management practices and performance in KRA. The case study was carried out in KRA headquarters in Nairobi. This is where most of the change management practices and performance are drafted and piloted before being implemented in other KRA branches.

3.3 Data Collection

Data collection is the process of gathering and measuring information on variables of interest, in an established systematic fashion that enables one to answer stated research questions, test hypotheses and evaluate outcomes.
The goal for data collection is to capture quality evidence that then translates to rich data analysis and allows the building of a convincing and credible answer to questions that have been posed.

The study involved collection of primary data. This data is usually qualitative in nature and it is characterized by most features of a qualitative study. Primary data is data generated first time for purposes of the research at hand. Data is usually collected through fieldwork experiments. This being a case study the focus was on carrying out an intensified study of the change management practices and organizational performance in KRA. The total respondents included 5 people. That is, 2 managers in Human Resource, 2 commissioners and a manager in the marketing and communication department. All these people have been involved in change management in KRA. The mode of selection was purposeful or judgmental, as it was based on selection of individuals who have been involved in the change program as initiators and/or implementers of the changes.

An Interview guide was relied upon to question the people being interviewed. An interview guide is a conversation between two or more people where questions are asked by the interviewer to elicit facts or statements from the interviewees. The interview guide has unstructured questions which was be used to encourage the respondents to give an in depth response without feeling held back in the revealing of any information. With unstructured questions, a respondent’s response may give an insight to his feelings, background, hidden motivation, interests and decisions and give as much information as possible without holding back.
3.4 Data Analysis

Data Analysis is the process of systematically applying statistical and/or logical techniques to describe and illustrate, condense and recap and evaluate data. Data analysis involves categorizing, ordering, manipulating and summarizing data to obtain answers to research questions. The purpose of data analysis is to obtain meaning from collected data.

This study used content analysis to analyze the primary data that was collected. Content analysis is a systematic qualitative description of objects, items or materials of study. It involves observation and detailed description of objects, items or things that comprise the study (Mugenda, 1999). Content analysis enables researchers to sift through large volumes of data with relative ease in a systematic fashion. It allows inferences to be made which can then be corroborated using other methods of data collection.
CHAPTER FOUR
DATA ANALYSIS, RESULTS AND DISCUSSIONS

4.1 Introduction
This chapter presents the data analysis, results and discussion of the data collected from the interview guide which was administered to managers from Kenya Revenue Authority. The interviewees were two managers from the Human Resources department, 2 deputy commissioners and a manager in the marketing and communication department. All these people have been involved in change initiatives.

4.2 Change Management Practices in Kenya Revenue Authority
To the question on the forces that have necessitated changes in Kenya Revenue Authority the interviewees said that rapid development in Information technology, pressure for more revenue from treasury, demand for efficient services from the government, changing operational environment, customer demand for more transparency, demand for good corporate governance and equal employment opportunities for all have all necessitated changes in KRA. When KRA commenced its operations in 1995, it was using manual systems and procedures. This proved to be challenging after sometimes because keeping and tracing customer’s records was not easy. Efficiency was lacking too.

KRA came up with a Revenue Administration Reform and Modernization program with the objective of transforming the organization into a modern, fully integrated and client focused organization.
Seven key projects were implemented that is, Customer Reforms and Modernization Project, Domestic Taxes Reforms and Modernization Project, Road Transport Reform and Modernization Project, Investigation and Enforcement and Modernization Project, Infrastructure Development Project, Business Automation Project and Human Resource Revitalization Project. KRA has had to make changes because of the changes that have taken place in the operating environment. The political environment, socio economic environment, legal environment, human resources environment and technological environment has also necessitated changes. The interviewees further indicated that all stakeholders that is the employees, directors, government agencies and any other body that deals with KRA (apart from the tax payers) are all involved in the change management.

To the question on the importance of management ability or competence in achieving successful change management practices, the interviewees said that management’s competency will help the members of staff to be able to embrace the changes so as to improve efficiency and create confidence in employees. It will also assist in the changes that are to be put in place by KRA, it will also drive change management initiatives. Other interviewees noted that, management should be competent so as to manage resistance to change, ensure good strategy objective setting, giving a clear guidance and envision change for the future competencies.

When management is aware of the changes to be done and what is to happen where, then services will be improved and this in turn will enhance efficiency. Management should be in the fore front to take the lead and motivate employees so that the required goals and objectives can be achieved.
Resistance to change is inevitable. There are employees that are very comfortable and they would not want their status quo to be touched. Some feel as if their jobs are being threatened and some may resist because they do not understand how those particular changes will affect them and their work. Thus, it is good for management to prepare and to communicate to the employees so that they can have a clear picture of what is expected of them and how those changes will affect them. Involving employees from the start is good way of making sure that they don’t resist to change.

