STRATEGIC CHANGE IMPLEMENTATION AND ITS CHALLENGES AT CFC STANBIC BANK, KENYA

BY

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

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DEDICATION

This work is dedicated to my wife, Lillian Menjo and daughter Daphne Chemutai, without whose caring and support it would not have been possible and my parents, who taught me that even the largest task can be accomplished if it is done one step at a time.

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ABSTRACT

The objectives of this study were to determine how strategic change was implemented at CfC Stanbic Bank and the challenges encountered. The researcher used both primary and secondary data. An interview guide was used to collect data from five respondents. Content analysis was then used to analyze the qualitative primary data which had been collected by conducting interviews and secondary information from the organization.

The study reveals that the head of departments are fully involved as well as all employees in strategic change implementation for the organization and underlines the importance preparations and planning before strategic change is implemented. The researcher found that Prosci's 3-phase process of organizational change management was employed and involves preparing for change, managing change and reinforcing change. The ADKAR (Awareness, Desire, Knowledge, Ability and Reinforcement) model for managing individual change was also used as a foundational tool for understanding how, why and when to use different change management tools and procedures.

The study found out that the main challenges in the process of strategic change . implementation included resistance to change, different cultures, different systems, uncertainty of the future, Frauds, lack of proper processes, poor communication, slow pace, handling customer complains, staff turnover, legal issues, infrastructure challenges, tight timelines and limited resources. The management was committed to the strategic change and their reactions to strategic change challenges included; frequent communication to all stakeholders, issuing public notices through media to update customers, sending personal letters, face to face meetings, engaging all staff, holding training and open forums, road shows, team building, use of change champions and addressing staff concerns.

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CHAPTER ONE: INTRODUCTION

1.1 Background of the Study

There has been an acceleration of the magnitude and pace of change across the globe in the last decade. Burnes (2004) defines change as simply a transition from one state to another with focus on being different. Change is the only constant in today's life for individuals and organizations. The dynamism in business environment makes it imperative for organizations to adopt an anticipating stance towards changes. Organizations have to change to align themselves to changes in their environments. Environmental changes shape opportunities and challenges facing organizations and there is need to adjust to these changes to remain successful in future.

Johnsons and Scholes (1999) explain that Strategy is the link between an organization and its environment and explains the need for all organisations, be they private or public to develop and manage strategy in order to fit in the changing environment. Owing to the difficulties experienced in implementation of strategic change management, various scholars have studied change management.

1.1.1 The Concept of Strategy

Strategy is about achieving competitive advantage through being different delivering a .unique value added to the customer, having a clear view of how to position yourself uniquely in your industry and differentiate yourself from other players in the industry (Porter, 1996). Thompson and Strickland (2007) observe that strategies are at ends and these ends concern the purpose and objective of the organization. Strategy is the direction and scope of an organization over the long term, which achieves advantage in a changing environment through its configuration of resources and competences with the aim of fulfilling stakeholder expectation (Johnson, 1999).

Mintzberg (1994) portrays strategy as a plan, a direction, a guide or a course of action into the future and as a pattern, that is, consistency in behaviour overtime. Most organisations begin their strategic planning cycle by updating and revising their business objectives in relation to performance reviews in key areas, achieved results and development priorities.

It is crucial at this stage to demystify the concept of strategic management which plays a major role in this study. Pearson and Robinson (2007) define strategic management as the set of decisions and actions that result in the formulation and implementation of plans designed to achieve a company's objective. Professor Aosa in his class notes on strategic management seminar (5^{th} October 2009) described strategic management as a concept about winning, it is a unifying theme that gives coherence and direction to the actions and decisions of an individual or organisation.

Strategy management involves three core areas: strategy analysis, strategy development and strategy implementation. Strategy analysis deals with examining the environment within which the organization operates. Strategy formulation is concerned with determining where the organization is, where it wants to go and how to get there. It involves carrying out situation analysis that leads to setting of objectives. Vision and mission statements are crafted and overall corporate objectives, strategic business unit objectives and tactical objectives are also developed. Strategy implementation is the process of allocating resources to support an organization's chosen strategies, (Pearson and Robinson, 2007).

