STRATEGIC CHANGE AND LEADERSHIP
AT MADISON INSURANCE COMPANY KENYA LIMITED

BY

RENSON KIBET KITUR

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DECLARATION

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

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RENSON KITUR
D61/60085/2013

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

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MR. JEREMIAH KAGWE
DATE
DEDICATION

This work is dedicated to my two loving parents Mr. Andrew Kitur and Mrs. Rose Kitur who have always been there for me and ensured that I get quality education from childhood up to this far. To my sister Emily Kitur who has always mentored, motivated, inspired and supported me financially to ensure completion of my studies.

My dedication also goes to my other siblings Rael, Leah, Pauline, Daniel, Abraham and Samuel who have always encouraged me and also prayed for me. Finally, to all my close friends especially my girlfriend Naomy for their support and encouragement whilst doing the entire MBA course. May God bless you abundantly.
ACKNOWLEDGMENT

My first special thanks is to God who has made it possible for me to finish the final stage of my MBA. To my family, relatives and friends who encouraged me to take up the challenge of taking up this course.

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Thirdly, I would like to thank Madison Insurance and their staff who enabled me to obtain necessary data required for this study. Their time and contributions despite heavy schedules at work was highly appreciated.
ABSTRACT

Strategic change and leadership is important for any organization because, without it, businesses would likely lose their competitive edge and fail to meet the needs of the stakeholders. To remain competitive, organizations need to undergo strategic changes and establish excellent leadership with the aim of growing their businesses, attracting and retaining customers. Most organizations face challenges in effecting strategic changes and lack clarity in leadership that is guiding the process. The insurance industry in Kenya has faced environmental turbulence in the recent years due to increase competition, mergers and acquisitions. This study investigates strategic change and leadership at Madison Insurance Company, one of the leading insurers which has faced challenges in the industry as result of the changes. The research design is a case study of the organization and data was collected using an interview guide for primary data and desk search technique for secondary data. The data was then analyzed using content analysis technique. The study found that due to the stiff competition in the market, Madison Insurance lost its market leadership hence losing clients leading to reduced market share. To correct this, the organization rebranded in the year 2012 and in the process reviewed its long term strategic plan. The study also found out that the organization reviewed its process seeing changes in IT, customer service, human resource, products, branch network, distribution and the organization culture. These changes were communicated in the market through a marketing campaign, advertisement and promotions. However, for this pace to be maintained the organization needed to invest more resources in advertisements and promotions to be continuously felt. The study also recommends that the rebranding manual should be implemented fully with constant follow up by departmental managers to ensure successful transition. The service charter should also be adhered to and reward system set up to motivate employees to implement them every day.
# LIST OF ABBREVIATIONS AND ACRONYMS

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Description</th>
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<tbody>
<tr>
<td>IRA:</td>
<td>Insurance Regulatory Authority</td>
</tr>
<tr>
<td>AKI:</td>
<td>Association of Kenyan Insurers</td>
</tr>
<tr>
<td>LPC:</td>
<td>Least preferred co-worker</td>
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<tr>
<td>IT:</td>
<td>Information Technology</td>
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<td>GM:</td>
<td>General Manager</td>
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<td>MD:</td>
<td>Managing Director</td>
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<tr>
<td>WAN:</td>
<td>Wide Area Network</td>
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<tr>
<td>VOIP:</td>
<td>Voice Over Internet Protocol</td>
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<tr>
<td>ACII:</td>
<td>Association of the Chartered Insurance Institute</td>
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<td>COP:</td>
<td>Certificate of Proficiency</td>
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<td>ACCA:</td>
<td>Association of Chartered Certified Accountants</td>
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<tr>
<td>GIB:</td>
<td>General Insurance Business</td>
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<tr>
<td>NSM:</td>
<td>National Sales Manager</td>
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<td>CEO:</td>
<td>Chief Executive Officer</td>
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CHAPTER ONE

INTRODUCTION

1.1 Background of the study

Strategic change is the process of change in a structured, thoughtful way in order to meet organizational goals, objectives, and missions. Change is necessary for organizations to continue to thrive, meet and exceed the competition in the industry. Change management plays an important role in any organization since the task of managing change is not an easy one. Managing change requires strategic leaders who not only provide a sense of direction, but who can also build ownership and alignment within their workgroups to implement change.

Strategic leadership is a leadership style and it provides the vision and direction for the growth of an organization (Lamothe & Langley, 2009). Strategic leadership provides the scope and direction to help drive success for the organization. A major part of this success is derived from effectively managing continuous change through improvements to both people and processes. All executives and managers must have the tools, knowledge and experience necessary for strategic change formulation and implementation.

Leaders face the continuing challenge of how they can meet the expectations of those who placed them there. Addressing these expectations usually takes the form of strategic decisions and actions. For a strategy to succeed, the leader must be able to adjust it as conditions require. If leaders are to win they must rely on the prepared minds of employees throughout the organization to understand the strategic intent and then both carry out the current strategy and adapt it in real time (Tan & Litschert, 2004). The challenge is not only producing a winning strategy at a point in time but getting employees involved and motivated enough to execute the strategy as conditions change (Tan & Litschert, 2004). This requires the leader to focus much on the process used to develop the strategy, the human dimension and the analytical dimension.
1.1.1 Strategic Change

Strategic change is defined as changes in the content of a firm's strategy as defined by its scope, resource deployments, competitive advantages, and synergy (Hofer and Schendel, 1978). In simple form strategic change is a way of changing the objectives and vision of the company in order to obtain greater success. This is a process through which an organization is restructured in its business plans, policies and initiatives in order to achieve an important objective. Change is necessary for organizations to continue to thrive and meet and exceed the competition of industry competitors. For example, a strategic change might include shifts in a corporation's policies, target market, vision or organizational structure.

A strategy is a long-term plan to achieve specific objectives or goals. Strategies are focused on the future and bring about sustained change, and typically require detailed planning and analysis. In Business, strategy planning is often seen as key to future success or even survival. With the world changing at a rapid pace, companies need to be dynamic and flexible to stay in business. They need to foresee the future and be ready to adapt to the potential changes that will come their way (Johnson, 2002).