On the role that communication plays in the process of change management in Kenya Revenue Authority, the interviewees noted that communication creates the necessary awareness and states case for change, it informs employees of what is expected of them when it comes to the changes that are to be put in place, it also informs all stakeholders of what is expected of them in regards to the changes to be made. Other interviews said that communication is pervasive in every aspect of change management; it is related in a complex way to organizing processes, organizational context and implementation objectives which in turn have an impact on the implementation process and also enhances timely feedback on the progress and challenges met in the process of change management.

The development of a communication strategy is crucial for successful management of the change process. This includes both internal and external communication. It is important to flood the organization with persuasive communication about the change. Leaders must be able to articulate the rationale for the strategy of change and be prepared for anticipated normal resistance. The reason why people resist change is because they are afraid that the changes may affect them directly.
People are also afraid to venture into new things because they do not know how they will turn out, thus they would like to hold to what they know. To avoid resistance to change, one should communicate appropriately and involve those who will be affected by the changes. There should be openness when it comes to stakeholders too. This will create a high level of trust and collaboration. Key stakeholders both internal and external need to be identified and involved in the process right from the beginning.

Communication has played a key role in making changes known to the various publics, for instance when KRA recently introduced iTax (the new way of filling returns online), it communicated this change through various ways to its public’s. Advertisements were put in the newspapers; there were advertisements on the radio, the television and through their website. The publics have created confidence in KRA and they perceived it better unlike five years ago. Employees also feel that KRA has changed for the better with loopholes for corruption being sealed thanks to the automation of processes.

To the question on the factors leading to change management success in KRA the interviewees listed down the factors as follows; effective communication channels, a conducive environment that supports change management, employee involvement, clear aims and planning, employee training an appropriate structure and implementing flexibility and leadership, positive attitude towards change management success, support from the top leaders, teamwork and capacity building.
KRA management communicates the changes to be made by staff through the company’s intranet, memos, lotus notes, verbal, circulation of materials, meetings and sensitization of employees. External stakeholders are communicated through newspapers, the television, radio and the company’s website.

KRA Management believes that change must be led from the top, the leaders must exude confidence and must be committed to the changes and lead by example. They also believe that leaders must inspire, influence and create buy-in at all levels in order to drive change. The commissioner General and the board of directors have been at the forefront of the change initiatives. They have been communicating consistently and demonstrating their commitment to the change. They have been mobilizing resources and people to realize change. They have constantly been reassuring staff of what will happen. Involving employees in the planning and executing of changes will assist KRA in minimizing trauma because the employees understand what it is all about and they know what to expect, when to expect it and how it will have an impact on them. Walking the talk with them has created buy-in and full support for the changes. With the introduction of new technology and processes KRA has taken the initiative to train and develop their staff so as to enhance efficiency, work performance and create confidence for its staff.

KRA has come up with a training institution called Kenya Revenue Authority institute which focuses on customs, tax administration and management studies. The institute not only trains KRA staff but also provides tailor made training programmes to members of the public and government departments.
Other employees mentioned that conversion and refresher are conducted for various revenue programmes to enhance technical competences and ensure change management success. A total of at least 120 graduates are recruited annually to ensure replenishing and succession in the authority. Implementation of the annual training programme is undertaken with officers going for training both locally and internationally in audit, leadership, change management, finance, treasury management, cashiers, x-rays, risk management and handling of drug detector dogs, computer aided audits, valuation, post clearance audit, customer care modules, telephone operators, legal drafting, prosecution and evidence gathering and advanced management courses for senior officers. In addition, the number of staff who pursue degree and professional courses aimed at career development has increased.

To the question challenges faced in change management in KRA the interviewees said that resistance to change, several competing initiatives, political turbulence, low or underestimated budget allocation and underestimation of the commitment, time, emotion and energy needed to overcome inertia in KRA and translate plans into action and poor planning are among the major challenges faced in change management in KRA. Resistance to change is a multifaceted phenomenon which introduces delays, additional costs and instabilities into the process of change. Resistance maybe behavioral or systematic. Behavioral resistance includes managers and employees that form power centers and coalitions. Systematic resistance includes incompetence on the organization’s side for instance when the organization does not have the required resources to bring about the changes required. Some of the staff and managers who resisted changes in KRA were done away with.
In the rush to develop a project or act on a strategy, too little attention is paid to finding the best implementation initiatives. Some people try to take short cuts but fail along the way because they did not pay much attention to the implementation part which is the hardest part. KRA had underestimated the commitment that comes with implementing the changes and they had to work on that to make sure that the change initiatives were successful. The post-election violence that took place in Kenya in 2007 affected collection of revenue greatly in KRA. The value of exports and imports reduced due to the effect of the post-election violence, tourism being the highest foreign earner was affected greatly too. Most European countries issued ban warning their citizens against visiting Kenya. Some countries like Britain, USA and France sent flights to take their citizens back home. Recently, Kenya has been hit by several terrorism attacks for instance, the Westgate attack, Eastleigh attacks and North Eastern attacks.