1.1.2 Strategic Change

According to Kotter (1996), change in organizations can be either strategic or operational. Strategic change is one that involves fundamental changes in the business of the organization and its future direction. Operational Change is the type of change aimed at ensuring that the organizational activities are being performed in the best way possible.

Successful strategic change is built on an overall strategic management system of the organization. The goal of strategic management is to build and maintain sustainable competitive advantage and to maximize shareholder value. Operational change is the type of change aimed at ensuring that the organizational activities are being performed in the best way possible. The focus of operational change is on excellence in whatever the organization does and to ensure the organization is efficient (Kotter, 1996)

1.1.3 Challenges of Strategic Change Implementation

Strategic change implementation embraces all those actions that are necessary to put strategy into practice. It involves identifying the key tasks to be performed, allocation of these tasks to individuals, providing for coordination of separated tasks, the design and installation of appropriate management system, the drawing up of a specific program of action including a time schedule down to the level of operating budgets or standards, setting up of systems for comparing actual performance with the standards and the design of a system of incentives, controls and penalties appropriate to the individuals concerned and the tasks to be performed (Howe, 1986).

The successful implementation of strategic change takes more time than its formulation. This can challenge manager's attention to execution details. The longer time frame can also detract from manager's attention to strategic goals. Controls must be set to provide feedback and keep management abreast of external shocks and changes. The process of execution must be dynamic and adaptive, responding to inanticipated events (Malburg, 2000).

Crafting and formulating a strategy represents just but the easy part, implementing it does pose tremendous challenges. Implementation of strategies ultimately translates to changing the way things are done and may evoke sensitivities as any change in an organization disrupts the status quo, (Mathuiya, 2005). He argues that, it is always more difficult to do something (implement) than to say you will do something (formulate), as much more effort, resources and commitment are required at the implementation stage.

Strategic change implementation therefore is about leveraging vision to get at fundamental aspects of the organization, including the organization's direction and its culture. Its implementation is about forging organizational robustness in the face of environmental pressure; hence an accurate and rightful view of the current reality is as important as a clear vision (Burnes, 2004)

1.1.4 The Banking Industry in Kenya

The companies Act, the Banking Act, the Central Bank of Kenya Act and the various prudential guidelines issued by the central bank of Kenya, governs the banking industry in Kenya. The banking sector was liberalized in 1995 and exchange controls lifted. The central bank of Kenya is responsible for formulating and implementing monetary policy and fostering the liquidity, solvency and proper functioning of the financial system. The banks have come together under the Kenya Bankers Association, which serves as a lobby for the banks' interests and addresses issues affecting its members.

Kenya's commercial banking landscape is heavily tilted in favour of the big players with the top 13 accounting for 80 per cent of the sector's total assets, deposits and net advances. The market leaders also account for 77 per cent of capital reserves and 86 per cent of the industry's pre-tax profits. Larger players have in the past five years battled over banking of the unbanked, modified and enlarged their product range and cast out their nets to fish in the niche banks market held by small players. As size and scale begin to matter, smaller banks have found themselves in a hostile business environment that is now beginning to nudge the players into action. Rising pressure for higher capitalization, and investment in technology have turned small banks into prime targets for acquisition by bigger local and foreign players seeking to grow market share (Central Bank of Kenya Annual report, 2010). Nine of the major banks are listed at the Nairobi Stock Exchange.

Banks represent a significant and influential sector of business worldwide that plays a crucial role in the global economy. Commercial banks are financial intermediaries that serve as financial resource mobilization points in the global economy. They channel funds needed by business and household sectors from surplus spending to deficit spending units in the economy. A well developed efficient banking industry is an important prerequisite for saving and investment decisions needed for rapid economic growth.

Recent developments in the small banks segment of the market are therefore being seen as being driven by a determination by the players to use innovation and smart solutions to remain relevant in the market. The cost of implementing new information technology systems remains inhibitive for smaller players. Market Intelligence's banking survey(2006) concluded that at least 30 Kenyan banks needed to be merged or acquired going by the pressures that r

were expected to come from regulatory changes introduced in the previous year and competitive pressure in the market place.