Change comes in an organization in many forms: merger, acquisition, joint venture, new leadership, technology implementation, organizational restructuring, change in products or regulatory compliance. The change may be planned years in advance or may be forced upon an organization because of a shift in the environment. Organizational change can be radical and alter the way an organization operates, or it may be incremental and slowly change the way things are done. In any case, regardless of the type, change involves letting go of the old ways in which work is done and adjusting to the new ways (Smart & Vertinsky, 2006). Therefore, fundamentally, it is a process that involves effective people management.
1.1.2 The Concept of Leadership

Leadership is a process of social influence which maximizes the efforts of others towards the achievement of a goal (Kruse, 2013). The individual or group that undertakes the task of initiating and managing change in an organization is known as a change agent. The change agent has a very important function in the light of the many problems and risks associated with change projects. The change agent’s capabilities have a major impact on success or failure of the project that is being implemented. The leader of an organization-wide restructuring project will need different capabilities than the one who is responsible for clearly defined project on departmental level (Canterucci, 2003).

Change agents always need the ability to get all people affected by the project involved and to ensure their support and commitment. This includes the ability to communicate, to understand and to take into account opinions and doubts of others. Change projects involve a great variety of factors and forces. These factors do not only comprise the reasons and objectives for change, but also the existing state of the organization, values and beliefs of the people there. Many change projects challenge the existing cultural framework of an organization. Efforts to change such lasting values, however, lead to resistance. It takes the acceptance and the support of all people affected by such projects to make them succeed, and it is the change agent’s task to generate this acceptance in order to implement change with the people, not against them (Anderson, 2011).

1.1.3 The Insurance Companies in Kenya

There are 45 insurance companies operating in Kenya regulated by the Insurance Regulatory Authority (IRA). All these companies are also members of the Association of Kenya Insurers (AKI). The Kenyan Insurance Industry recorded a gross written premium of Kshs 130 billion in 2013 representing a growth of 20% and the insurance penetration increased to 3.44% (AKI, 2013). The low penetration highlights the significant opportunities that exist in the market
especially in commercial lines such as oil, real estate and infrastructure. Micro insurance and bancassurance are still in the early stage of development and they will be key drivers of both premium growth and penetration (AKI, 2013).

The market leaders in the insurance industry in Kenya are Jubilee Insurance, British American Insurance Company, Cooperative Insurance Company, Pan Africa Insurance and UAP Insurance. These 5 insurance companies have the highest market shares and have created a turbulent environment by increasing competition. Most insurance companies are now employing price undercutting and increasing sales force as a measure to increase production. The Insurance Regulatory Authority (IRA) has come out strongly to reduce the habit of price undercutting so as to ensure clients are paying correct premiums that will enable the insurance companies settle claims when they do happen.

1.1.4 Madison Insurance Company Kenya Limited

Madison Insurance Company Kenya Limited (Madison) is a locally owned insurance company in Kenya. It was incorporated under Kenyan Laws in 1987 after a successful merger between Crusader Plc (1974) and Kenya Commercial Insurance Corporation. It is one of the leading name in the insurance industry offering both Life and General Insurance products. Madison has its head-office in Nairobi and twenty two branches in all the principal towns in Kenya. The branches fall under four regional offices namely Nairobi Region, Western Region, Coast Region and Central Region. The company also works with established insurance brokers and independent agents in product distribution. While the contracted agents are mainly used to market retail products, the brokers mainly distribute corporate products to firms and organization, both in the public and private sector (Madison, 2014).
Madison Insurance has three distinct divisions each focusing on a specific line of business. The three divisions are: The General Insurance Division which deals with the non life insurance policies like Motor Insurance, Professional Indemnity, Medical Insurance and Property Insurance. The Ordinary Life Division deals with retail life products which include Personal Accident Insurance, School Fees Insurance and Endowment policies. The Group Life Division handles Corporate Insurance products targeting companies (Madison, 2014).

Madison has undergone strategic changes since 2012 to help the organization regain its lost market share and improve its ranking in the industry (Madison, 2014). The company has seen changes in senior managers, implementation of new systems and restructuring of departments. Madison is currently ranked 15th which is a low ranking and this strategic changes is meant to increase market share and push the ranking up. The premium income for the company was over Kshs 2.4 billion in 2014 representing an overall 20% growth over 2013 (Madison, 2014).

1.2 Research Problem

Strategic challenges in an organization may be brought about by competition, advancement in technology, desire for growth, need to improve process or government regulations. These changes will affect top to the bottom of the company most of the time. Leadership is key and it can make or break the whole process of change in an organization. Strategic changes require that appropriate levels of management are involved in making and executing them.

Komira (2011) while studying strategic responses by Jubilee Insurance to changing competitive environment discovered that the Company like most of the modern organizations had formulated a strategic plan. This was the responsibility of the senior management and was to be implemented by all the staff. The plan was reviewed annually to align it with the changing times. The company was forced to review their strategic plan annually to respond to the frequent changes from the regulators such as the government through the finance bill. The study found
that the importance of long term planning on strategic responses to increase the competitive advantage for the company’s future was to enhance assessment of relevant groups such as customers, competitors, consumers, suppliers, creditors and the government or political climate so as to align the strategy with current environment with an eye into the future.

Insurers’ traditional business strategies are under fire as emerging technologies cause economic, business and societal disruption. IBM found that the industry’s top insurers differentiate themselves across four dimensions: customers, interactions, services and structures (Kelly, 2014). The company, which recently announced plans that benefit its enterprise customers, interviewed executives from 80 insurers that represent the 73 largest insurance markets across the globe. Although many businesses claim that customer centricity is a top priority, only leaders have developed truly effective strategies in that space (Kelly, 2014).

Many organizations lack clear leadership structure and definition of roles when it comes to the formulation and implementation of strategic change. For strategic change to be effective, organizations need to ensure that they have the right agent driving it. There is empirical evidence that the role of leaders in the change process does have a significant impact on the success of a change effort (Higgs & Rowland, 2005). Organizations that fail in the process of strategic change will be in most cases as a result of poor leadership. It is not clear for organizations on which leader should do what during the strategic change process. What are the strategic change management practices and role of leadership at Madison Insurance?

1.3 Research Objectives

The general objective of the study is to establish strategic change and leadership at Madison

The specific objectives of this study are:

i. To identify strategic change management practices at Madison Insurance.
ii. To establish the role of leadership in strategic change at Madison Insurance.

1.4 Value of the study

The study will help organizations in allocating important strategic change roles and implementation duties to the correct level of management. By having all levels involved, the best strategies will be crafted by getting creative ideas from those who face the day to day challenges in the organization plus top leadership initiatives that would ensure short-term stability and long-term viability in the market. This will in turn ensure effective and efficient implementation of the strategy since participation and interaction increases as everyone’s ideas and solutions are made visible through the structure.

Madison Insurance will benefit from the research since they are currently undergoing brand repositioning which is affecting all areas of operations from human resource to Information technology, finance, customer service, marketing and distribution. This is a major strategic change in the organization and leadership through the process will be key. Madison Insurance will be in a better position in creating a leadership structure that would ensure appropriate managers are leading strategic changes in their areas of competence. This way, all levels of management will be responsible and they will have to deliver.