All these have affected KRA in that KRA is not able to collect revenue because businesses in the affected areas have been shut down. This in turn affects project and initiatives because the money anticipated for those projects has not come in. The political atmosphere in Kenya has been wanting too. If KRA is to achieve its objective then it has to operate in a conducive environment. KRA had also underestimated the amount that was to be used in the change initiatives. There were several competing initiatives that made it hard for the change initiative to have enough money.
4.3 Performance Indicators

On the question of the tools used to measure performance, the interviewees said that performance contracts, the balanced score card, key performance indicators and objective appraisal forms are used to measure performance in KRA. Performance appraisal systems identify the top performers in a business by systematically evaluating their performance and progress on a regular basis. Performance appraisal systems can take on a variety of forms, utilizing different theories of employee’s motivation and employee development.

All effective performance appraisals are tied to specific, measurable and attainable objectives put in place to push employees to a higher level of individual and team performance. The balance scorecard (BSC) is a strategy performance management tool-a semi-standard structured report, supported by design methods and automation tools, which can be used by managers to keep track of the execution of activities by the staff within their control and to monitor the consequences arising from these actions. It is based upon four perspectives that is, financial, customer, internal processes and learning and growth. Performance contracting is a branch of management science referred to as management control systems. It is an agreement between two parties that specifies their mutual performance obligations. For public institutions, the principal is the government while the agent is the manager of state corporations or ministers or officials of ministries. The government monitors and evaluates performance and is responsible for public policy while the agent is responsible for implementation of public policies.
KRA uses performance contracts as a measure of performance. KRA adopted this performance contracting tool in 2004. Every year, the board of directors, the commissioner general and all staff sign performance contracts. The board of directors signs their performance contracts with the ministry of finance through the treasury. The commissioner general signs his/her performance contract with the board of directors. Then he/she signs with commissioners of each department. The head of stations signs with their respective commissioners, further down the section heads signs with their station heads and the officers in each station signs with their section heads.

Other interviewees said that, key performance indicator (KPIS) are used to measure performance too. KPI evaluates the success of an organization or of a particular activity in which it engages. Often success is simply the repeated, periodic achievement of some levels of operational goal and sometimes success is defined in terms of making progress toward strategic goals.

To the question of how performance development system is communicated to the staff, the interviewees noted that staff are communicated through memos, lotus notes, meetings, minutes, verbal communication, the company’s intranet, circulation of materials and sensitization of employees. In case there is new communication to be communicated, memos are written and shared through the company’s intranet. They are then sent to the departmental heads who in turn communicates to the officers. Meetings are also held regularly so that staff can be briefed of any changes and expectations from the company. Written materials are also circulated in KRA so that they can be used to communicate important messages to the staff.
On the question of how members of staff are rewarded when they meet the targets set by the change practices the interviewees said that employees are rewarded by being given performance certificates, some employees who have done exceptionally well are promoted, employees are also given bonuses and financial awards, employees are also commended. Performance is reviewed against the targets given and if they officers have surpassed targets or met the targets they are commended in meetings in front of other officers so that it can encourage them to pull up their socks. Employees are also promoted to higher grades while some are rewarded handsomely. Bonuses come at the end of every year and if one has done well, he/she is rewarded.

To the question on how management ensures that members of staff are working towards the targets and the changes made, interviewees said that staff are given written goals to work towards. Management also does monitoring and evaluation. This is done monthly, quarterly and on annual basis. Monitoring is a continuous function aimed at providing principals with early indication of progress towards the achievement of results or lack thereof.

Evaluation is an in depth assessment carried out at several points in time during the effort to achieve an outcome. Monitoring and evaluation thus allows managers and stakeholders to continuously follow implementation of policies and programmes as well as have more in depth periodic analysis of the outputs and outcomes of these interventions. Other employees noted that monitoring and evaluation is of paramount importance to KRA because it allows the measurement and assessment of performance, guarantees more effective and efficient management of the corporate plan initiatives.
The most critical role played by monitoring and evaluation is to enable early intervention and informed decision making based on past experiences. The success of the set strategic direction hinges on sound monitoring and evaluation programme that ensures continuous auditing of progress and refocus on the desired results.