1.1.5 CfC Stanbic Bank

CfC Stanbic Bank Kenya was formed in 2008 out of a deal that brought together CfC Bank Limited and Stanbic Bank Kenya Limited a subsidiary of the South African based, Standard Bank Group to form CfC Stanbic Bank, the fourth largest bank in Kenya measured by total assets. Under the new structure, Standard Bank holds a majority 60 per cent shareholding, while CfC Holdings owns the remaining 40 per cent. The operations and products of the merged banks were pulled together.

Stanbic Bank Kenya was part of one of Africa's leading banking and financial services group, Standard Bank. Standard Bank, based in Johannesburg, South Africa, has network that spans 17 sub-Saharan countries (including South Africa) and extends to 21 countries on other continents, including the key financial centres of Europe, the United States and Asia.

CFC bank was incorporated in February 1955 as Credit Finance Corporation Limited, which became a public company in 1958 and was listed on the Nairobi Stock exchange in 1970. In 1972, CFC opened its first branch in Mombasa. In 1992, it embarked on a diversification programme acquiring substantial interest in the Heritage Insurance Company limited. In 1995, on the 40th anniversary of its incorporation, CFC converted to a commercial bank under the name CFC bank Limited. In the same year CFC Bank acquired a controlling interest in African International Insurances Limited. In 2002, the Capital Markets Authority in addition to becoming the first licensed dealer on the Nairobi Stock Exchange licensed CFC Financial Services Limited as an investment advisor.

CfC Stanbic Bank 's banking operations offer a full range of banking, investment and lending products and services to, among others, individuals, businesses and corporate clients through our various divisions and group companies. The Bank now operates seventeen branches across the country. Customers range from multinationals to individuals and their families, including low-income earners. Product and technology innovation are vital elements of business culture, strategy, customer relationship and marketing. Through innovation, they are able to develop solutions that satisfy the needs of customers.

CfC Stanbic Bank limited reported a thirty per cent increase in its pre-tax profit for the year ending December 31, 2010.The bank, which is listed in the Nairobi Stock Exchange, reported a rise in profit from Sh 2.1 billion compared with Shi.7 billion reported in 2009. In what may reflect positively to the merger of the banks, customer deposits also went up. The banks recorded Sh 97 billion from Sh 61 billion in the previous year. With a two-digit profit for the period, the bank has joined its peers in the local market who have released positive results.

1.2 Research Problem

The banking industry stands at a crossroads. Strategic change for the large majority of banks reflects the legacy environment of a regulated industry, whose competitors are basically other banks, where market power is a function of size and cost efficiency the key to profitability. The continuing wave of consolidation and mergers, where low performing banks futilely attempt to increase their performance through a change in size has been witnessed. Companies need to come up with strategies that will ensure that they don't lose their market share with increasing competition. This will ensure that they do not lose customers which will translate to profitability (Aneshwabh, 2009).

Today, there is more change to contend with than ever before. Fundamental notions about businesses that have remained relatively stable for decades are increasingly being challenged, and they no longer guarantee the results that they once did, and some could even be detrimental to organizations. Conner (1998) agrees that the frameworks that have held firm for generations, providing the basic structure for the world as we know it, have started to falter.

Organisations needs to constantly make changes to remain competitive in a constantly changing environment. These changes take place in four areas: people, processes, structure and technology. Poorly managed change may result in negative impact on productivity, loss of valued employees, adverse impact on customers and delay or non-achievement of business outcomes. Well managed change minimises or avoids these negative outcomes and result in greater proficiency in the organisation (Thompson and Strickland, 2007).

Previous studies in the area of strategy implementation include Muthuiya (2005) who focused on strategy implementation and its challenges in Non profit organizations in Kenya, a case of AMREF and Omollo (2007) focussed on the challenges of implementing strategic decisions at the Kenya Armed Forces Medical Insurance Scheme (AFMIS). On the other hand, Ongaro (2004) focused on strategic change management practices in Kenyatta National Hospital while Nkirote (2005) studied strategic change management and performance of National Social Security Fund (NSSF).