The study will add more knowledge in the area of strategic change and leadership to ensure that organizations effect strategic changes effectively. The study will address who should do what in an organizational change by determining the appropriate change agents for various strategic changes that an organization is facing. It will also determine which roles should be lead by internal change agents and which roles should be undertaken by external change agents.
CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter looks at what has been studied and concluded by other researchers and a brief view of their findings. The specific areas covered here are the theoretical review of strategic change, strategic change models and the role of leaders in strategic change. The theories are open systems theory and the contingency theory and the change models discussed are Lewin’s Change Management Model, Change Curve Model and ADKAR Model.

2.2 The Theoretical Foundation of the Study

Open Systems Theory simply refers to the concept that organizations are strongly influenced by their environment. The environment consists of other organizations that exert forces of an economic, political, or social nature. Open systems theory was developed after World War II in reaction to earlier theories of organizations, such as the human relations perspective of Elton Mayo and the administrative theories of Henri Fayol, which treated the organization largely as a self-contained entity. The term "open systems" reflected the newfound belief that all organizations are unique, in part because of the unique environment in which they operate and that they should be structured to accommodate unique problems and opportunities (Hatch, 1997).

Research during the 1960s indicated that traditional bureaucratic organizations generally failed to succeed in environments where technologies or markets were rapidly changing. They also failed to realize the importance of regional cultural influences in motivating workers. Environmental influences that affect open systems can be described as either specific or general. The specific environment refers to the network of suppliers, distributors, government agencies, and competitors with which a business enterprise interacts. The general environment
encompasses four influences that emanate from the geographic area in which the organization operates (Hatch, 1997).

An open systems approach can facilitate emergent change processes within an organization (Wilson, 1992). The linkages and interdependence between the organization and the external environment can be used to create a pattern for emergent change adaptation. Galpin (1996) described a process of implementing planned change at a grassroots level, using the strengths and capabilities of the human resources within an organization as the central hub for change. This process included the stages of setting goals, measuring performance, providing feedback, coaching and instigating generous rewards and recognition. Galpin also outlined the strategic steps leaders needed to employ change as: defining the need for change, developing a vision, addressing the cultural aspects of the organization and developing the essential attributes and skills needed to lead the change effort.

Fiedler's contingency theory is one of the contingency theories that states that effective leadership depends not only on the style of leading but on the control over a situation. There needs to be good leader-member relations, task with clear goals and procedures, and the ability for the leader to mete out rewards and punishments. Lacking these three in the right combination and context will result in leadership failure (www.leadership-central.com). Fiedler created the least preferred co-worker (LPC) scale, where a leader is asked what traits can be ascribed to the co-worker that the leader likes the least. Fiedler's contingency theory emphasized the leader's personality, or psychological disposition, is a main variable in her/his ability to lead, and said that how the group receives the leader, the task involved, and whether the leader can actually exert control over the group are the three principle factors that determine how successful the leader-led arrangement will be (Fielder, 1958).
The values from the least preferred co-worker (LPC) are added and then averaged to produce the score. A high LPC score exhibits a positive orientation towards human relations. S/he gets along with people. The nature of the task is less important and issues in doing it may be compensated for with good human relations. On the contrary side, low LPC score implies respondent relies on the nature of the task to drive leadership. The task has to be well defined or manageable, or the leader will be in trouble. Leaders who have a low LPC scoring (task-oriented) are effective, regardless of whether the factors are highly favorable or not. Also, they will act in a more assertive manner. With high LPC scores (relations-oriented) are more effective when the three factors are middle-of-the-road. Fiedler claimed that the LPC scores could be used to identify the appropriate leader for a situation. If a leader is able to control the tasks to be done, leader-led situations, and have power, the leader can create a favorable leadership environment (Fielder, 1958).

A variety of models have been developed pertaining to the concept of managing change over the years. Effective application of a change management model increases the success rate of organizational changes. In today’s fast-paced world, every organization can benefit from a better way to manage change. Leading corporations, governmental entities, institutions and non-profits are adopting change management models as an organizational competency, viewing it as a competitive advantage in our ever-changing business world.

### 2.2.1 Lewin's Change Management Model

One of the cornerstone models for understanding organizational change was developed by Kurt Lewin back in the 1950s and still holds true today. His model is known as Unfreeze – Change – Refreeze and it refers to the three-stage process of change he describes. Lewin, a physicist as well as social scientist, explained organizational change using the analogy of changing the shape
of a block of ice. By looking at change as process with distinct stages, you can prepare yourself for what is coming and make a plan to manage the (Ross, 2004).

To begin any successful change process, you must first start by understanding why the change must take place. Motivation for change must be generated before change can occur. One must be helped to re-examine many cherished assumptions about oneself and one's relations to others (Lewin, 1950). Unfreezing stage involves preparing the organization to accept that change is necessary, which involves breaking down the existing status quo before you can build up a new way of operating. Key to this is developing a compelling message showing why the existing way of doing things cannot continue. This is easiest to frame when you can point to declining sales figures, poor financial results or worrying customer satisfaction surveys. To prepare the organization successfully, you need to start at its core by challenging the beliefs, values, attitudes, and behaviors that currently define it (Ross, 2004).

After the uncertainty created in the unfreeze stage, the change stage is where people begin to resolve their uncertainty and look for new ways to do things. People start to believe and act in ways that support the new direction. The transition from unfreeze to change does not happen overnight since people take time to embrace the new direction and participate proactively in the change. In order to accept the change and contribute to making the change successful, people need to understand how the changes will benefit them. Not everyone will fall in line just because the change is necessary and will benefit the company. This is a common assumption and pitfall that should be avoided (Prosci, 2004).

When the changes are taking shape and people have embraced the new ways of working, the organization is ready to refreeze. The outward signs of the refreeze are a stable organization chart, consistent job descriptions, and so on. The refreeze stage also needs to help people and the organization internalize or institutionalize the changes. This means making sure that the changes
are used all the time and that they are incorporated into everyday business. With a new sense of stability, employees feel confident and comfortable with the new ways of working (Schein, 1999).

### 2.2.2 The Change Curve Model

The Change Curve model describes the four stages most people go through as they adjust to change. When a change is first introduced, people's initial reaction may be shock or denial, as they react to the challenge to the status quo. This is stage 1 of the Change Curve. Once the reality of the change starts to hit, people tend to react negatively and move to stage 2 of the Change Curve: They may fear the impact, feel angry and actively resist or protest against the changes. Some will wrongly fear the negative consequences of change. Others will correctly identify real threats to their position. As a result, the organization experiences disruption which, if not carefully managed, can quickly spiral into chaos (Prosci, 2004).