To the question on the resources that are being used to implement the change process and performance in Kenya Revenue Authority, the interviewees noted that technology, people and time are the resources being used to bring about change. KRA sees its staff as the greatest asset it has. The staff is expected to drive the change process in KRA through the RARMP. Staff are treated well and compensated heavily so that they can be able to give their best. KRA keeps abreast with the latest technology and is always investing on new equipments and processes so as to be able to improve efficiency and offer better services.

4.4 Relationship Between Change Management and Organizational Performance

To the question whether change management has influenced organizational performance in KRA, the interviewees noted that it has, there have been four major areas of organization changes at KRA, these include strategic changes, technological advances, structural changes and people. Revenue Administration Reform and Modernization Programme which was initiated in 2003 has improved efficiency and service delivery. There has been a very high rate of computerization and initiatives such as the samba system, the document processing centre, pay box and orbus modules and the cash receipting system. All these have improved efficiency and service delivery.
The authority has adopted a more efficient corporate structure and system by creating projects office under the Commissioner General’s office, linking business plans with corporate plans, centralizing support services and engagement of treasury for goodwill and sponsorship. All these have been done to improve efficiency. The interviewees also noted that in order for KRA to develop staff they have come up with training programmes and a training school that has been able to make employees to be more confident in their work.

On the question of the link between change management and organizational performance, the interviewees said that the two have a causal and effect relationship. Change management improves organization effectiveness and performance. For an organization to be able to improve services then certain changes have to be undertaken and managed too. Other interviewees said that change management has to go hand in hand with organization performance, otherwise there would be no need to undertake changes if your initial aim is not to improve on performance.

We have all heard of companies which have been pushed out of the market because it did not align its activities to the changes that were taking place. Companies that ignore changes that are happening in the market do so at their own peril. An example that did not act fast enough and was almost pushed out of the market is Ericson Limited. Its phones are no longer in the market because its competitor Samsung acted fast enough to the changes in the external market. Samsung was thus able to increase its customer base and in turn increased its performance.
To the question on how change management has impacted positively on employee’s welfare and stakeholder’s satisfaction the interviewees said that it has impacted positively in employee’s welfare in that employees are now able to deliver services effectively because of improved processes. Stakeholders can now be served faster and most transactions have been made clear and transparent increasing stakeholders confidence. Employees also feel confident in performing their duties since they have been trained efficiently in addition, taxpayers can now download tax forms from KRA website while employees apply for leave and raise reports at the touch of a button as opposed to filling manual forms. Other interviewees said that KRA takes its employees as assets and they really value them. A good compensation structure has been developed and implemented as well as a reward structure and issues of promotions are clearer now unlike before. As for the stakeholders, they now trust and value KRA more than before.

4.5 Discussions

From the findings, it is clear that, change management practices and organizational performance in Kenya revenue authority concurs with the literature available. The findings of this research indicate that, change management has been effective and successful because all the people who are affected by it are involved in the change management programme. For instance all the stakeholders, government agencies, employees and all bodies that deals with KRA. This concurs with Kotter’s definition of change management. Kotter (2002) noted that change management entails thoughtful planning and sensitive implementation and above all consulting with and involvement of the people affected by the changes.
Other factors that have led to the success of change management in KRA are; effective communication channels, a conducive environment that supports change management, employee involvement, clear aims and planning, employee training an appropriate structure and implementing flexibility and leadership, positive attitude towards change management success, support from the top leaders, teamwork and capacity building.

The researcher found out that KRA has had to undertake some changes so that it can align its business strategies to the environment and overcome environmental challenges thus achieving its objectives. There have been four major areas of organization change in KRA these include; strategic change, technological advances, structural changes and people. To manage change effectively the authority has adopted a more efficient corporate structure and system as part of modernizing and improving business processes. All these changes have been undertaken so as to enhance the authority’s performance and assist it in meeting its goals and objectives.

According to Johnson & Scholes (2002) change management can be looked at as a deliberate and coordinated action taken to transform an organization to overcome environmental challenges in order to achieve its objectives. Organizations undertake strategic changes in order to align their business strategies to the environment thereby matching their resources and activities to the environment.

The researcher found out that the major tool used to measure performance in KRA is performance contracting. Other tools used are; the balanced score card, key performance indicators and objective appraisal forms.
Every year, the board of directors, the commissioner general and all staff sign performance contracts. The board of directors signs their performance contracts with the ministry of finance through the treasury. The commissioner general signs his/her performance contract with the board of directors. Then he/she signs with commissioners of each department. The head of stations signs with their respective commissioners, further down the section heads signs with their station heads and the officers in each station signs with their section heads. Hunger & Wheelen (1995) notes that performance is normally measured using standards which are usually detailed expressions of strategic objectives. They are also measures of acceptable performance results. Measures that assess organizational performance depend on the organization and objectives that need to be achieved. There are two distinct performance yardsticks; those relating to financial performance and the ones relating to strategic performance.