As observed above, these studies were based in different contexts and hence their findings cannot be fairly generalized to represent the banking industry. The uniqueness of each industry and sector necessitates a separate study to be undertaken. The study of CFC Stanbic bank offers a suitable avenue in developing an in-depth understanding of strategic change management and implementation in a merged entity and in a banking industry marred with colossal challenges such as intensive competition and banking crisis of 2008 introducing stringent regulations. This research sought to find out how CfC Stanbic implemented strategic change and to identify the challenges of strategic change implementation in the banking industry. This study was guided by the following research question: How did CfC Stanbic bank implement its strategy and what challenges did it face?

1.3 Objectives of the Study

The objectives of this study were;

(i) To find out how CfC Stanbic implemented its strategic change

(ii) To determine the challenges of Strategic change implementation at CfC Stanbic Bank.

1.4 Value of the Study

The study will contribute to knowledge of scholars interested in strategic change management and implementation particularly to those businesses interested in mergers and acquisitions. It is also an eye opener to the banking industry especially with recent turbulent environment where competition is inevitable. The study is also a great inspiration to researchers to investigate strategic change implementation challenges, to learn and contribute to the banking industry.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

This chapter is concerned with the review of literature related to the study. An overview of strategic change management, stakeholders in strategic change management, forces of change, models of strategic change management, strategic change implementation and Factors that Influence Implementation of Strategic Change.

2.2 Strategic Change Management

Johnsons and Scholes (1999) states that strategy is the direction and scope of the organisation over the long-term, which achieves advantages for the organisation through its configuration of resources within'the changing environment to meet the needs of the market and fulfil stakeholder expectations. Neither strategy nor change management would be considered particularly important if products and markets were stable and organisation's change was rare. The organisation's environment is always changing and for an organisation to enhance its competitive advantage, it must configure its resources to match changes.

According to Child (1972), strategic decision making is seen as a crucial part of the process by which organization adapt to their environments. It is argued that those decisions that actually succeed in creating or changing organizations do so via complex iterative process, which strategy theorists subsume under the concept of strategy implementation. The goal of change management is to transition people and organisations smoothly through the change and minimise time spent in the worry and uncertainty.

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

Hill and Jones (2001) see strategic change as a process of moving an organisation away from its present state towards some desired future state to increase its competitive advantage. They observe that most organisations have gone through some kind of strategic change as their management have tried to strengthen their existing core competencies and build ones to compete more effectively.

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

Kanter et al (1992) proposes effective implementation of strategic change and explains that the need for strategic change is to create a change adept organization that anticipates, creates and responds effectively to change. Organizations that embed change capabilities in every operation and empower stakeholders to serve as agents of change are less likely to be blindsided by surprises due to highly turbulent environment or to face resistance from the stakeholders.

According to Burnes (2000), change management comes in all shapes, sizes and forms. For this reason, it is difficult to establish an accurate picture of the degree of difficulty organizations face in managing change successfully. However, there are three types of organizational change. These are the introduction of new technology in the 1980s, the adoption of Total Quality Management over the last fifteen years and the application of Business Process Re-engineering from early 1990s. All three in then time, were hailed as revolutionary approaches to improving performance and competitiveness.

2.3 Models of Strategic Change Management

Change management is the use of systematic methods to ensure that the organisation and its employees move from the old unwanted behaviour to the new desired behaviour for the survival of the organisation, while retaining some of the key competences. Change Management is a structured approach to transitioning individuals, teams, and organizations from a current state to a desired future state. The current definition of Change Management includes both organizational change management processes and individual change management models, which together are used to manage the people side of change. Organizational change management includes processes and tools for managing the people side of the change at an organizational level (Kotter, 1996).

Kotter (1996) suggests eight steps model which he says if implemented systematically will lead to successful change. These steps consist of establishing a sense of urgency, creating a guiding coalition, developing a vision and strategy, communicating the change vision, empowering employees for broad based action, generating short term wins, consolidating gains and producing more change and anchoring new approaches in the culture.

