

**CHANGE MANAGEMENT STRATEGIES ADOPTED BY  
CHASE BANK LIMITED, KENYA**

BY


EGIDIA/NYABOKE MECHA

A RESEARCH PROJECT REPORT SUBMITTED IN PARTIAL  
FULFILMENT OF THE REQUIREMENTS FOR THE AWARD OF THE  
DEGREE OF MASTER OF BUSINESS ADMINISTRATION,  
UNIVERSITY OF NAIROBI

NOVEMBER 2013

## DECLARATION

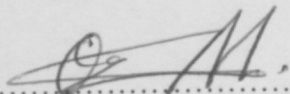
This research project is my original work and has not been submitted for examination to any university.

Signed : ..... Date 07/11/2013 .....

**EGIDIA NYABOKE MECHA**

**D61/63294/2010**

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

Signed : ..... Date 07/11/2013 .....

**PROF. MARTIN OGUTU**

**LECTURER, SCHOOL OF BUSINESS**

**UNIVERSITY OF NAIROBI**

## ACKNOWLEDGEMENT

I dedicate this document to my late mother, Alice Moraa Mecha who through my MBA program gave me all the support I needed and encouraged me. My father, Gideon Mecha who has always been a pillar in my life and my daughter, Elaine Buyeke who stood with me through my busy schedule. My siblings Edwin, Vincent, Noah and Emma for their overwhelming support.

I also express my humble gratitude to my supervisor Prof. Martin Opono. His guidance, patience and willingness to share his vast knowledge made me understand this project and its manifestations to great depths and helped me to complete the assigned task.

Lastly, Chase Bank Limited for giving me the opportunity to carry out my project. Although there may be many who remain unacknowledged in my humble note of gratitude, there is none who goes unappreciated.

## ACKNOWLEDGEMENT

I have taken efforts in this project. However, it would not have been possible without the kind support and help of many individuals and organizations. I would like to extend my sincere thanks to all of them.

I would like to express my humble gratitude to my supervisor Prof. Martin Ogutu. His constant guidance and willingness to share his vast knowledge made me understand this project and its manifestations in great depths and helped me to complete the assigned tasks.

Lastly, Chase Bank Limited for giving me the opportunity to carry out my project. Although there may be many who remain unacknowledged in my humble note of gratitude, there is none who remains unappreciated.

## ABSTRACT

Change can be dictated by business trends, environmental factors and shifts in the global, social and political sphere. It can come about because of the expectations of stakeholders. It can be embarked upon in a proactive and strategic way, or it can be a reactive process in response to a crisis, either within the organization or outside it. The purpose of this study was to establish the change management strategies that are adopted by Chase Bank Limited in Kenya. The study had two objectives: to establish the change management strategies that are adopted by Chase Bank Limited and to determine the challenges faced by Chase Bank Limited in managing change. The study took the form of a case study design since it focused on a single entity. Qualitative data was collected from 5 managers in the bank who are involved in various departments. The findings reveal that the drivers of change in Chase bank limited are the environmental changes that occur in the business environment. The environment presents opportunities that the bank may want to exploit hence the need to change. The bank may also adopt change as one way of addressing some of the threats that exist in the environment. The main challenges include resistance from some individuals who are not willing to change; lack of support from top management; lack of enough resources both financial and human resources that may be required for specific change initiatives in the bank.

# TABLE OF CONTENTS

DECLARATION .....	ii
DEDICATION.....	iii
ACKNOWLEDGEMENT .....	iv
ABSTRACT .....	v
<b>CHAPTER ONE .....</b>	<b>1</b>
<b>INTRODUCTION .....</b>	<b>1</b>
1.1 Background of the Study .....	1
1.1.1 The Concept of Strategy .....	3
1.1.2 Change Management .....	4
1.1.3 Banking Industry in Kenya .....	5
1.1.4 Chase Bank Kenya Limited .....	6
1.2 Research Problem .....	7
1.3 Research Objectives.....	8
1.4 Value of Study .....	9
<b>CHAPTER TWO .....</b>	<b>10</b>
<b>LITERATURE REVIEW .....</b>	<b>10</b>
2.1 Introduction.....	10
2.2 Theoretical Foundations .....	10
2.3 Models of Change Management .....	11
2.4 Change Management Strategies.....	14
<b>CHAPTER THREE.....</b>	<b>20</b>
<b>RESEARCH METHODOLOGY .....</b>	<b>20</b>
3.1 Introduction.....	20

3.2 Research Design .....	20
3.3 Data Collection .....	20
3.4 Data Analysis .....	21
<b>CHAPTER FOUR.....</b>	<b>22</b>
<b>DATA ANALYSIS, INTERPRETATION AND DISCUSSIONS .....</b>	<b>22</b>
4.1 Introduction.....	22
4.2 Organizational Profile.....	22
4.3 Change Management Strategies Adopted By Chase Bank Limited .....	24
4.4 Change management challenges .....	28
4.5 Discussion of Findings.....	30
<b>CHAPTER FIVE .....</b>	<b>33</b>
<b>SUMMARY, CONCLUSIONS AND RECOMMENDATIONS .....</b>	<b>33</b>
5.1 Introduction.....	33
5.2 Summary of Findings.....	33
5.3 Conclusions of the Study .....	35
5.4 Recommendations of the Study .....	35
5.5 Limitations of the Study .....	36
5.6 Suggestions for Further Research .....	36
References.....	37
<b>APPENDICES .....</b>	<b>40</b>
Appendix I: Interview Guide .....	40

# CHAPTER ONE

## INTRODUCTION

### 1.1 Background of the Study

Change comes about when alterations are made to an organization's functional parts. Many strategic change specialists subscribe to the view that change is an everyday occurrence in any organization; that there is, in fact, no such thing as the status quo for a business that wants to survive (East, 2011). Change can be dictated by business trends, environmental factors and shifts in the global, social and political sphere. It can come about because of the expectations of stakeholders. It can be embarked upon in a proactive and strategic way, or it can be a reactive process in response to a crisis, either within the organization or outside it. It can involve meeting the changing needs of the marketplace, reducing risk, being more environmentally responsible, improving quality, raising customer satisfaction, retaining staff and everything and anything in between (East, 2011).

Managing change has received increasing attention as both internal and external factors accelerate their pace and challenge organizations to respond accordingly. An integral part of change is effective internal communication that corresponds to each stage of the strategy. Communicating to employees as internal stakeholders is viewed as crucial for the outcome of change programmes. Launching a planned communication strategy for the purpose of informing timely is a prerequisite for fruitful feedback and eventual success (Barrett, 2002). Allowing employees' voices to be heard can develop better understanding about how internal communication can facilitate strategic objectives.