The researcher found out that, KRA likes keeping its members of staff motivated thus they always reward members of staff when they meet the targets set by the change practices the employees are rewarded by being given performance certificates, some employees who have done exceptionally well are promoted, employees are also given bonuses and financial awards, employees are also commended. Performance is reviewed against the targets given and if the officers have surpassed targets or met the targets they are commended in meetings in front of other officers so that it can encourage the rest to pull up their socks. Employees are also promoted to higher grades while some are rewarded handsomely.
Bonuses come at the end of every year and if one has done well, he/she is rewarded. This concurs with gestalt-field psychologists school of thought as defined by Burners (2004) where he says that behavior that is rewarded tends to be repeated therefore it is necessary to cause conditions that cause it.

The researcher found out that KRA has taken training and developing staff very seriously. KRA believes that for the staff to be able to perform effectively, they have to have continuous training since so many changes are taking place and it is important to make sure that employees are vast with new technology, processes and systems. Due to this, KRA has come up with a training institute called Kenya Revenue Authority institute which focuses on customs, tax administration and management studies. Conversion and refresher are conducted for various revenue programmes to enhance technical competences and ensure change management success.

A total of at least 120 graduates are recruited annually to ensure replenishing and succession in the authority. Implementation of the annual training programme is undertaken with officers going for training both locally and internationally in audit, leadership, change management, finance, treasury management, cashiers, x-rays, risk management and handling of drug detector dogs, computer aided audits, valuation, post clearance audit, customer care modules, telephone operators, legal drafting, prosecution and evidence gathering and advanced management courses for senior officers.
According to Burners (2004) The gesalt-field theorists believe that learning is a process of gaining insights, expectations and outlooks or through patterns. It not only takes into account the persons actions but the interpretation the person places on this. From the findings, the researcher found out that, team work is one of the factors that has led to change management success in KRA. Before 1995, the revenue collection functions of the government were distributed among at least five different ministries. Lacking coordination, their performance was characterized by inefficiencies and low levels of accountability. The Authority was also unstable in that it had a mix of staff from various departments with diverse cultures, different structures, systems and procedures. The procedures were mainly manual and the culture was more of enforcement of compliance rather than customer focus. Staff still considered themselves to be either income tax, value added tax and customs and not as KRA. 

Building a team sharing a common vision, culture and integrating the systems, procedures and processes was the immediate priority of management. Mullins (1989) points out that the group dynamics school of change management places much emphasis on bringing about changes through teams or work groups. The focus of change is at the top level by influencing the group’s norms and roles and values. It is now usual for organizations to see themselves as comprising of groups and teams rather than merely collection of individuals. 

KRA has had to react to the numerous changes that have been taking place so as to provide taxpayers with efficient services and give them value for their money. To begin with KRA established a sense of urgency by identifying the changes that needed to be put in place, they also came up with a guiding strategy and developed a
vision by showing where the company wanted to be after they were through with the change process, KRA communicated the vision to its staff and stakeholders, it then empowered broad based action and generated short term wins by coming up with various targets at every stage of the change process, and communicated the vision through various means for instance, meetings, memos and intranet. Lastly they consolidated gains and produced more change and anchored new approaches to culture.

This concurs with Kotter’s change model (1996) which has been described as a simple model that has a twofold focus: firstly it involves a step by step process of implementing change and secondly it allows individuals the opportunity to accept and prepare the change as part of the change management process. The change model has the following eight steps, establishing a sense of urgency, creating the guiding coalition, developing a vision and strategy, communicating the change vision, empowering broad based action, generating short term wins, consolidating gains and producing more change and anchoring new approaches in the culture. The change model fully prepares the employees for change before the vision is created and continues to provide guidance after the transition has occurred.
CHAPTER FIVE
SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction
This study presents conclusions drawn from the findings highlighted and recommendations made there to. The conclusion and recommendations are drawn in quest of addressing the research question or achieving the research objective which is Change Management Practices and organizational performance in Kenya Revenue Authority.

5.2 Summary
Change Management involves creating awareness on why change is needed, inculcating a desire to cooperate and participate in the change process, providing and collating knowledge to guide in the change process and formulating reinforcement strategy and plans to sustain change. The study found out that different forces have necessitated changes in Kenya Revenue Authority for instance, issues like rapid development in Information technology, pressure for more revenue from treasury, demand for efficient services from the government, changing operational environment, customer demand for more transparency, demand for good corporate governance and equal employment opportunities for all.