Ansoff (1998) recommends four approaches to managing discontinuous change. They are namely coercive method, the adaptive method, the crisis method, and the managed resistance method. The coercive method is applicable where there is high urgency. It has the advantage of speed but has shortcoming of being highly resisted. Adaptive method is applicable where there is low urgency. Its main advantage is low resistance but the method is very slow. Crisis method is applicable where there is threat of survival. Its advantage is low resistance but has the shortcoming of extreme pressure and risk of failure. The managed resistance is applicable under conditions of moderate urgency.

Kanter et al (1992), on their part presents a model dubbed the Ten Commandments to executing change successfully. These commandments are analyzing the organization's need for change, creating a shared vision and common direction, separating from the past, creating a sense of urgency, supporting a stronger leader role, lining up political support, crafting an implementation plan, developing an enabling structure, communicating, involving people and being honest and reinforcing and reinstituting changes. These are actually the said scholar's prescription for implementation of successful strategic change.

Kurt Lewin from his study on change management came up with three models which involve going through the steps of un-freezing, moving and refreezing. Un-freezing involves removing those forces that maintain the organization's behaviour at its present level. Moving involves acting on the results of un-freezing that is taking action to move to the desirable state of affairs while refreezing seeks to stabilize the organization at the new set of equilibrium (Burnes, 2000).

No single approach is recommended for a particular organization to ensure effective strategic change implementation. However, owing to the uniqueness of organizations, Burnes (2000) propose that a successful change process involves three stages. These stages are preparing for change, beginning the change process and cementing the change.

2.4 Strategic Change Implementation

Howe (1986) argues that strategy implementation entails the translation of strategy into administrative and operational decisions that are constantly undergoing monitoring and evaluation. Strategy implementation is an activity that embraces all those actions that are necessary to put a strategy into practice. It involves identification of key tasks to be performed, allocation of tasks to individuals, providing for inclination of separated tasks, design and installation of appropriate management systems and drawing up specific programs of action.

Howe (1986) notes that other than selecting the right people to carry out the strategic change implementation, requires organizations to adopt the right organizational structure. Neglecting the importance structure plays is to jeopardize the likelihood of achieving the firm's goals and objectives.

Hill and Jones (2001) argue that implementing strategic change requires the allocation of roles and responsibilities for different aspects of the strategy to different change agents, managers and sub-units within the company. Organizational structure maps out roles and responsibilities a long with reporting relationships. Success of strategic change implementation is very closely linked to the type of structure in existence, the leaner the structure the easier the strategic change execution and vice versa.

Pearce and Robinson (2007) further argue that strategic change implementation success is directly linked to the unique characteristics, orientation and actions of the chief executive officer. The leadership in an organization will to a large extend determine the success or failure of strategic change implementation. The role of chief executive officer is crucial. He is a catalyst in the strategic change management process thus his role is both symbolic and substantive especially if the strategy represents major changes.

2.5 Stakeholders in Strategic Change Management

Johnson & Scholes (1999) defines organizational stakeholders as those individuals or groups of individuals who depend on the organization to fulfill their own goals and on whom the organization in turn depends. Stakeholders are people who have some form of interest in the change, whether they are the targets of the change, managers or other interested parties. Stakeholders define the political context of organizational strategy implementation. Strategic change Stakeholders therefore may include organization staff both management and non-management staff, shareholders, customers, suppliers competitors, government and social groupings.

A lack of stakeholder management is one of the key reasons why change projects fail, so understanding them and ensuring they are addressed in all plans and activities is a critical activity. It is important to manage stakeholders in change. In doing so, one of the things you will do is segment them according to their needs, their importance and how you will treat them. In this regard the type of stakeholders in change management may be sponsors, targets, partners, others affected and interested parties (Burnes, 2004).

An underlying area into which you can dig when exploring and understanding stakeholders are their driving interests. Stakeholder Interests maybe work related or personal related. If you can identify these underlying interests of the stakeholder, you can more effectively work to address the deeper drivers that are motivating them. Stakeholders may be mapped by considering the impact of the change to the stakeholders and the support they are likely to give. Management's responsibility is to detect trends in the macro environment as well as in the micro environment so as to be able to identify changes and initiate programs. Management must assess what employee reactions will be and craft the change program (Kotter, 1996).