For as long as people resist the change and remain at stage 2 of the Change Curve, the change will be unsuccessful, at least for the people who react in this way. This is a stressful and unpleasant stage. For everyone, it is much healthier to move to stage 3 of the Change Curve, where pessimism and resistance give way to some optimism and acceptance. At stage 3 of the Change Curve, people stop focusing on what they have lost. They start to let go, and accept the changes. They begin testing and exploring what the changes mean, and so learn the reality of what's good and not so good, and how they must adapt. By stage 4, they not only accept the changes but also start to embrace them. They rebuild their ways of working. Only when people get to this stage can the organization can really start to reap the benefits of change.
2.2.3 The ADKAR Model

The ADKAR Model provides a simple and action-oriented framework for taking control of change. The Model was first introduced in 1999 as an outcome-oriented approach to facilitate individual change (Prosci, 2004). The model has taken hold as an easy-to-use and proven Change Management method, and is now one of the most widely used change management models in the world. Effective Change Management requires control of the five key building blocks that form the basis of the ADKAR Model. Individuals make changes successfully when they have the necessary Awareness, Desire, Knowledge, Ability and Reinforcement (Hiatt, 2006). Users of ADKAR Model have the outcome-orientation to change that enables successful personal transitions and achievement of organizational results. The five building blocks are Awareness of the need for change, Desire to support and participate in the change, Knowledge of how to change, Ability to implement required skills and behavior, and Reinforcement to sustain the change (Hiatt, 2006).

2.3 The Role of Leadership in Strategic Change

Leadership is the force that makes things happen and it is the single most visible factor that distinguish change efforts that succeed from those that fail. Planning and implementing strategic change is an important aspect to the management role. Kotter (1995) expressed that change, by definition, requires creating a new system and then institutionalizing the new approaches. Organizational leaders, by virtue of their influence in the organization, are in a good position to play a role in bringing this about. People also frequently expect leaders to take responsibility for an organizational transformation. Indeed, there is empirical evidence that the role of leaders in the change process does have a significant impact on the success of a change effort (Higgs & Rowland, 2005).
Transformations are typically initiated by top management, and this implies that they are convinced of the necessity of the transformation. Thus leaders tend to see the positive aspects of change, both for the organisation and for themselves: for the organisation, change provides the opportunity for renewal and refocusing, which might help it be more successful; for the top leaders themselves, leading an organisational transformation represents exciting professional challenges (Diefenbach, 2007). The issues leaders need to manage during an organizational transformation can be broadly categorized as the instrumental aspect and the people aspect. Leaders tend to focus their efforts on the instrumental aspect of transformations (Dehler & Welsh, 1994). This is about having the proper systems, structures, technologies, processes and rewards in place, such that the work setting supports, motivates and sustains people in their transformation efforts (Dehler & Welsh, 1994). The issues here can typically be addressed through a rational and technical approach.

Leaders have character and credibility; they are not just seen as good people but that they are also knowledgeable in what they are speaking about. If you want to create change, you have to not only be able to articulate what that looks like, but show it to others (Covey, 1989). A solid relationship is key in building trust. People will not want to grow if they do not trust the person that is pushing the change. Trust is also built when you know someone will deal with things and not be afraid to do what is right, even if it is uncomfortable. Sometimes trust is built when you choose to do what is right for your community or organization, as long as it is always done in a respectful way.

The creation and design of change processes within an organization is most often a role of leaders within it. Change processes which encompass human resources, IT adoption and upgrades, tools and techniques, as well as the basic rules and controls within the organization are the mandate of leaders engaged in the management of change (Bainbridge, 1996). It is up to the leaders to make these change initiatives tangible rather than abstract and to awaken enthusiasm.
and ownership of the proposed changes within the corporate milieu. Leaders are responsible for bridging the gap between strategy decisions and the reality of implementing the changes within the structure and workforce of the organization. Management styles affect culture, technology affects the way staff interact with customers, internal communication methods affect how people work together (Bainbridge, 1996). A holistic approach to change management encourages the redesign and adaptation to change at all organizational levels. Leaders are the champions of change, the top management players keep the change process moving while maintaining the operational integrity of the organization. Adaptative leaders provide direction, protection, orientation, conflict control, and the shaping of norms while overseeing the change process within the corporate structure (Conger, Spreitzer & Lawler, 1999). Priorities need to be set which encourage disciplined attention, while keeping a keen eye focused for signs of distress within the company members.
3.1 Introduction

Research methodology is a process used to collect information and data for the purpose of making business decisions. This chapter explains the research methodology that was used as the basis of this study. This comprises of research design, the method of data collection and data analysis.

3.2 Research Design

Research design is important as it facilitates smooth sailing of various research operations benchmarking research efficient as possible yielding maximum information with minimal expenditure of effort, time and money (Kothari, 2004). This research used a case study research design which is an in-depth study of a particular situation and it enables narrowing down a broad field of research into a specific topic of interest. A case study is an empirical enquiry that investigates a contemporary phenomenon within its real life phenomenon, especially when the boundaries between the phenomenon and context are not clearly evident (Woodside, 2010). Case study designs have been found to be more useful in investigating real-life events such as organizational and managerial processes (Campbell, 1989).

3.3 Data Collection

The study used both primary and secondary data. Primary data was collected using an interview guide and it facilitated collection of information about strategic changes and leadership at Madison Insurance based on experiences of employees in the company. Secondary data was collected by use of desk search techniques from the company’s publications and it sought to collect data about exact strategic changes that have happened in the past and also the future long term strategy as the company undergoes brand repositioning. This research instrument contained
intensive review and consultations for the data to be refined. The interview guide adopted open-ended questions which enabled the researcher to collect qualitative data. The following employees were interviewed: General Manager general business, Customer Service and Claims Manager life business, Underwriting Manager life business, Sales Manager general business and Assistant Marketing Manager medical business.

3.4 Data Analysis
The data collected was examined for completeness and comprehensibility, consistency and reliability. The data collected was qualitative in nature and was analyzed using content analysis technique which is the best suited method for analysis for such data. This entailed analyzing the qualitative statements to identify themes and patterns and to examine the intensity with which certain words have been used and systematically describe the form or content of written or spoken material. According to Kothari (2004), content analysis is a summarizing, quantitative analysis of messages that relies on the scientific method and is not limited as to the types of variables that may be measured or the context in which the messages are created or presented.
4.1 Introduction

This chapter covers the analysis of the data obtained and the findings of the study. The data analysis has been done in line with the objectives of the study which were to examine strategic change practices at Madison Insurance and establish the role of leadership in strategic change at Madison Insurance. The data required to achieve the objectives of the study was obtained after interviewing five employees of the organization.