The study found out that there is a link between change management and organizational performance; the interviewees said that the two have a causal and effect relationship. Change management improves organization effectiveness and performance.
For an organization to be able to improve services then certain changes have to be undertaken and managed too. Other interviewees said that change management has to go hand in hand with organization performance, otherwise there would be no need to undertake changes if your initial aim is not to improve on performance. The researcher found out that change management has influenced organizational performance in KRA, the interviewees said that there have been four major areas of organization changes these include strategic changes, technological advances, structural changes and people. The Revenue Administration Reform and Modernization Programme has improved efficiency and service delivery. There has been a very high rate of computerization and initiatives such as the samba system, the document processing centre, pay box and orbus modules and the cash receipting system. All these have improved efficiency and service delivery. The authority has adopted a more efficient corporate structure and system by creating projects office under the Commissioner General’s office, linking business plans with corporate plans, centralizing support services and engagement of treasury for goodwill and sponsorship. All these have been done to improve efficiency. The interviewees also noted that in order for KRA to develop staff they have come up with training programmes and a training school that has been able to make employees to be more confident in their work.

The researcher established that communication plays a very important role in the process of change management. The interviewees said that communication creates the necessary awareness and states case for change, it informs employees of what is expected of them when it comes to the changes that are to be put in place, it also informs all stakeholders of what is expected of them in regards to the changes to be
made. Other interviewees said that communication is pervasive in every aspect of change management; it is related in a complex way to organizing processes, organizational context and implementation objectives which in turn have an impact on the implementation process and also enhances timely feedback on the progress and challenges met in the process of change management. The development of a communication strategy is crucial for successful management of the change process.

This includes both internal and external communication. It is important to flood the organization with persuasive communication about the change. Leaders must be able to articulate the rationale for the strategy of change and be prepared for anticipated normal resistance. To avoid resistance to change, one should communicate appropriately and involve those who will be affected by the changes. There should be openness when it comes to stakeholders too. This will create a high level of trust and collaboration. Key stakeholders both internal and external need to be identified and involved in the process right from the beginning.

5.3 Conclusion

The research concludes that management should be competence when it comes to change management so that it can help employees to be able to embrace the changes and improve efficiency it also helps to create confidence in employees. It will also drive change management initiatives. Management should be competent so as to manage resistance to change, ensure good strategy objective setting, giving a clear guidance and envision change for the future competencies.
The study concludes that various factors have led to change management success in KRA for instance; effective communication channels, a conducive environment that supports change management, employee involvement, clear aims and planning, employee training an appropriate structure and implementing flexibility and leadership, positive attitude towards change management success, support from the top leaders, teamwork and capacity building. The study also concludes that for management to be able to make sure that the members of staff are working towards the targets they are given written goals to work towards. Management also does monitoring and evaluation. This is done monthly, quarterly and on annual basis. Monitoring and evaluation is of paramount importance to KRA because it allows the measurement and assessment of performance, guarantees more effective and efficient management of the corporate plan initiatives. The most critical role played by monitoring and evaluation is to enable early intervention and informed decision making based on past experiences. The success of the set strategic direction hinges on sound monitoring and evaluation programme that ensures continuous auditing of progress and refocus on the desired results.

The study concludes that various changes have necessitated changes in KRA. For instance, rapid development in Information technology, pressure for more revenue from treasury, demand for efficient services from the government, changing operational environment, customer demand for more transparency, demand for good corporate governance and equal employment opportunities for all have all necessitated changes in KRA. When KRA commenced its operations in 1995, it was using manual systems and procedures. This proved to be challenging after sometimes because keeping and tracing customer’s records was not easy.
Efficiency was lacking too. KRA came up with a Revenue Administration Reform and Modernization program with the objective of transforming the organization into a modern, fully integrated and client focused organization.

The study also concludes that there is a relationship between change management and organizational performance. KRA has initiated change so that it can be able to improve its performance as well as enhance efficiency. Taxpayers on the other hand now have more trust and confidence in KRA since most of their processes are transparent. There are also happy that most processes and procedures can now be conducted online saving them a lot of time. The staff are more excited and motivated since they are confident in their work and their issues are taken into consideration.

The study concludes that communication plays a major role in the process of change management in Kenya Revenue Authority, communication creates the necessary awareness and states case for change, it informs employees of what is expected of them when it comes to the changes that are to be put in place, it also informs all stakeholders of what is expected of them in regards to the changes to be made. Communication is pervasive in every aspect of change management; it is related in a complex way to organizing processes, organizational context and implementation objectives which in turn have an impact on the implementation process and also enhances timely feedback on the progress and challenges met in the process of change management.

As for the challenges faced by KRA in change management, the researcher concludes that, resistance to change, several competing initiatives, political turbulence, low or
underestimated budget allocation and underestimation of the commitment, time, emotion and energy needed to overcome inertia in KRA and translate plans into action and poor planning are among the major challenges faced in change management in KRA. On the issue of the tools used to measure performance in KRA the researcher concludes that, performance contracts, the balanced score card, key performance indicators and objective appraisal forms are used to measure performance in KRA. Performance appraisal systems identify the top performers in a business by systematically evaluating their performance and progress on a regular basis.