2.6 Forces of Change

According to Burnes (2000), the forces that operate to bring about change are many and varied. Some forces are gentle while others are strong and can cause devastation to structures and operations in an organization. Most of the forces of change can be traced to some fundamental forces of change which include growth of capital intensive manufacturing, accelerated tempo of new technology, the concentrated patterns of consumption and neo-protectionism. According to Paton and Coalman (2000) the forces prompting change can be categorized as external change forces and internal change forces.

The external change forces compels from outside the organization (on which organization normally have no or minimal control). The external forces effecting change include technological developments, competitive environment, social and political pressure.

Nowadays most of the organizations use technology as a means to improve productivity and market competitiveness. Hence, to retain and advance in competitive market, it is very important for organizations to keep themselves updated according to the technological advancements, which are taking place at very fast rate. Technology is like a two-edged sword that can make our lives easier or worse. The Internet has revolutionized the way in which information is exchanged, communication facilitated and commerce conducted. Technology is rapidly changing and effective management demands more knowledge in these areas in order for companies to manage their resources and develop, maintain or keep their competitive edge (Burnes, 2004).

The emerging global economy has the changed the style of business. Now the market competitors are not from only contiguous area but from throughout the world. This compels every business house to retain quality, lower prices and client satisfaction to survive. A convergence of international activities such as the increase in overseas production of goods and services; increasing consumer demands in emerging markets worldwide; declining barriers to international trade aided by rapidly changing technology, have created a globalized economy in which inter-dependency among countries has emerged as the norm today. The needs, values and priorities of customers and political circumstances are unstable. Managers need to adjust their management styles to meet these values and needs. There have been also changes in political ideologies and inclinations over time. These changes require new organization structures and skills for cooperation and coordination (Nkirote, 2005).

The Internal Change forces compels from inside the organization (basically under the organization control). Any organization cannot progress without the commitment and dedication of its employees. Hence their perceptions, about individual and organizational needs should be considered important. Dissatisfaction among employees regarding about the working conditions and individual and organizational needs may lead to conflict between management and employees. Excessive interpersonal conflict is often a clear sign that change is needed. Driving forces such as shifts in buyer demographics and preferences; technology, product and market innovation; changes in society, consumer attitudes and lifestyle all demand new ideas. This has created a need for knowledge workers. Knowledge workers comprise a company's intellectual capital and are made up of creative people with novel ideas and problem-solving skills. Managing its knowledge assets can give a company a competitive edge as it effectively utilizes the expertise, skills, intellect, and relationships of members of the organization (Burnes, 2004).

2.7 Factors That Influence Implementation of Strategic Change

Some of the factors that affect the implementation of strategic change are resistance to change, culture, leadership, teamwork and organizational politics. They can either be an enhancement or a detriment to the change process.

Ansoff (1998) defines resistance as any conduct that tries to keep the status quo, that is to say, resistance is equivalent to inertia, as the persistence to avoid change. Resistance is a phenomenon that affects the change process, delaying or slowing down its beginning, obstructing or hindering its implementation, and increasing its costs. Resistance could show change managers certain aspects that are not properly considered in the change process.

According to Ansoff and McDonnell (1990), resistance to change is a multi-faceted phenomenon, which introduces delays, additional costs and instability into a change process. Resistance can either be behavioural or systemic. Behavioural resistance is exhibited by individuals, managers or groups because of parochial self interests, misunderstanding and lack of trust or perhaps low tolerance to change. To overcome these, there is need for those managing change to understand the needs of employees and also ensure employees understand the change plan. Systemic resistance originates from passive incompetence in managerial capacity to carry out the change. The capacity required to implement change is normally more than the existing capacity. To overcome this, management needs to plan and integrate processes as much as possible.

Marriotti (1998), identifies two levels of resistance to change which have to be recognized when implementing strategic change namely; resistance based on the lack of information and secondly resistance based on an honest disagreement over the facts. Goodfellow (1985) suggests that one way to decrease resistance is to plan for and allow people participate in decisions which affect them. Participation in decision making gives people a sense of involvement and enhances commitment to embracing change.