Senge (1990) warns that redrawing the lines and boxes in an organizational chart without addressing the way people within the organization interact may be useless. Thus, understanding people's responses to change is instrumental in fostering their support and reaching organizational goals for the sake of mutual benefit.

Managers and employees with no decision-making power however view change management differently. Due to differences of political character, these two types of actors in the change process perceive the communicated strategic objectives in often conflicting ways. In contrast to employees' views, the opinions of senior management and their reason for pursuing change are available through official corporate communication or mass media (Daly et al., 2003). Therefore, in order to reach full cognition, it is important to illuminate the communication process as perceived also by employees. The significance of the current problem field acquires further proportions, when positioned in the presence of contemporary communication systems. Members of modern organizations enjoy an unprecedented freedom to voice personal opinions both throughout and outside the workplace. The speed of media allows for fast sharing of messages that can affect organizations both directly and indirectly. Therefore, change management needs to effectively listen and communicate with employees (Daly et al., 2003).

Commercial banks in Kenya including Chase Bank Limited are going through significant transformation due to a number of developments in the external environment. For instance the need for financial inclusion has made several banks to develop microfinance products or open subsidiaries to handle microfinance business. There are also major

innovations in the mobile phone technology that have several applications in the banking industry. These innovations have forced banks to incorporate them in their businesses in order to remain competitive. Competition is also a notch higher than in the previous years and this has necessitated the need for change in Chase Bank Limited (Ndungu, 2013).

### **1.1.1 The Concept of Strategy**

Business theorists and practitioners having understood the business strategic process as operating in a highly competitive environment have come up with various definitions of what a strategy is. Chandler (1962) defines strategy as “determination of basic long term goals and objectives of an enterprise, and the adoption of courses of action and allocation of resources necessary for carrying out these goals. Quinn (1980) also defines strategy as a pattern or plan that integrates an organization’s major goals, policies and action sequences into a cohesive goal.

A strategy or general plan of action might be formulated for broad, long-term, corporate goals and objectives, for more specific business unit goals and objectives, or for a functional unit, even one as small as a cost center. Such goals might or might not address the nature of the organization, its culture, the kind of company its leadership wants it to be, the markets it will or won’t enter, the basis on which it will compete, or any other attribute, quality or characteristic of the organization. Together, strategy and tactics bridge the gap between ends and means. Resources are allocated or deployed and then employed in the course of executing a given strategy so as to realize the end in view. The establishment of the ends to be attained does indeed call for strategic thinking, but it is

separate from settling on the strategy that will realize them. Three levels of strategy are usually in existence enterprise level, business level and functional level (Nickols, 2011).

### **1.1.2 Change Management**

According to East (2011) change management can be referred to a structured approach that enables an organization to transition individuals, teams and organizations from a current state to a desired future state. Another definition of change is given by the HR Magazine (2007) as a systematic approach that involves the application of knowledge, tools and resources to leverage the benefits of change. East (2011) further argues that the process of change management entails defining and adopting corporate strategies, structures, procedures and technologies to deal with change stemming from internal and external conditions. According to Hiatt and Creasey (2002), change is a process that involves the application of tools and techniques in order to manage the people-side of business change to achieve the required business outcome and to realize that business change effectively within the social infrastructure of the workplace.

Regardless of the definition of change, it is clear that change has its own drivers. These are the factors that make an organization adopt various strategies at any point in time. Some organizations adopt change due to fear that things may go wrong or as a defence mechanism. Other organizations may also have ambitions that may necessitate them to adopt new strategies while others may have expansion strategies that will result to change (East, 2011). Change can also be brought about by the dynamism in the business environment that can destabilize an organization that making it necessary for change to be adopted (MacCathy & EastMan, 2010).

Victor and Antony (2002) argue that change management is not a simple task since it can be frustrating and encouraging to an organization. In order to avoid this situation organizations need to adopt change management models that are neither too simplistic nor too academic. There is also need for an organization to be consistent in the approach it uses. Strategies that may be relevant in better change management include: Resourcing strategy; Performance management strategy; Reward strategy and communications strategy.

### **1.1.3 Banking Industry in Kenya**

Kenya's banking Industry is characterized by stiff competition, with 44 players including multinationals all scrambling for a slice of the pie. Microfinance banks have however revolutionized the banking concept in Kenya and made banking accessible to a majority of the Kenyan population who could not afford the exorbitant bank charges or meet the complex requirements demanded by other banks (Ndungu, 2013). This increased access to financial services to majority of the unbanked has made it possible for a transformation of the banking industry in Kenya.

According to Ndungu (2013), Kenya's banking industry is currently one of the fastest growing not only in the East African region but in the entire continent. This rapid growth is due to sound financial policies that have been adopted by the government to open up the banking industry. The Banking Industry's performance for the last 10 years that is the period 2002 to December 2012 to confirm the importance of the banking industry in the Kenyan economy. During this duration, the industry assets grew from Ksh.456.7 billion to Ksh.2.35 trillion; total deposits grew from Ksh.360.6 billion to Ksh.1.76 trillion; net

advances increased from Ksh.222.8 billion to Ksh.1.27 trillion; profit before tax of Ksh.5.8 billion increased to Ksh.107 billion and the number of bank accounts increased from 1.9 million accounts to 17.6 million (Ndungu, 2013).

Despite the fast growth that is witnessed in the banking industry, there are a number of challenges commercial banks in Kenya have to address. According to Price Waterhouse Coopers (pwc) (2012), the banking industry is still grappling with issues such as new regulations; For instance, the Finance Act 2008, which took effect on 1 January 2009 requires banks and mortgage firms to build a minimum core capital of Kshs 1 billion by December 2012. The aim of this requirement is to transform small banks into more stable organizations. The implementation of this requirement poses a challenge to some of the existing banks and they may be forced to merge in order to comply. These challenges are likely to influence change in the banking industry hence the need for banks to come up with appropriate strategies of managing change.

#### **1.1.4 Chase Bank Kenya Limited**

Chase Bank Kenya Limited is locally owned Bank. The bank's vision is to be to be the premier Pan African Relationship Bank offering financial solutions, creating lasting value for clients, shareholders, people and businesses in the communities we serve. Through its mission, the bank endeavors to relentlessly redefine customer value by enhancing quality financial solutions delivery and stakeholder confidence for the people and businesses in the communities it serves. The core values of the bank are six. They include passion which requires that all employees of the bank love what they do. The bank believes in

turning possibilities into realities. Passion is the key to all the customer service activities in the bank ([www.chasebank.co.ke](http://www.chasebank.co.ke)).