4.2 Data Analysis

The respondents targeted were five employees drawn from different departments and different levels of leadership. These were General Manager (GM) general business, Customer Service and Claims Manager life business, Underwriting Manager life business, Sales Manager general business and Assistant Marketing Manager medical business. All these respondents were in senior and middle level management and most of them had worked in the organization for more than three years. The interviewees’ responses therefore had good command and responsibility as they were all in management in various departments and had long experience and aptitude owing to the years of service in the organization. The data collected was qualitative in nature and was analyzed using content analysis technique. This entailed analyzing the qualitative statements to identify themes and patterns and to examine the intensity with which certain words have been used and systematically describe the form or content of written or spoken material.
4.3 Results/Research Findings

The responses indicated that the company operated in a highly competitive industry which is heavily regulated. The environment also, according to the respondents was very dynamic with high growth potentials but facing a lot of challenges. The changes in the external and operating environment had impacted pressure for change in the organization, hence necessitating crafting of appropriate strategies to respond to those changes. The Insurance Regulatory Authority (IRA) which is the body regulating the operations of insurance companies of Kenya had come up with stringent requirements in various lines such as solvency/liquidity requirements, minimum capital requirements and strict reporting deadlines. The respondents also explained that Madison Insurance had been affected to a great extent by competition in most of its business lines.

4.3.1 Strategic Change Management practices by Madison Insurance

The study found out that Madison Insurance came up with a four year strategic change plan from 2013 to 2016. This strategic change was initiated since Madison Insurance had lost its market share in the insurance industry over a 10 year period, the growth was very slow and profitability had reduced. The customer service standards had gone down, clients had raised concerns and ICT system was not up to standards. The industry competition had become stiff due to new entrants, price undercutting, participation by banks (Bancassurance) and fight for intermediaries.

To remain competitive and relevant in the industry the organization changed its strategic direction and reviewed the vision and mission of the company. The top long serving managers including the MD, General Managers and heads of departments were all changed to facilitate the change processes. Various employees also left the company some on retirement and new ones
hired. The life, general and medical products were also analysed to determine their relevance and profitability. Some products were dropped, others reviewed and new products also launched in line with the market trend and changing customer needs.

The respondents revealed that the service charter was redrafted and launched in the year 2013 to facilitate improvement of customer service in all departments. The customer service manager initiated the drafting of service level agreements between interacting departments to ensure adherence to the agreed turnaround times. These service level agreements captured work flows from branch, head office marketing, underwriting, claims, premium administration, reinsurance, finance, customer service and information technology departments. The departmental managers were tasked with ensuring that team members complied with the agreed work flows and turnaround times.

Madison Insurance underwent brand repositioning in 2013 to strengthen its position in the insurance industry. The goal of rebranding was to influence the market’s perception about Madison Insurance products by reawakening the brand and making it seem more modern and relevant to the customer’s needs. This process created of a new look and feel for the products in order to differentiate them from its competitors. Company branding is the most efficient way to show potential customers what your business is about. It is reflected visually via the logo and company design elements as well as through verbiage in marketing materials, slogans and informational copy (Miki, 1994). Madison changed the company logo, colours and designs for application forms, brochures, policy documents and billboards. The board approved three different colours for the three departments i.e. Madison life, Madison General and Madison Assets.
For this process to be felt in the market, Madison did intensive marketing campaign in the year 2014 through advertisement in television companies, radios, billboards and sponsorships. The company had been seen to very silent in the market and not aggressive. However, these advertisements branded the business in the hearts and minds of customers hence building stronger and better relationship with the customers. The message carried out was about the strength and stability of the company, new and superior products, improved customer service and drawing out a new slogan of ‘Life without worry’. The same message was carried across the country in all branches. The marketing efforts had an objective of developing satisfying relationships with customers that benefit both the customer and the organization. This marketing campaign became Madison’s business area that interacted frequently with the public and, consequently, educated the public about the organization and the product that it provides.

New branches were created all over the country such as Kericho, Kitale, Homabay, Kitengela, Ngong Road, Buruburu and Voi. The branches were tasked with recruiting new sales force to drive sales upwards. The existing branches were also required to add more agents, continuously train and motivate them. These branches fell under four regions namely: Nairobi, Central, Coast and Western. In total, the branches had increased to twenty three by the end of 2014. These regions were allocated higher targets under the supervision of the National Sales Manager. The National Sales Manager distributed these targets to the branches as per their capacity based on number of sales force and potential in the respective market segment. The branch managers then distributed these targets to the unit managers who recruited agents as per the agreed targets. The branches were tasked with the responsibility of partnering with independent agents, brokers, associations and counties to increase insurance penetration at the counties. The potential at the counties were tapped taking advantage of the devolved system of government as a result of the new constitution. Increased revenue allocation at the counties meant more business from both corporate and individuals. Therefore the branches were encouraged to partner with the counties
and support initiatives such as cleaning cities and towns. Participating in corporate social responsibility opened more business opportunities due to the interactions and appreciation by the communities. Madison Participated in tender business at the counties such as group life tenders, medical tenders, general tenders and staff pension schemes for members of the county assembly.

From the company website, it is explained that Madison improved its corporate social responsibility outlook by increasing annual activities in that area. Madison became committed to managing its social and environmental impact to society in a responsible manner. As such, it sought to partner with other stakeholders, to address social and environmental challenges and in so doing, contribute to sustainable development. Madison Insurance believed the conviction that 'corporate social responsibility' is an essential element of their business and central to the way business is run. The company endeavors to make a positive contribution to society by developing products that meet consumer needs, creating and sharing wealth, investing in the local economy, developing people's skills and remaining actively aware of the impact of their business in the environment and community around them. They strive to give back to the community as it is the community that helps them perpetuate their business objectives. Their focus and approach to corporate social responsibility is holistic and therein lies their motto ‘Life Without Worry’ for without the support and collaboration of the communities and their stakeholders, they cannot achieve their bold objectives. Over the years, the company has annually donated generously to projects like the Freedom from Hunger Campaign, Dettol Heart Run, The Diabetes Walk, Cerebral Palsy Walk, and the Standard Chartered Marathon. Madison Insurance annually sponsors various Golf Tournaments: Muthaiga Golf Club- Madison Golf Day, Karen Country Club- Monthly Mug, and the Vet Lab Sports Club – Madison Golf Day. Other tournaments sponsored are: Kitale Club – Madison Golf Day, Kiambu Club- Craig Bowel Golf Tournament; Kenya Ladies Golf Union, Karen Country Club- The 18th Charity Golf Day and the Beatification of the Servant of God Morris Cardinal Otunga.
The respondents also explained that the company had changed systems for most departments adopting new better systems that would ensure speedy response in processing clients’ requests and benefits. The following departments changed their systems: Ordinary Life, Group business, General, Finance, Human Resource, Information Technology and Medical department. Improving service delivery to their customers and efficiency has been the key driver of Madison’s business strategy. At Madison, they leverage on emerging and existing technologies to support this strategy through continuous improvement of their Information Communication Systems. They have invested heavily in modernized ICT Systems with a branch network of 21 branches interlinked through a secure Wide Area Network (WAN) integrated with Voice Over Internet Protocol (VOIP) facility. Additionally, they have integrated their systems with online service portals, which facilitate convenient and interactive communication with their clients. Through their website, their customers can access their policy statements, submit claims, chat with them, pay premiums, submit enquiries, and obtain online quotations and access prime information regarding their policies.