Johnson and scholes (1999) contend that the management of change is often directly linked to the role of strategic leader. Leadership is the process of influencing an organization in its effort towards achieving an aim or a goal. A leader is someone who is in a position to influence other hence change agents/champions provide leadership role. The leader's role includes creating vision, empowering people, building team work and communicating the vision.

Thompson and Strickland (2007) while stressing the importance of effective leadership in managing change gave the effective leader as being visionary, skilled, competent, motivate, analytical, persistent, enduring and flexible. Leadership is the single most visible factor that distinguishes change efforts that succeed from those that fail. Leaders are the people who know the right things to do.

Hill and Jones (2001) observes organizational politics as tactics that strategic change managers and stakeholders engage in to obtain and use power to influence Organizational goals and change strategy and structure of their own interests. Politics is the skillful use of both power and influence over the population to obtain following. Organizational politics is a process by which differing interests reach accommodation.

Kanter et al (1992) argues that the first step to implementing change is coalition building which involves those whose involvement really matters, especially stakeholders such as contributors, employees and sponsors. A good example is the extension of retirement age from age 55 to age 60 in Kenya which has elicited a lot of politics among retirees.

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

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

2.8 Challenges to Strategic Change Implementation

' Kubinski (2002) argues that strategies fail mainly because not enough resources were allocated to successfully implement them. Lack of resources is a bigger threat to capital intensive strategies. He observed this failing mainly in both "fast growth, new companies that feel understaffed due to growth demands" and companies "under heavy competitive pressure" who felt they could not spare resources to drive strategic innovation.

Strategies often fail because the market conditions they were intended to exploit change before the strategy takes hold. Products life cycle are shorter, disruptive technologies emerge with greater frequency and financial markets can be fickle. Many markets are experiencing rapid discontinuous change. Although predictions about evolving markets are notoriously unreliable, chief executive officers can take a few simple steps to prepare their companies for unanticipated market change. By understanding what factors have greatest impact on their strategy's success, they can respond more quickly if they change, recognizing what they do not know in the words of Donald Rumsfeld, identifying "the known unknowns" (Burnes, 2004).

Kotter (1996) argues that many change projects fail because victory is declared too early. Real change runs deep. Quick wins are only the beginning of what needs to be done to achieve long-term change. Each success provides an opportunity to build on what went right and identify what can be improved.

Johnsons and Scholes (1999) argue that change management is not working as it should. He contends that the widespread difficulties have at least one common root, that is, that managers and employees view change differently. Both groups seem to know that vision and leadership drive successful change, but far too few leaders appear to recognize the ways in which individuals commit themselves to bring about change. Top level managers are said to see change as an opportunity to strengthen the business by aligning operation with strategy, to take new professional challenges and risks and to advance their carriers. For many employees, however, including middle level managers, change is neither sought after nor welcomed.

Some strategies fail because someone beats the company to the market with a similar idea or strategy. Similarly, some strategies fail because they leave the company undistinguished in the market. Fundamentally, a good strategy should distinguish the company from others in ways that make a difference to customers. Managers should be encouraged to take three simple steps in developing a distinctive strategy: understand the company's genuine strengths , examine the marketplace to understand what market positions may be unoccupied, focus the company's strategies on bringing its verifiable strengths to bear in capturing those inoccupied strategic positions (Malburg,2000).

Cultural fit between the merged entities is one of the most neglected areas of analysis prior to the closing of a deal. Without it, the chances are great that it will quickly amount to misunderstanding, confusion and conflict. It is useful to know the target management behavior with respect to dimensions such as centralized versus decentralized decision making, speed in decision making, and time horizon for decisions, level of team work, and management of conflict, risk orientation and openness to change. It is necessary to identify the impact of cultural gap, and develop and execute strategies to use the information in the cultural profile to assess the impact that the differences have (Burnes, 2004).

Berthoff (2002) argues that some strategies fail because they lack distinctiveness and focus. As a result, resources are dissipated and priorities are never clearly articulated. Committing to and owning the process is central to effective execution. Sometimes strategies fail because they are ill conceived. Some fail because there is insufficient buy-in to or understanding of the strategy among those who need to implement it. Giles (1991) argues that strategy implementation fails when "implementers do not own the strategy".