The balanced scorecard (BSC) is a strategy performance management tool - a semi-standard structured report, supported by design methods and automation tools, which can be used by managers to keep track of the execution of activities by the staff within their control and to monitor the consequences arising from these actions. Key performance indicator (KPI) are also used to measure performance in KRA too. KPI evaluates the success of an organization or of a particular activity in which it engages. Often success is simply the repeated, periodic achievement of some levels of operational goal and sometimes success is defined in terms of making progress toward strategic goals.

The study concludes that the performance development system is communicated to the staff through, memos, lotus notes, meetings, minutes, verbal communication, the company’s intranet, circulation of materials and sensitization of employees. In case there is new communication to be communicated, memos are written and shared through the company’s intranet. They are then sent to the departmental heads who in
turn communicates to the officers. Meetings are also held regularly so that staff can be briefed of any changes and expectations from the company. Written materials are also circulated in KRA so that they can be used to communicate important messages to the staff. The study concludes that members of staff are rewarded through various ways when they meet the targets set by the change practices. They are rewarded through being given performance certificates, some employees who have done exceptionally well are promoted, employees are also given bonuses and financial awards, employees are also commended. Performance is reviewed against the targets given and if they officers have surpassed targets or met the targets they are commended in meetings in front of other officers so that it can encourage the others to pull up their socks.

On the people who are involved in the change management process and on the resources being used to implement the change process and performance the researcher concludes that, all stakeholders that is the employees, directors, government agencies and any other body that deals with KRA (apart from the tax payers) are all involved in the change management. Technology, people and time are the resources being used to bring about changes in KRA. KRA sees its staff as its greatest asset. Staff are treated well and compensated heavily so that they can be able to give their best. KRA keeps abreast with the latest technology and is always investing on new equipments and processes so as to be able to improve efficiency and offer better services.

On the issue of whether change management has impacted positively on employees welfare and stakeholder’s performance the researcher concludes that, change management has impacted positively on employee’s welfare and stakeholder’s
satisfaction in that employees are now able to deliver services effectively because of improved processes. Stakeholders can now be served faster and most transactions have been made clear and transparent increasing stakeholders confidence. Employees also feel confident in performing their duties since they have been trained efficiently in addition, taxpayers can now download tax forms from KRA website while employees apply for leave and raise reports at the touch of a button as opposed to filling manual forms.

5.4 Limitation of the Study

A limitation in this research was regarded as a factor that contributed to the researcher getting inadequate information or responses or if otherwise the response given were different from what the researcher expected. The researcher faced a few challenges when collecting data.

To begin with, the researcher had to do a letter requesting to be allowed to collect data and wait for approval. The approval took a while and the researcher was getting worried because there were deadlines and the researcher was running out of time. After the consent to collect data was given, the researcher faced another difficulty in accessing the respondents due to their busy schedules and getting information, which they felt, was confidential.

5.5 Recommendations

KRA should do more on managing resistance to change especially among the staff. They should prepare the people who will be affected by the various changes so that they can embrace the changes faster. The management should also take care of issues
like fear of job loss and status quo. Enough time and resources should be available from the start so that projects don’t stall along the way or are affected because the resources are not enough. Employees whose authority may be affected in the change process should be given new responsibilities if necessary. Opinion leaders in groups should also be identified and should be encouraged to encourage groups to accept and support the changes made. In order for change managers to be able to manage people effectively through the change process they should develop a roadmap and have a vision. If success is to be realized then people have to be prepared for change. The change managers should also be prepared for any issues that may arise during the changes and have strategies to tackle them. Change managers should also come up with appropriate strategies to enable employees to be able to embrace changes quickly. They should sell the benefits of the changes to the employees rather that force changes on them. Employees should also be involved in the decision making so as to be able to buy in the changes quickly.

5.6: Areas for Further Research

The strategic changes at KRA are continuous. It is recommended that an evaluation of the change process be conducted in future for comparability. The study also recommends that further research could be carried out to determine whether change management has influenced organizational performance especially in Public Corporations.

5.7 Implication of the Study on Policy, Theory and Practice

This study will be of importance to government agencies whose interest lies on improved service delivery for economic development and also creating investors’ confidence. When KRA implements changes on time, then they are able to improve
services and efficiency, this in turn helps the economy to be able to develop fast. The study concurs with the various theories used in the literature review, for instance, Kotter’s eight step change model. This model has eight steps which are; establishing an urgency, creating the guiding coalition, developing a vision and strategy, communicating the change vision, empowering broad base action, generating short term wins, consolidating gains and producing more changes and anchoring new approaches in the culture.