Madison believes that their strength is their people. In view of this, they are very keen on ensuring that they get the right people for the right roles in the organization. They achieve this by putting in place policies that attract, develop, retain and motivate quality staff. They also provide a safe and conducive work environment that enables all employees meet the business objectives set forth. Professionalism, Urgent action and Integrity are key values amongst their staff creating a performance ethic that ensures every task and service is friendly, proficient and quick for the benefit of their customers. Madison has invested heavily in employee training and development. According to the respondents, the employer pays for the professional papers that employees undertake such as ACII, COP, Actuarial courses, ACCA, Marketing, Accounts and IT courses. Employees who pass these exams are rewarded and motivated to do more. Some get promotions or salary increments.
4.3.2 Strategic Change and Leadership at Madison Insurance

The respondents revealed that Madison Insurance board of directors were responsible for the overall direction of the company’s corporate governance policies and are accountable to the shareholders in ensuring compliance with the law and the highest standards business ethics. Long term strategic direction of the company is defined and set by the board. They come up with a vision of where they want the company to be in years to come. These is mainly driven by desires of the stakeholders to see the company grow, increase market share in the industry, increase profit margin, survive strongly in the strong competition and most importantly satisfy clients by offering service excellence and prompt payment of claims. Satisfaction will see the company retain its clients who will in turn refer more clients to Madison ensuring growth of the company.

The directors are committed to conducting business in accordance with the generally accepted corporate practice and endorse the internationally developed principles of good corporate governance.

The board meets at least once every quarter to discuss and monitor progress of agreed strategic objectives. The board meetings are normally attended by the directors, the chief executive officer and the senior managers in the company who are the general manager (life), general manager (GIB) and the financial controller. These senior managers are allocated respective strategic targets to meet every quarter. The senior managers will then pass on the roles to respective departments within their divisions under the guidance of the heads of departments. The heads of departments will then give various initiatives to managers for implementation. It is the duty of managers to ensure that the strategic initiatives are well explained and justified so that the subordinates can believe and rally behind the action plans. Monitoring and control is done by the managers with the help of assistant managers and supervisors within the division. For the
regional network, the same message is passed to the regional managers who will then give responsibilities to the branch managers. The branch managers will communicate to unit managers and agents within the branch and ensure successful implementation.

According to the respondents, the managing director is involved in the day to day running of the organization. He is involved in both operations and marketing in the organization by liaising and supporting the top managers and key people within and out of the organization. He does communication to the staff once every month in the monthly company meetings for all the staff in the organization. He also meets all the managers once in a month to discuss progress in their respective departments. The respondents also said that the managing director visits all the regions and holds regional meetings once every quarter involving the NSM, regional managers, branch managers and unit managers. The CEO acts as the figurehead of the organization. Upper management in particular is responsible for creating and reinforcing delivery of the mission and vision of an organization to employees, customers, and other stakeholders. Employees in particular are made to understand where the organization is headed and what its ultimate goals are. The CEO also comes to symbolize the organization as a whole for customers and builds a positive rapport with both customers and employees creating a positive association with the organization at large.

Respondents further said that Madison Insurance employs the services of external change agents for guidance and support in the implementation of strategic change. They were involved in coming up with the rebranded company logo, designs, colours and designing of company marketing materials. These change agents are exposed to the whole industry hence more exposed to industry changes, competition and culture. Madison’s external change agents came up with brand manual for the organization to adhere to, which is the company’s communication style. It is important for the Madison brand to be consistent in how it is presented and applied so that
anyone dealing with Madison knows who they are and what they stand for. These guidelines were put in place to ensure that the brand is represented clearly and consistently. It explains what their brand stands for, how it’s expressed, and how the creative elements fit together in all their communications. It enables them to reinforce what is unique about Madison, and what stakeholders can expect when they encounter their people and products. The guide is followed and used as a reference when commissioning, designing or delivering any kind of communications. However, they are not meant to stifle design and creative interpretation work as may become necessary depending on the requirements for different marketing communication campaigns and promotions.

4.4 Discussion

The objectives of the study were to establish the strategic changes and leadership at Madison Insurance. The study found out that Madison Insurance had undergone strategic changes since the year 2012 with the objective of regaining its Market share and increase profitability. The reduced market share over the years had raised concern with all stakeholders and the board acted with reviewing its strategic direction. The company underwent brand repositioning in the year 2013 changing its logo, design, colours and communication in the industry. Many changes were seen in Madison Insurance such as change of most senior managers including the managing director, general managers and heads of departments. New systems were implemented and outdated softwares were upgraded in order to match what other competitors are offering in the market. All departments launched new products and reviewed or dropped products which were underperforming or loss making.

The study also revealed that new branches were launched in all the regions around the country and sales force increased in number with more focus on agents who are active and meeting
their monthly targets. Devolution has brought more opportunities in the counties and Madison took advantage of these opportunities by partnering with county governments and liaising with intermediaries such as brokers and independent agents to source for business at the counties. The respondents highlighted the changes within departments to improve customer service leading to the launch of customer service charter in the year 2013. The aim of the customer service charter was to improve on turnaround times in offering services to clients, giving quick responses in all issues and prompt payment of claims and benefits. The management communicated a message of change in the culture of the organization and finding new ways of doing things. All the managers sold the idea of change to their subordinates in order to get their support.

The study found out that these strategic changes and leadership strategy were necessitated by years of reduced market share, reduced profitability and poor customer service. The industry players mainly the intermediaries and clients reduced their support to the organization leading to reduced annual production and in many years Madison Insurance was not able to meet its annual budget. The expenses had gone up vis-a-vis the income stream and there was need to review the whole process so as to improve on profitability.