The bank also believes in innovation. It is committed to finding new ways of doing things. The main foundation of the business philosophy of the bank is continual improvement. The structure of the bank helps it to be responsive, to customers and as an institution. The other core value is engagement which allows the bank to connect all people together in order to achieve success. The bank also believes in responsible corporate citizenship. The bank remains committed to using its resources to communities, deliver better products and services, protect the environment and improve the quality of life for its employees. The bank is also committed to providing good returns to its shareholders. Human resources is part of the core values that are important in Chase Bank. At the bank, human capital is nurtured and rewarded ([www.chasebank.co.ke](http://www.chasebank.co.ke)).

Chase bank is currently implementing a number of strategies that have resulted to the need for change management. For instance in line with the overall bank strategy of bringing banking services closer to customers, Chase Bank is increasing their presence within Nairobi, with Branches in SME dominated areas, Ngara and Donholm. Plans are also underway to increase the branch network to various locations within the country ([www.chasebank.co.ke](http://www.chasebank.co.ke)).

## **1.2 Research Problem**

Organizations operate in a turbulent business environment in which nothing is constant or predictable. It is imperative therefore for organizations develop strategies that will

position them to succeed regardless of the environmental changes. A critical success factor is how well a company manages its strategic change programmes to achieve its goals (Mugo, 2010).

Chase bank Limited is currently implementing a number of business strategies that need appropriate change management strategies. Studies conducted in change management confirm that there is a link between change management strategies and success in strategy implementation. Mwidadi (2010) investigated the strategic change management practices at the University of Nairobi. The findings confirm that top management share a clear vision. Xiongwei (2009) carried out a study to establish why change management strategies fail. Culture and leadership were found to be major causes.

Despite these studies, there are no studies that have attempted to establish the change management strategies in the Kenyan banking industry. This study therefore focused on the strategic change management strategies adopted by Chase Bank Limited and how they are able to overcome the challenges related to change management. The study sought answers to the following research questions: what change management strategies has Chase Bank adopted? What challenges does Chase Bank face in managing change?

### **1.3 Research Objectives**

The study was guided by the following two objectives:

- i. Establish the change management strategies that are adopted by Chase Bank Limited

- ii. Determine the challenges faced by Chase Bank Limited in managing change

## LITERATURE REVIEW

### 1.4 Value of Study

The findings of this study will contribute some knowledge in change management to the already existing body of knowledge. The findings will specifically be very significant in explaining the change management strategies that are used and the challenges that banks encounter in managing change. The findings will also be beneficial to other players in the banking industry since most commercial banks operate in almost similar business environment.

The findings will also assist policy makers at Chase Bank and the entire banking industry to gain more understanding on change management strategies. This will assist them to come up with appropriate change management strategies that can assist them to effectively manage change. It will also be a very important source of information for benchmarking purposes in order to adopt best practices in change management within the banking industry.

Change inevitable regardless of the type of organization or industry. Other organizations other than commercial banks may also benefit from the findings of this study since they will be able to learn more on various change management strategies. It will assist them to understand how to handle change management in their organizations.

## **CHAPTER TWO**

### **LITERATURE REVIEW**

#### **2.1 Introduction**

This chapter presents the literature reviewed on relevant studies that have been conducted on change management. The main areas that are discussed under this section include a detailed review on the concept of strategy, change management, the change management strategies and a summary of the literature review is also provided at the end of the chapter.

#### **2.2 Theoretical Foundations**

The need for change management and the models of change can be better explained using the Resource Dependency Theory (RDT). The RDT was first developed by Pfeffer and Salancik (1978). In their seminal paper on understanding the environment of an organization, they suggest that for one to be able to understand the behavior of an organization, there is need for a better understanding of the ecology or environment under which that organization operates. The theory recognizes the influence of external factors on organizational behavior and, although constrained by their context, managers can act to reduce environmental uncertainty and dependence. Central to these actions is the concept of power, which is the control over vital resources (Ulrich & Barney, 1984). Organizations attempt to reduce others' power over them, often attempting to increase their own power over others.

The theory suggests that organizations are not independent but rather dependent on what happens around them. They are constrained by a network of interdependencies with other

organizations. When coupled with uncertainty about what the actions will be of those with which the organizations are interdependent, it leads to a situation in which survival and continued success are uncertain. This uncertainty forces organization take actions to manage external interdependencies. Although such actions are inevitably never completely successful and produce new patterns of dependence and interdependence, the patterns of dependence produce inter-organizational as well as intra-organizational power, where such power has some effect on organizational behavior (Hillman, Withers and Collins, 2009).

The relevance of this theory to change management is that organizations operate within a very dynamic environment that frequently provides new challenges. For organizations to stop depending on the environment they must take some actions so that they can be able to manage the threats posed by the environment. These actions are therefore what can be referred to as change management. Change management therefore becomes very significant inn responding to environmental pressures.

### 2.3 Models of Change Management

Burtonshaw (2008) indicate that there are four main types of change options that may be available to organizations as illustrated in figure 2.1.

	Going for the “Quick Fix”	Transformation or Radical Change
	“Tinkering”	Incremental or Evolutionary Change

Source: Burtonshaw (2008)



Organizations can choose any of the four options of change depending on the magnitude of change required in the organization and the time that is available for implementing the desired change. Burtonshaw (2008) however cautions that organizations need to be careful since none of the four changes options is such an easy undertaking as may be suggested in the diagram below. He further notes that there are many change levels that organizations can undertake. Some of the change options may be hard to implement such as changing culture and behavior while others may be easy to change such as changing the structure roles and tasks of people in the organization.

Pooley (2004) asserts that organizations need to understand that for change management to succeed, four important factors must be taken into account. The various stakeholders need to feel the pressure for change and this can only come from top management commitment towards change. Having a clear shared vision is also very paramount since it enables the organization to bring everyone on board as far as change management is concerned. An organization contemplating change must also ensure that they have the required capacity in form of resources in order to manage the change effectively. Without adequate resources, the change is likely to stall. It is therefore important to have enough time and finances for change management. The last important factor in successful change management is embracing action. All the activities in implementing change must be carried out as stipulated in the work plan.

There are several models of organizational change. The first model of organizational change is the evolutionary model of organizational change. There are two dimensions of the evolutionary model of organizational change management. The social dimension and

the biological dimension. The model suggests that change is a slow stream of mutations that occur due to gradual changes in the environment. It also asserts that change is inevitable and that human beings do not play any significant role in the change process. For organizations to survive, they must take appropriate actions to remain relevant to the environment. This model indicates that an organization evolves and has systems that are interrelated. These systems are homeostatic in nature and are very significant in change management. The concept of homeostasis refers to the ability of the organization to regulate itself when faced with challenges. It therefore suggests that an organization can find its equilibrium even if it is destabilized by the environment (Wilkins, 1995).