KRA noticed that there was need to change so as to align itself with the changes in the environment thus it created an urgency to develop and implement the changes. It then created a guiding coalition and came up with a vision of what they wanted to achieve and where they wanted the organization to be after the changes. They then communicated the changes to the employees and the relevant stakeholders and empowered them so as to work towards the changes. They then created short term wins at every stage of the changes and consolidated gains and produced more changes. Lastly they anchored new approaches in the culture of KRA.

Change management and organizational structure has contributed to practice in that, we have seen in this study that effective change management can be able to help an organization to be able to improve its services, increase efficiency and in turn improve its performance. Change management should be practiced by every organization so that it can improve its chances of survival.
REFERENCES


APPENDICES

APPENDIX I: INTERVIEW GUIDE

PART 1

GENERAL INFORMATION

1. Job Title:
2. Department:

SECTION A: CHANGE MANAGEMENT PRACTICES

3. Who are involved in Change Management Process in Kenya Revenue Authority?
4. What forces have necessitated changes in KRA?
5. In your opinion what is the importance of management ability or competence in achieving successful change management practices in your department?
6. What roles does communication play in the process of change management at your organization?
7. What are the other factors leading to change management success in KRA?
8. What are the challenges faced in Change management in KRA?

SECTION B: PERFORMANCE INDICATORS

9. What tools are used to measure performance in KRA?
10. How is the performance development system communicated to the staff?
11. How are members of staff rewarded when they meet the targets set by the change practices?
12. How does management ensure that the members of staff are working towards the targets and the changes made?
13. What resources are being used to implement the changes process and performance in KRA?

SECTION C: RELATIONSHIP BETWEEN CHANGE MANAGEMENT & ORGANIZATIONAL PERFORMANCE IN KRA

14. Has change management influenced organizational performance in KRA? How?

15. In your opinion, what is the link between change management and organizational performance? Briefly explain.

16. Has change management impacted positively on employees’ welfare and stakeholder’s satisfaction? How?
APPENDIX II: KRA ORGANIZATIONAL STRUCTURE

COMMISSIONER DOMESTIC TAXES
LTO

SENIOR DEPUTY COMMANDER
Compliance & Dept

DEPUTY COMMISSIONER
Audit

DEPUTY COMMISSIONER Policy
Audit

DEPUTY COMMISSIONER
Taxpayer Services Manager

SENIOR DEPUTY COMMISSIONER
Policy unit Technical

DEPUTY COMMISSIONER
Relationship Manager s

SAC Processin

SAC Debt

SAC Data Analysis

SAC Audit Managers

ACs Audit Team Leaders

Audit Teams Comprises PROs, SROs, ROIs & ROIIs

SROs, ROI, ROI & ASSISTANT REVENUE OFFICERS

ACs & PROs
Compliance & Dept

SACs

TAC

TPS

Communications Officer

Deputy Commissioner

SACs

ACs

PROs

SROs, ROI, ROI & ROI

SROs

ROI, ROI & ASSISTANT REVENUE OFFICERS

SROs, ROI, ROI & ASSISTANT REVENUE OFFICERS
APPENDIX III: INTRODUCTION LETTER

SARAH W.MUGO
P.O BOX 13386-0000
NAIROBI

SEPTEMBER 2, 2014

THE HUMAN RESOURCES MANAGER
KENYA REVENUE AUTHORITY
NAIROBI

Dear Sir/Madam,

REF: COLLECTION OF DATA

My name is Sarah Mugo. I am a student in the university of Nairobi (Masters degree in business management programme) I am undertaking a study on change management and organizational performance in your organization.

I am kindly requesting to be allowed to collect data on change management and organizational performance. The data will be used for academic purposes only.

Your’s sincerely,

Sarah W. Mugo
Mobile: 0721468415.
APPENDIX IV: CONSENT FOR COLLECTING DATA

KENYA REVENUE AUTHORITY
ISO 9001:2008 CERTIFIED

Ref: KRA/5/1003/4/23

10th September, 2014

Sarah W. Mugo
P.O Box 13386-00200
NAIROBI

Dear Madam,

RE: REQUEST TO COLLECT DATA FOR RESEARCH

Reference is made to your letter dated 2nd September, 2014 on the above subject.

We are pleased to inform you that approval has been granted for you to collect data on “Change Management Practices and performance of Kenya Revenue Authority” to be done through questionnaires.

Note that any data or information provided should be treated with utmost confidentiality.

Kindly share your findings with the Authority on completion of the study.

Yours faithfully,

Elijah M. Nyaribo
For: Deputy Commissioner- Human Resource

Tulipe Ushuru, Tujitegemee!