This study presents findings similar to other studies and is thus consistent with previous studies. Abdullahi (2000) while studying Kenyan Insurance Industry found out that although economic reforms in Kenya had made the business environment very turbulent and the insurance companies agreed that there was need to respond to the change in the environment, they had not properly adjusted to the changes. This is why most insurance companies are facing financial and growth challenges and some closing their businesses.

Komira (2011) while studying strategic responses by Jubilee Insurance to changing competitive environment established that Jubilee insurance strategic responses were both proactive and
reactive. They went ahead to elaborate that most often, the company’s strategies were proactive, but occasionally, they could be reactive based on a case by case analysis. The responses from the study also indicated that most strategies taken by Madison Insurance were reactive triggered when things went bad in the market in terms of reduced market share.

The study found out that Madison Insurance needed to do more if the brand repositioning needs to be felt in the long term. The respondents said that the organization had not put enough resources towards the rebranding. There was need for more advertisements running continuously in the media and more investments in billboards throughout the county. This way the idea of new Madison will be felt more strongly. Madison did a marketing campaign in the year 2013 and 2014 but went quiet in 2015. It was also noted that the branding manual was not fully implemented in all departments and all branches countrywide. In some places, some employees or agents were still using the old brand. The was need for strict implementation and monitoring of brand implementation to avoid confusing the public. Corporate branding is an effective promotional and marketing tool (Ajaero, 2015). If you serve your customers excellently, then expect them to always remember you. You will receive good feedbacks and this will help you generate more customers. Majority of the public will start spending their hard earned money on your products and services, but that will only happen if you are good enough at performing what you have promised to your previous customers. Another great thing about having a good corporate image is that you will no longer need to spend a significant amount of time trying to convince your potential customers to try out what you offer. Your previous customers who are greatly satisfied with your service will become your unofficial spokespersons. This will transform your business into one of the most trusted and respectable organizations in the industry (Ajaero, 2015).
The respondents further felt less involved in the long term strategic direction of the organization. Key decisions were made at the board level and everyone had to implement them under the watch of departmental heads. For strategic change to be felt and supported, you need to get a buy in from the employees, this way it becomes cheaper and faster in terms of implementation as resistance is minimized. This is consistent with (Edward, 2006) finding that organizations undertaking change initiatives must engage employees. Paying the person instead of the job and using variable pay and stock are perhaps the most powerful changes an organization can make in moving its reward system towards one that supports performance and change (Edward 2006).

From the study, the respondents also mentioned that Madison Insurance needed to be more competitive in terms of pricing of its life, general and medical products. The competition from the other players had gone really high and intermediaries were recommending the cheapest quotations from underwriters. Price is a very important decision criteria that customers use to compare alternatives. It also contributes to the company's position. In the insurance industry where there are many competitors a reasonable competitor based pricing strategy can be implemented. In most industries marketing and product managers will have to research to find a price that is suitable. It is also possible to make adjustments in prices by following tweaks made by competitors.
CHAPTER FIVE
SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This chapter discusses the findings, draws conclusions and makes recommendations. The discussions are presented based on the study objectives. The conclusions and the recommendations were drawn in the quest of addressing the research question and achieving the objectives of the study. The chapter is thus outlined into summary of the findings, conclusions, recommendations, limitations of the study and suggestions for further research.

5.2 Summary of the Findings

The study found out that from the year 2012 Madison Insurance started a process of brand repositioning and reviewed its strategic plan. This was brought about by reduced market share in the Kenyan insurance industry as the organization had lost its lead to the main competitors such as Jubilee Insurance, CIC Insurance, Britam and Pan Africa Insurance. As a result of these challenges in the environment, the board initiated a strategic change with the aim of regaining market share, improve industry rankings, increase profits and change the brand image from good to great. These changes happened both internally and externally affecting all the stakeholders.

Internally the organization underwent changes in the following areas: customer service responses, new products, culture change, human resources changes, increased branch network and IT improvement. The respondents revealed that the service charter was redrafted and launched in the year 2013 to facilitate improvement of customer service in all departments. These service level agreements captured work flows from branch, head office marketing,
underwriting, claims, premium administration, reinsurance, finance, customer service and information technology departments. The company changed systems for most departments adopting new better systems that would ensure speedy response in processing clients requests and benefits. The study also discovered that Madison became keen in ensuring that they employed competent staff for the right roles in the organization. They achieved this by putting in place policies that attract, develop, retain and motivate quality staff. They also provided a safe and conducive work environment that enables all employees meet the business objectives set forth. There were also changes in existing staff especially the senior managers as most of them were replaced and others retired. The board of directors also appointed a new managing director to implement the changes. The organization also increased its branch network and recruited more sales force to distribute their products. It also increased its activities with brokers, independent agents and banks to increase production. Madison also launched new products and reviewed outdated products so as to beat stiff completion and retain its clients. The organization also partnered with County Governments, Saccos, micro-finances and associations sponsoring some of their functions and get business in return.

Long term strategic direction of the company is defined and set by the board. They come up with a vision of where they want the company to be in years to come. The board meets at least once every quarter to discuss and monitor progress of agreed strategic objectives. The senior managers are then allocated respective strategic targets to meet every quarter. The senior managers will then pass on the roles to respective departments within their divisions under the guidance of the heads of departments. The heads of departments will then give various initiatives to managers for implementation. Monitoring and control is done by the managers with the help of assistant managers and supervisors within the division. The managing director is involved in the day to day running of the organization. He is involved in both operations and marketing in the organization by liaising and supporting the top managers and key people within and out of the
organization. Madison Insurance also employed the services of external change agents for guidance and support in the implementation of strategic change. They were involved in coming up with the rebranded company logo, designs, colours and designing of company marketing materials.

5.3 Conclusions

Environmental challenges in the insurance industry brought about by stiff competition by the major players affected Madison Insurance and it lost its lead as a result. The organization lost its market share and ranking in the industry went down. For the organization to survive and regain its share it had to undergo a strategic change in its processes and marketing strategy.

The organization had experienced weakness in terms of its corporate brand, its customer service standards had gone down, profitability had reduced, some existing clients were not renewing their policies with them and getting new clients became difficult. The support from major intermediaries such as banks, brokers and independent agents deteriorated leading to reduced production and the organization was struggling to meet its annual production and growth targets. The board of directors initiated a strategic change in 2012 that saw the company rebrand itself in 2013 under the advice of an appointed brand consultant. The organization also reviewed its process seeing changes in IT, customer service, human resource, products, branch network, distribution and the organization culture.