Cameron (1991) indicates that the main activities of change management under evolutionary model include observation of the external environment; analysis of the systems within the organization as well as creating new structures and organization principles to assist in responding to environmental changes. These models contribute or play a significant role in change management within organizations.

Carnall (1995) also present another change management model which they call the scientific management model. The main assumptions under this model are that organizations are purposeful and adaptive. According to this model, change occurs because leaders, change agents and others see the need to initiate change in the organization. This model focuses on the origin of change as coming from within the organization and not outside the organization. According to the model, change is planned and implemented by those who feel that change is necessary.

Kotter (1995) provides an 8 step change management model that he considers fit for organizations. Kotter identified eight stages of change a company must successfully complete to achieve lasting sustainable change and business improvements, and eight reasons why transformation efforts fail. In addition to the eight stages necessary for obtaining and maintaining successful organizational change, Kotter also identifies corresponding possible pitfalls for each stage that can derail the change project all-together. He indicates that the first step should be establishing a Sense of Urgency; Forming a Powerful Guiding Coalition; Creating a Vision; Communicating the Vision; Empowering Others to Act on the Vision; Planning for and Creating Short-Term Wins; Consolidating Improvements and Producing Still More Change and lastly Institutionalizing New Approaches. He further argues that Leaders who successfully transform businesses do eight things right (and they do them in the right order).

#### **2.4 Change Management Strategies**

Burtonshaw and Salameh (2007a) assert that there are five main change management strategies organizations can adopt for successful change implementation and management. These strategies can be successful in any of the options of change that occurs in an organization. The first is using a directive strategy in implementing and managing the desired change within an organization. Using this strategy, the organization uses its authority through the management to push forward its change agenda. This form of strategy is very helpful in speed implementation of change but it is also likely to have negative outcomes such as increased resistance from various stakeholders of the organization. If not appropriately applied, this strategy is likely to undermine successful

implementation of change in the organization. Organizations can also apply expert strategy in change implementation and management. This form of strategy is relevant to managing change when the desired change is of technical nature thus requiring expertise to handle. Some projects such as Information technology change and culture change may require an organization to adopt such a strategy (Burtonshaw and Salameh, 2007a).

There are occasions when managing change that organizations may be required to adopt a negotiating strategy. This will involve consulting with all the affected stakeholders so that they may be able to understand the need and essence of the change to be implemented. However any negotiations made with the stakeholders does not deny the management of the organization the responsibility to give necessary direction on the desired change (Burtonshaw and Salameh, 2007a). Adopting negotiating strategy is very significant since it enables the organization to minimize the chances of resistance to change. If an organization intends to win the support of all stakeholders in change management, there is need to adopt an educative strategy. This involves communicating and training people on the change being implemented. It may take longer but it is likely to yield better results since stakeholders can easily own the change and give it maximum support. However the organization using this strategy should prepare to spend enormous resources. A participative strategy towards change management can also be used. It allows all the concerned parties to play some role thus learning from the experiences (Burtonshaw and Salameh, 2007a).

Kandt (2009) also argues that organizational change management practices can be categorized into four main categories. The first category includes change establishment

practices such as aligning the goals of the desired change with corporate strategy; ensuring that the top management of the organization fully supports the change; having in place a team that can be able to steer the change; conducting an evaluation of the willingness of the organization to change; ensuring that the change teams are committed and are instruments of change as well as planning for continuous improvement by using good performance measures. The second category of practices relate to execution strategies of change such as proper articulation of the need that compels an organization to change; identification and selection of the processes that need to be changed based on expected return and low risk; handling few changes at a time; creating a vision for each of the processes to be changed as well as having an understanding of the risks and developing contingency plans for mitigating the risks.

An organization that is managing change can also have in place monitoring strategies such as selection and adoption of appropriate performance measurement metrics to assist in measuring the gains and gaps and annual assessment of staff and change process (Kandt, 2009). He further notes that there are some general strategies that do not fall in any of the three categories above but are very essential in change management within organizations. These general strategies include proper communication of the change to stakeholders; involving customers in the change process; getting support from top executives of the organization and willingness to listen to the customer.

## **2.5 Challenges of Change Management**

Management of the enterprise needs to understand that the task of reducing employees' resistance is highly important, and that winning each individual over in favor of change is

a critical and highly sensitive stage in the whole process of managing change. Modern managers have to develop and teach employees to be open to change on all levels within the organization, as well as to accept the need for the transition from one state into the other. Changes which require the biggest change in people, especially older ones, bring about the strongest resistance (Wehrich and Koontz, 1998). For example, they can include downsizing or transfer to a new work place, transfer from a higher to a lower level in the hierarchy, demand for additional training, i.e. acquiring new knowledge and skills, or the most dramatic ones, such as a new owner of the enterprise, bankruptcy or merging of the enterprise into a new alliance. Resistance to change can be a source of functional conflict and often does not necessarily need to become obvious in a usual way, because the manifestation of resistance can be open or implicit, immediate or deferred. Organization's management will be able to deal with resistance more easily and more efficiently if resistance is manifested openly and immediately (Wehrich and Koontz, 1998).

By nature, enterprises are conservative and actively resist change with all their might. Resistance to change in all structures and doubts about the success of innovations are usually intensified by the lack of success and the way of implementing all previous changes, as well as the fear of another failure and the unnecessary waste of energy. Resistance to change often results from personal insecurity, fear of losing status, influence or economic position. Threat to established professionalism is also connected to the resistance of employees with specialized knowledge and skills (Perkov et al, 2008). Threat to established power, i.e. the power to make decisions on any level of decision making, undoubtedly creates resistance to changes which could possibly minimize or take

away that power. Threat to established allocation of resources also causes individuals or groups to feel that, due to changes, they will lose control over established resources. There are many ways to reduce resistance. Including the members of the organization in the process of planning changes can reduce their insecurity. Communication on suggested changes can also assist to explain the purpose of change (Perkov et al, 2008).

Ferabee (2008) indicates leadership is one of the most significant challenges of change management. In the context of the new economy, senior managers are still responsible for protecting, growing and ultimately leveraging the assets of the firm. However, the critical corporate assets are now the minds of the people who work in the firm. New tactics for success are required. Rather than controlling the activity of the enterprise, managers have, as their prime responsibility, to create and nurture an environment that leverages the talent of its people by engaging them in the innovative and creative pursuit of clear and common goals. The world is full of ideas, where the employee, asked to participate in a monotonous routine, will contribute little, while the same employee engaged in creating the future will produce well beyond the expectations of management and significantly contribute to the creation of wealth.

Lack of focus is also one of the challenges of change management. The economic environment is one of constant and accelerating change. At the very heart of this new reality are rapid and ongoing changes in customer needs, which, although difficult to anticipate, generate new and exciting opportunities. The question is no longer where to find opportunities, but rather how to select from among them. Today's leaders must rely less on their ability to identify new opportunities and more on developing the discipline

to focus on the right opportunities. Senior people form and hold many strong opinions based on their own understanding of the business, the environment, their beliefs and expectations. All of these ideas are expressed through people's actions. For example, two managers working in the same organization may interpret a business trend towards a new technology very differently (Perkov et al, 2008).

The other challenge of change management is lack of commitment. Looking honestly and critically at the business and making choices about the direction to take is difficult. However, this pales in comparison to the challenge of creating a genuine commitment across the knowledge workforce to actively pursue the future in a meaningful and ambitious way. The challenge of building organizational commitment to change is the third challenge faced by today's leaders. The traditional command structure saw the organization as a mechanism that was responsive to instruction and seldom questioned the prerogative and wisdom of the senior manager. Today, leaders must entice the members of their organizations through healthy debate to participate in creating their joint future. Merely putting a kinder, gentler facade on order-giving will result in disengagement and low productivity, if not the departure of key performers. As leaders build understanding and generate commitment, the intense resistance to change, born out of fear of the unknown, is abandoned (Frabee, 2008).

## CHAPTER THREE

### RESEARCH METHODOLOGY

#### 3.1 Introduction

This chapter discusses the methodology that the researcher employed in the study. The methodology included the research design, data collection methods and data analysis techniques.

#### 3.2 Research Design

The study adopted a case study design in establishing the change management strategies adopted by Chase Bank Limited. According to Kothari (2004) a case study is a form of qualitative analysis that involves a careful and complete observation of a social unit. He further describes a social unit as a person, family or institution. The case study design was appropriate since the study singles out one bank (Chase Bank) and because there is need to conduct an in-depth investigation on the subject.

#### 3.3 Data Collection

Primary data was collected for the purpose of this study. Primary data is information gathered directly from the respondents (Kothari, 2004). The data was collected by use of an interview guide. The researcher personally conducted the data collection exercise through face to face interviews with the respondents. The respondents were 5 managers drawn from five main departments in the bank, that is: Human Resource; Strategic Planning; Credit; Finance and Information Technology. Managers in charge of these departments were interviewed because they are actively involved in change management.

### 3.4 Data Analysis

The researcher collected qualitative data. Content analysis was used to analyze the data. Nachmias and Nachmias (1996) define content analysis as any technique used to make inferences through systematic and objective identification of specified characteristics of messages. Kothari (2004) also explains content analysis as the analysis of the contents of documentary and verbal material and describes it as a qualitative analysis concerning the general import of message of the existing documents and measure pervasiveness. Before embarking on content analysis, the researcher assessed the written material's quality to ensure that the available material accurately represented what was written or said. The researcher then listed and summarized the major issues contained in the interview guide responses. This enabled her to structure the data in a way that can make it possible to analyze and interpret it.

#### 4.2 Organizational Profile

The history of *Equity Bank* dates back to the year 1993 when some group of Kenyan investors made a decision to buy out a bank that was then under Central Bank of Kenya statutory management. The bank effectively began operations in January 1996 in the historic town of Kisumu in Western Kenya. In 1997, the bank moved its headquarters to the capital city of Nairobi. The Kisumu branch was closed in 2000 as part of rationalization measures. Today the bank has branches in strategic locations in the City Centre, at the Village Market, Hurlingham, Parklands, Parklands, Parklands and Mombasa. To illustrate our journey, below are a few highlights of our success over the years. The study reveals that the investors saw an opportunity amidst the risk and acquired *Equity Bank*. These investors putted in Kenya Shillings 100m for 100% share in a bank, established in

## CHAPTER FOUR

### DATA ANALYSIS, INTERPRETATION AND DISCUSSIONS

#### 4.1 Introduction

The purpose of this study was to establish the change management strategies adopted by Chase bank limited, Kenya. The data used for this study was purely qualitative and it was collected from 5 managers drawn from five main departments in the bank, that is: Human Resource; Strategic Planning; Credit; Finance and Information Technology. The researcher managed to interview all the five managers thus achieving a response rate of 100% in this study. This implies that the findings of the study can be used to generalize on the change management strategies that are adopted by Chase bank limited. The findings from the study are presented and discussed in the following sections of this report.

#### 4.2 Organizational Profile

The history of Chase bank dates back to the year 1995 when some group of Kenyan investors made a decision to buy out a bank that was then under Central Bank of Kenya statutory management. The bank effectively began operations in January 1996 in the lakeside town of Kisumu, in Western Kenya. In 1997, the bank moved its headquarters to the capital city of Nairobi. The Kisumu branch was closed in 2000 as part of rationalization measures. Today the bank has branches in strategic locations in the City Centre, at the Village Market, Hurlingham, Parklands, Eastleigh and Mombasa. To illustrate our journey, below are a few highlights of our success over the years. The study reveals that the investors saw an opportunity amidst the risk and acquired United Bank. These investors pumped in Kenya Shillings 95m for 60% share in a bank capitalized at

Kenya Shillings 75m, total assets of Kenya Shillings 146m. Since then, the bank has turned around and has been recording profitability over the years beginning the year 1997.

The findings reveal that the vision of Chase bank limited is to become the Premier Pan African Relationship Bank offering one stop financial solutions. In order for the bank to achieve this vision they have a strategy of focusing on exceptional customer service and building strong relationships. This strategy permeates all sectors of the bank's business from the vision to how the bank treats its customers and staff. The respondents also indicated that the mission of the bank is to relentlessly redefine customer value by enhancing quality financial solutions delivery and stakeholder confidence for the people and businesses in the communities served. It was further established that for the bank to achieve its mission, there are a number of core values that guide the entire Chase bank team. One of these core values is passion which is manifested itself in everything done by the bank and how the bank treats everyone with whom it gets into contact. The passion of the bank drives it to give its best to customers, shareholders, partners, communities and staff. The study findings also indicate that the bank also believes in innovation, social responsibility, customer and shareholder support as well as proper human resource management.

The respondents indicated that Chase bank is rated among the fastest growing commercial banks in the country and offers a variety of services and products to its customers. Some of the products include an Islamic banking window that provides an opportunity to Muslim faithful to access financial services from the bank. The bank also operates

different types of accounts that are tailored towards the needs of different people. For instance the findings reveal that the bank has accounts meant for small and medium enterprises; accounts meant for foreign currency transactions; there are accounts meant for children; there are accounts meant for Diaspora banking; there are business investment accounts as well as accounts for corporate organizations that need large transactions in terms of volume and currency.