These changes were communicated in the market through a marketing campaign, advertisement and promotions. The new brand excited the industry with intermediaries and clients suddenly increasing their activities with the organization in terms of queries and quotation requests. The production also went up and in 2014 most departments in the organization realized their annual targets. The customer satisfaction also improved as revealed by a customer survey done in 2013 and 2014. This was also noticed through improved business retention. The organization also
won awards during the ‘Think Business’ Insurance awards in 2013 and 2014. In 2013, the organization scooped the following awards: Winner Customer Service award, Winner Major Loss award and second runner in Composite Insurer award. In 2014, the organization was first runner up in Training and Claims awards. It also became the second runner up in ICT award. During the 2014 AKI awards, Madison was rated the most improved company and in 2015 awards, it won the Group Life Best Practice award.

5.4 Recommendations

The study found out that although Madison Insurance underwent a brand repositioning in 2013, a lot still needed to be done to ensure the new brand sticks to the clients and intermediaries’ minds. The marketing campaign was done in 2014, however, it stopped too soon before the whole industry bought it. The organization should allocate more resources for advertising in billboards, television stations, radio stations, newspapers and magazines. The respondents also felt that the marketing budget should be increased so that more promotions can be done every year because clients required constant reminders so that they can feel you. The campaign should also be taken aggressively all over the country especially in regions outside Nairobi such as Central region, Coast region and Western region.

The branding manual as set by the brand consultant should also be implemented to the latter. Some branches had not fully converted to the new brand as some of their marketing materials were in old logo which might send confusion to the market. Some employees were also not adhering to the guidelines of writing correspondences. It is important for the Madison brand to be consistent in how it is presented and applied so that anyone dealing with Madison knows who they are and what they stand for. These guidelines were put in place to ensure that the brand is represented clearly and consistently. It explains what their brand stands for, how it’s expressed, and how the creative elements fit together in all their communications. It enables
them to reinforce what is unique about Madison, and what stakeholders can expect when they encounter their people and products.

The stiff competition in the market had brought about a lot of price undercutting especially in tender business and also business coming through brokers. Madison was losing out on many businesses despite qualifying in technical evaluation because of pricing of its products. The marketing department and underwriting department need to liaise and come up with a pricing strategy that will enable them conclude more businesses and at the same time operate profitably. In the insurance industry, many clients are driven by pricing and they will go for the cheapest and Madison needs to factor this seriously in order to gain a competitive edge.

On customer service standards, Madison improved its operations after launching and implementing the new service charter. However, some departments were not implementing it fully and required constant follow up. The heads of department should coordinate their managers to ensure the agreed turnaround times between departments are being followed without fail. This way, clients will get quick responses and claims will be paid faster. The departments also need to come up with a reward system where employees who are complying to the service charter get rewards e.g. monthly or quarterly. This way employees will be motivated to perform up to acceptable standards.

5.5 Limitations of the study

The researcher faced difficulties in obtaining data from the respondents since the information was sensitive to the organization. The organization did not wish to have all its strategic change initiatives known to the public and more so the competitors. To avoid such doubts, the employees gave information by focusing on the general view. The researcher also went further to look for other sources of data i.e. secondary sources such as internet, publications, annual statements and company profile.
The respondents were also quite busy with their work schedules and some kept postponing the interview due to other commitments. Therefore it required follow up with them and going by their arrangement. To avoid too much delay, general information was asked and then follow up was made later to get more information. This was either through telephone calls or visiting their offices again and again. Eventually, the researcher was able to get information from all the five respondents.

The researcher also experienced time and financial constraint in doing the whole work. This was because the research was done within a short time and therefore this limited achievement of a more comprehensive research. With more time, the research would have been able to go deeper into the organization’s strategic changes and leadership structure. The researcher was also not able to get data from other regions outside Nairobi due to the challenges. However, the data was obtained from the company’s head office where all strategic changes and leadership structure are set.

5.6 Suggestions for Further Research

The researcher recommends that further studies should be done in the area of strategic change and leadership especially in other insurance firms to find out what strategic initiatives they are implementing to beat the stiff competition in the insurance industry. This is because the researcher obtained information through a case study of one company. Other players in the industry are also undergoing strategic changes due to environmental changes and regulation.

The researcher also suggests more study to be done in Madison Insurance to establish the successes in the implementation of strategic change initiatives. This is because the organization’s strategic change is a long term plan and more changes are yet to be implemented. Also a further research can establish the outcomes of the process in the long run and determine if the main objectives of the strategic changes are being realized.
REFERENCES


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APPENDIX 1.
LETTER OF INTRODUCTION

UNIVERSITY OF NAIROBI
SCHOOL OF BUSINESS
MBA PROGRAMME

DATE...21/5/15...

TO WHOM IT MAY CONCERN

The bearer of this letter ... Renson Kibet Kitur ...

Registration No... D61160085/2013 ...

is a bona fide continuing student in the Master of Business Administration (MBA) degree program in this University.

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

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

Thank you.

PATRICK NYABUTO
MBA ADMINISTRATOR
SCHOOL OF BUSINESS
APPENDIX 2

INTERVIEW GUIDE

This interview guide seeks to collect information on strategic change and leadership at Madison Insurance. All responses will be treated with utmost confidence and used only for academic purposes. Please provide information with accuracy and honesty.

Section A: Background Information

1. What is your position in the organization?
2. Which department do you work for?
3. For how long have you worked for Madison Insurance?

Section B: Strategic Change management practices at Madison Insurance

4. State the types of strategic changes that Madison has undergone in the last 5 years?
5. What has caused Madison Insurance to undergo these changes?
6. State the initiatives put in place to ensure that the changes happen?
7. Explain how the organization has restructured to support the change initiatives?
8. What resources have been dedicated for change management?
9. State how the employees are involved in the process of strategic change?
10. Does the whole team unite, believe and support the change process? If not, what causes change resistance?
11. In your opinion, what should be done to make the strategic change process more successful?
Section C: The Role of Leadership in Strategic Change

12. Who initiates strategic change at Madison?

13. How is the process communicated to the team in the organization?

14. Which leaders formulate strategic change actions at Madison?

15. How are the roles distributed in the different levels of management?

16. Are external consultants involved in the process of strategic change? If yes, what role do they play?

17. What efforts do the change agents/leaders put in place for their change initiatives to be supported in the organization?

18. State if the leaders of strategic change have been efficient and effective?

19. In your opinion, what should the leadership do to ensure the process is successful?

Thank you for your participation. Results will be treated in confidence. Please give your name and a contact department/number if you would like us to follow up your comments.

Name -- ---------------------------------------------------------------

Contact department -- ---------------------------------------------------------------