### **4.3 Change Management Strategies Adopted By Chase Bank Limited**

It was evident from the findings in this study that Chase Bank Limited is currently undertaking a variety of activities that are transforming the bank in very many aspects. For instance the study reveals that the bank has a strategy of focusing on exceptional customer service and building strong relationships. In order to achieve this strategy, the bank has an ambitious plan of expansion so that they can make their services available to the customers. The study revealed that the bank has plans to open up branches in other towns within the country in order to increase the number of outlets where customers can access their services. The respondents also indicated that the bank may also consider other available options such as agent banking in the future in order to make their services get closer to customers who have no proximity to conventional banking services that can only be obtained from the branches.

The findings also confirm that the bank has also opened up a wholly owned subsidiary in the name of Rafiki Microfinance. The main aim of opening this subsidiary according to the findings is to establish a separate arm of the bank that can be used to specifically serve the low income section of the unbanked population. This will enable the bank to

enhance financial inclusion which has been a global concern in many countries. The findings reveal that the bank has since realized that the poor who have largely been neglected for a long time by most banking institutions have the potential of engaging in entrepreneurial activities that can easily improve their incomes and standard of living. The respondents confirmed that this awakening is what facilitated the opening of the subsidiary in order to focus on the needs of the low income category in the community.

It also evident from the study findings that because of the expansion plans and opening of a new subsidiary, the bank is implementing a new information system that will have the capacity of handling information for the expected increase in number of customers both for the mainstream bank and its subsidiary. The information system will also enable the bank to process its transactions faster and in real time thus providing customers the opportunity to enjoy exceptional services. The study also revealed that the bank is also in the process of initiating a number of projects that are aimed at ensuring that it remains competitive even as competition in the banking industry intensifies in the country.

The results from the study confirm that the change currently taking place at Chase bank limited came as a result of the changes in the environment. The respondents agreed that most of the new activities have been established from an environmental analysis that was done in order to take advantage of the existing opportunities offered by the environment; address the threats and alleviate the weaknesses that are evident and build on the strengths of the bank. The findings further confirm that the change that is currently taking place was initiated by the top management of the organization. The respondents confirmed that the top management of the bank has transformative leadership that is

interested in changing the status quo and ensuring that the bank changes according to the dynamism that exists both in the internal and external business environment. However the study finds out that all the employees of the bank as well as stakeholders also provide views on the change they expect in the bank and this becomes the basis for initiating any desired change.

The study confirmed that there are a number of change management strategies that are used by the bank in order to ensure success of the change initiatives that are made by the bank. The respondents indicated that involvement of all stakeholders is very important when initiating new ideas into the bank. The respondents further confirmed that the bank ensures that all the stakeholders such as shareholders and employees are included in the process of initiating any desired change within the bank. The respondents indicate that the main reason why stakeholders need to be included is because it helps the bank to reduce any incidents of resistance from the stakeholders since they already own the initiative.

The other important change management strategy established from the study is communication. The study reveals that the bank usually communicates all aspects of change to all the parties concerned. The respondents confirmed that the communication commences as early as the time when change is just an idea. This is communicated to all the parties concerned to make them aware of the idea. It was revealed that further communication through emails and official bank circulars is necessary in order to enlighten the employees and other stakeholders on the developments that are taking place as far as a change initiative is concerned. It was further revealed that communication may

as well take the form of meetings or other discussion forums where the necessary information is passed on to the concerned parties and any concerns are raised and addressed. The study established that with proper communication the bank is able to manage its change initiatives with minimal challenges. The respondents also indicated that in case of very sensitive issues, employees are encouraged to give anonymous feedback especially if they fear that they may be victimized if they speak openly. This enables the bank to initiate and manage communication throughout the change process.

The study reveals that the first and most significant strategy to adopt in change management is to create a sense of urgency in the organization. This is done by informing all the stakeholders of the need to discard some old ways and adopt new ways that are more relevant and commensurate with the changes in the business environment. It was evident from the study that creating a sense of urgency enables the stakeholders to understand the need for urgent improvements in the way things are done within the bank. It also brings into limelight the desired change the organization seeks to implement. It was revealed that once the bank has managed to create a sense of urgency then the bank creates a steering committee whose responsibility is to guide the entire change process.

Development of a compelling vision and strategy for the desired change is very important in the change management process. The study revealed that the steering committee is charged with the responsibility of coming up with a clear vision for the desired change as well as a strategy that will be used to attain the desired change. The study established that the vision must be communicated widely to all the stakeholders in the bank for it to gain support. This strategy will not be successful if the bank can not empower the stakeholders

so that they can embark on a broad based action on the vision. It was revealed that action usually takes the form of appropriate training of the stakeholders as well as provision of the necessary resources to enable them to embark on the broad based action on the vision.

The other change management strategy that was evident from the study is generation of short term wins on the change being implemented. The bank usually focuses on those activities that can successfully take or accomplished within a short period and then capitalizes on them. It was revealed that the main reason why short term gains are important is to create confidence among the stakeholders that the desired change being implemented is possible. Short term wings also provide direction and credibility on the entire change process among all the stakeholders of the bank. The respondents further indicated that the bank further employees another strategy of consolidating the gains made with an intention of producing more gains as far as the desired change is concerned.

#### **4.4 Change management challenges**

It was established that there are a number of challenges the bank faces during the strategic change management process. One of these challenges is the perception of the various stakeholders. The respondents indicated that perceptual problems most often occur during internal analysis, identification of internal weaknesses, and during evaluation of options. This may lead to a sub-optimal solution that does not really tackle the causes of the problem. The result is a waste of resources in terms of financial resources, time and commitment. It is understood that various stakeholders may form stereotypes of have a narrow scope of the change management process. This perception may sometimes lead to resistance towards the desired change. The study revealed that in

order to avoid such cases, all the information required is availed to the stakeholders to assist them in understanding the entire change process.

The other challenge established from the study is the cultural barriers to strategic change management. The respondents indicated that particular issues may have the character of a taboo in an organization. Hence, they are extremely difficult to analyze and to change. It is also a challenging task to overcome traditions. This is especially true when employees do not see the relation between their traditions and an existing problem. On the other hand, traditions can be the basis for personal commitment in change processes. The study established that cultural barriers hinder the development and evaluation of solutions for problems in the organization. Moreover, they limit options for new approaches in change processes.

The findings also confirm that there are some environmental barriers to change management. For instance many people perceive changes as a threat for their personal status. Changes move the whole organization as well as every single employee out of their comfort zone. Therefore, there will always be some people who try to stop or ignore the process. Another environmental barrier involves those who create new ideas and as well as new barriers when they ignore justifiable criticism. The ability to accept criticism is a major precondition for establishing trust and for gaining support. The respondents also indicated that there are cases when some individuals within the organization may claim to know everything hence do not give others the opportunity to participate in the change process. This finally leads to a skewed process that does not take into account the views and ideas of other participants or stakeholders.



The study also confirms that there are cases when there is incomplete information from the people concerned on the change process. Incomplete information has the potential of leading to stereotypes and possible resistance from some stakeholders. It was also clear from the study that there are many strategies of change management and that at times some of these strategies are applied in a wrong manner. This normally causes a mix up in the change management process and may end up reducing the confidence the stakeholders have in the change process. Use of inappropriate language and terminology during the change process may also de-motivate the participants in a change process. It was also clear that if the change process can not be supported by the top management of the bank then it will not be successful. The findings also confirmed that inadequacy of resources is a major challenge in change management.

#### **4.5 Discussion of Findings**

The study established that one of the most prominent change strategies that are adopted by Chase bank limited in managing change is creating a sense of urgency among all the stakeholders. This sense of urgency makes the stakeholders to understand the reason why change is inevitable. This finding confirms the position held by Burtonshaw and Salameh (2007a) who assert that the management of an organization has the authority to bring to the attention of all stakeholders the desired change in the organization at the opportune time. The study also confirmed that communication of the desired change and any other developments in the change process is very significant in managing change at Chase Bank Limited. The bank takes upon itself the responsibility of ensuring that all the stakeholders are made aware of all the activities that take place within the organization as far as change is concerned. Kandt (2009) had earlier mentioned that communication is

very important in change management since it provides the necessary information including that related to measurement metrics of change.

The study also revealed that negotiation with the involved stakeholders is very significant in averting any resistance that may come up from implementing some change initiatives. Chase Bank Limited negotiates with all the stakeholders in order to ensure that there is an amicable agreement as far as implementation of change is concerned. Negotiation as a change management strategy has also been supported by Burtonshaw and Salameh (2007a) who argue that there are occasions when managing change that organizations may be required to adopt a negotiating strategy. This will involve consulting with all the affected stakeholders so that they may be able to understand the need and essence of the change to be implemented. They further indicate that any negotiations made with the stakeholders do not deny the management of the organization the responsibility to give necessary direction on the desired change.

It was also clear that drumming for the top management support for any change initiative is very important in ensuring that the activities involved are successful. Chase Bank Limited always ensures that the top management of the bank is at the centre of any change initiative in order for the same to succeed. Kandt (2009) has also supported the idea of ensuring that the top management in an organization is involved and is supportive of the desired change initiative.

It was evident from the findings that resistance to change is one of the challenges to change management at Chase Bank Limited. The bank may at times face resistance to change more especially from old stakeholders who prefer the status quo. Getting people

to change their positions from resistance to supporting the change initiative is not an easy task. Weirich and Koontz (1998) also established that resistance is a major challenge in change management. They further indicate that Resistance to change can be a source of functional conflict and often does not necessarily need to become obvious in a usual way, because the manifestation of resistance can be open or implicit, immediate or deferred. Organization's management will be able to deal with resistance more easily and more efficiently if resistance is manifested openly and immediately. The other challenge to change management is inadequacy of resources that are required in effecting the change. In some cases, the desired change may require the use of enormous economic resources that are not available. This position is also held by Perkov et al (2008).

## CHAPTER FIVE

### SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

#### 5.1 Introduction

This chapter presents the summary of findings on the change management strategies adopted by Chase bank limited, Kenya. The chapter also contains the conclusions that the researcher was able to make from the findings, the recommendations that were made based on the findings of the study as well as possible areas where further research may be necessary.

#### 5.2 Summary of Findings

The study findings reveal that Chase bank limited is a local bank whose history date back to 1995 when a group of local investors bought a bank that was under statutory management. Since then, the bank has turned around its performance and has managed to record profitability since the year 1997. The bank has a vision of becoming the premier Panafrican banking institution. According to study findings, the bank offers a number of products that are tailored to meeting specific customer needs. The bank has a number of change initiatives currently such as establishment of a new subsidiary that will target provision of microfinance services to the low income section of the society. The study also established that the bank is also involved in putting in place a more advanced information system that has the capacity to serve its growing number of customers and also do faster processing of transactions.

It was evident from the study that change at chase bank emanates from the environmental changes that takes place within the business environment. The bank therefore initiates

change as one of the ways of reacting to the changes that exist in the environment. It is also clear that the top leadership of the bank is made of transformational leaders who do not believe in maintaining the status quo but rather in embracing change that can assist the bank to succeed. According to the findings, most of the change ideas come from all the stakeholders since each stakeholder is given a chance to participate in the change process.

The study reveals that the bank uses a number of strategies in its change management process. The first among these strategies is to create a sense of urgency among its stakeholders to show them the need for urgent change within the bank. It was also revealed that the bank constitutes a steering committee whose aim is to guide the entire change process. Creating a concrete vision and strategy for the desired change is one of the strategies that are used by the bank in guiding the entire change process. It was further revealed that vision and strategy are then communicated appropriately to all the stakeholders. Communication was found to be very significant in change management since it enables the bank to create awareness among the stakeholders thus avoiding any cases of resistance from the stakeholders involved. The bank also adopts the quick wins strategy by consolidating the quick wins in order to enhance more achievements and success in change management.

The study indicated that there are a number of challenges that Chase bank limited faces during its change management process. These challenges include resistance from some individuals who are not willing to change; lack of support from top management; lack of

enough resources both financial and human resources that may be required for specific change initiatives.

### **5.3 Conclusions of the Study**

The drivers of change in Chase bank limited are the environmental changes that occur in the business environment. The environment presents opportunities that the bank may want to exploit hence the need to change. The bank may also adopt change as one way of addressing some of the threats that exist in the environment. The bank utilizes strategies such as communication, creating urgency for change, constituting a steering committee, developing a vision and strategy for the desired change, educating stakeholders on how to act on the strategy and consolidation of short term wins. The main challenges include resistance from some individuals who are not willing to change; lack of support from top management; lack of enough resources both financial and human resources that may be required for specific change initiatives in the bank.

### **5.4 Recommendations of the Study**

The study revealed that there are occasions when top management may not support a change initiative and this becomes a challenge in obtaining success. It will be important for the bank to ensure that all change initiatives involve the top management in order to achieve success.

The study also established that some employees resist change for the sake of it. It will be important for the bank to explore other strategies of change management such as implicit and explicit coercion on those who completely resist or derail the change process.

Negotiations with stakeholders may also be utilized as a possible change management strategy.

### **5.5 Limitations of the Study**

This study was a case study of Chase Bank Limited aimed at establishing its change management strategies and challenges. The findings are therefore limited to this scope and may not be directly applicable to any other organization.

Time was of essence in the study hence the reason why the study looked at overall change management strategies at Chase Bank Limited. If it were possible in terms of resources, the study would analyze the strategies that have been adopted in specific change initiatives as well as the challenges the bank faced in each one of them.

### **5.6 Suggestions for Further Research**

The findings of this study may be compared to another study in a comparative study in order to establish any similarities and differences on change management strategies adopted by other organizations.

This study can also be replicated to include the entire banking industry. This will also serve as a benchmark to Chase bank limited for best practices on change management in the banking industry in Kenya.

## REFERENCES

- Burtonshaw - Gunn and M.G. Salameh,(2007a) *Change Management and Organizational Performance* . ICAFI University Press S.A.
- Cameron, K. S. (1991). Organizational adaptation and higher education. In M. W. Peterson, E. E. Chaffee, and T. H. White (Eds.), *ASHE Reader on Organization and Governance in Higher Education* (4th ed.). Needham Heights, MA: Ginn Press.
- Chandler, A. D. (1962) *Strategy and Structure*, Mass, MIT Press.
- Clayton, M. and Tara, D. (2012) *The Process of Strategy Development and Implementation*. INNOSIGHT Publication.
- Colin Carnall, A. , 1995 *Managing change, creating effectiveness; Management structures*. Prentice Hall.
- Daly, F. Teague, P and Kitchen, P. (2003) Exploring the role of internal communication during organizational change. *Corporate Communications: An International Journal*, Vol. 8 No 3, pp. 153-162.
- East, N. (2011) *Implementing an Effective Change Management Strategy*. Ark Group Incorporation.
- Ferabbe, J. (2008) *he Challenges of Change*. Totem Hill White Papers,
- Hiatt, J. and Creasey, T., (2002) 'The Definition and History of Change Management. Available at : [www.change-management.com/tutorial-definition-history.htm](http://www.change-management.com/tutorial-definition-history.htm). Retrieved on 25/5/2013.
- Hillman, A. J., Withers, M. C. and B. J. Collins (2009). "Resource dependence theory: A review." *Journal of Management* 35: 1404-1427.
- Hitachi Consulting (2001) *Successful Strategy Development and Implementation*. Available at [www.hitachiconsulting.com/.../SO\\_FinancialServices\\_StrategySolutions](http://www.hitachiconsulting.com/.../SO_FinancialServices_StrategySolutions). Accessed on 10/7/2013.
- HR Magazine (2007) *Change management: the HR strategic Imperative as a business partner*'. Human Resource Magazine, December 2007.
- <http://www.chasebank.co.ke/about/expansion>.

- Kandt, R. (2009) *Organizational Change Management Principles and Practices*. Jet Propulsion Laboratory, USA.
- Kothari, C. (2004) "Research Methodology Methods & Techniques", Edition Illustrated,. New Delhi: New Age International.
- Kotter, J. (1995) *Leading Change: Why Transformation Efforts Fail*. Havard Business Review
- MacCathy & EastMan (2010) *Change Management Strategies for an Effective EMR Implementation*. Healthcare Information and Management Systems Society.
- Mugo, C. (2010) *The Effect of Change Management in an Organization: A. Case Study of National Oil*. An MBA project submitted to the University of Nairobi.
- Mwidadi, F. (2010) *Strategic change management practices at the University of Washington/University of Nairobi collaborative Mombasa research site*. An MBA proposal submitted to the University of Nairobi.
- Nachmias CF, Nachmias D (1996) *Research Methods in the Social Sciences* (5th ed).London, Arnold.
- Ndung'u, J. (2013) *The importance of the banking sector in the Kenyan economy*. Remarks by Prof Njuguna Ndung'u, Governor of the Central Bank of Kenya, at the Bank of India, Kenya Branch, Diamond Jubilee Celebrations, Nairobi, 12 April 2013.
- Nickols, F. (2011) *Strategy, Strategic Management, Strategic Planning and strategic Thinking*. Fred Nickols Publications.
- Perkov et al, (2008) *Challenges of Change Management in Croatian Enterprises*. ICES International conference Sarajevo.
- Pfeffer, J., & Salancik, G. R. 1978. *The external control of organizations: A resource dependence perspective*. New York: Harper & Row.
- Pooley, J. (2004) *Managing Change: How to manage Change in an Organization*. Envirowise & Government Office for the South West.
- PWC (2012) *Key issues facing the banking industry in Kenya*. Available at: <http://www.pwc.com/ke/en/industries/banking-issues.jhtml>. Accessed on 2/06/2013.

- Quinn, J. B. (1980). *Strategies for Change: Logical Instrumentalism*, Homewood, Richard D. Unwin.
- S.A. Burtonshaw - Gunn, (2008) *The Essential Management Toolbox: Tools, Models and Notes for Managers and Consultants*.
- Scott Barrett, S. (2002) *Environment and Statecraft: The Strategy of Environmental Treaty-Making*. Oxford: Oxford University Press.
- Senge, P. (1990). *The Fifth Discipline: The Art and Practice of the Learning Organization*. New York.
- Sterling, J. (2002) *Translating strategy into effective implementation: dispelling the myths and highlighting what works*. Smock Sterling Strategic Management Consultants.
- Ulrich, D., & Barney, J. B. 1984. Perspectives in organizations: Resource dependence, efficiency, and population. *Academy of Management Review*, 9: 471-481.
- Victor, P and Antony, F. (2002) The five dimensions of change: an integrated approach to strategic organizational change management. *Journal of Strategic Change*, Vol. p35-42.
- Wehrich, H. and Koontz, H. (1998): *Management*. Mate, Zagreb.
- Wilkins, w. (1995) *Motor Control: Theory and Practical Applications*. Baltimore, MD
- Xiongwei, S. (2009) Why Do Change Management Strategies Fail? Illustrations with case studies. *Journal of Cambridge Studies*, 4 (1).

## APPENDICES

### Appendix I: Interview Guide

1. When did Chase bank first begin its operations and how did it start?
2. What are the vision, mission and strategy of the bank?
3. What products does the bank offer to its customers?
4. What type of change is currently taking place in the bank?
5. What were the main drivers of the change that is currently taking place?
6. Who were the initiators of that change?
7. What strategies is the bank using to manage the change?
8. How effective are the strategies currently being used in change management?
9. What has been the reaction of the employees towards change management in the bank?
10. How does lack of commitment affect change management in the bank?
11. Are there occasions when you lose focus in the change management process?
12. What organizational obstacles affect change management in the bank?
13. What other challenges to change managements have you witnessed?
14. How does top management affect change management in the organization?