Effective communication of the strategy and its underlying rationale are also critically important particularly when reaching out beyond the group directly involved in the development of the strategic plan. Making sure that process throughout the organization support strategy execution efforts can be problematic in a large organization. The larger the number of people involved, the greater the challenge to execute strategy effectively. Linking strategic objectives with the day to day objectives at different organizational levels and locations becomes a challenging task (McCracken, 2002).

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

This chapter describes the methodology used to carry out the research. This includes research design, data collection methods and data analysis method used while carrying out the research.

3.2 Research Design

The research was conducted through a case study design as it allows for in-depth contextual analysis. Kothari (2004) noted that a case study is a powerful form of qualitative analysis and involves careful and complete observation of a social unit be it a person, family cultural group or an entire community and/or institution. This study was built on similar ground as it allowed the researcher to understand social reality in a subjective but scientific manner. It is therefore a method that drills down rather than cast wide. The study focused on strategic change implementation and its challenges at CfC Stanbic bank.

3.3 Data Collection

The study used both primary and secondary data. An interview guide was used to guide the researcher in collecting data on strategic change implementation and its challenges at CfC Stanbic bank. The respondents were drawn from four heads of department namely; the head of Human Resources, the head of Project Management, the head of Operations, the head of Finance and Chief executive officer based in Nairobi. The respondents provided information relevant to implementation and the challenges experienced during strategy implementation. Secondary data on the other hand was obtained from the organization documents such as CfC Stanbic strategic plans, Annual reports, bank website and other relevant documents.

3.4 Data Analysis

The information was analyzed and evaluated for purposes of completeness, usefulness, consistency, credibility and adequacy. The case study was analyzed using content analysis since most responses were qualitative in nature. Nachmias and Nachmias (1996) defines content analysis as a technique for making inferences by systematically and objectively identifying specified characteristics of messages and using the same approach to relate trends.

This approach has been used previously in similar researches such as that of Mbogo (2003) • and Omollo (2007).' They argue that this method is scientific as the data collected can be developed and verified through systematic analysis. The qualitative method can be used to uncover and understand what lies behind phenomena under study. It can also be used to gain quite some fresh material even in what is thought to be unknown (Mbogo, 2003).

CHAPTER FOUR: DATA ANALYSIS, FINDINGS AND DISCUSSIONS

4.1 Introduction

This chapter discusses the data collected from the respondents in form of interview. This chapter presents the analysis and findings with regard to the objective and discussion of the same

The interviewees consisted of the Head of Human Resources, the Head of Project Management, the Head of Operations, the Head of Finance and Chief Executive Officer all based in Nairobi. The researcher interviewed all the respondents; this resulted to 100% . response. All the interviewees except the Chief Executive Officer have worked in the organization for more than four years and their level of education was first degree and above. They also had sufficient experience to be able to answer reliably the interview questions.

4.2 Strategic Change Implementation at CfC Stanbic Bank

Regarding whether there have been any strategic changes that have occurred at CfC Stanbic Bank in the last 5 years, all the interviewees acknowledged that there are some strategic changes that have occurred in the organisation in the last five years and these include; the merger between CfC Bank and Stanbic Bank, Change of core banking system, review of mission and vision of the bank, integration of the branch networks and splitting of the banking and insurance services from the CfC Stanbic holding company.

As to whether there were any preparations made before implementing the strategic change, all the respondents agreed that there were some planning and preparations made which included developing a vision and strategy, communicating the change vision, resource planning and budgeting, putting up work streams and team champions and leaders. Others included training of staff on change management, recruitment of new skilled work force better aligned to the new vision, recruitment of change consultants and recruitment of experts from head office in South Africa. These findings agrees with Hill and Jones (2001) finding that adequate preparations and organization structure change.

All the interviewees agreed there were organisational structure changes made to enable strategic change implementation. Eighty percent of the correspondents said that after the merger there was duplication of duties since the two former banks had similar organisation structure. This necessitated the need for integration of staff, systems and processes. A new structure was designed and put in place to support the merger process. There was also staff grading and alignment of remunerations to the new entity. Howe (1986) arrived to the same findings and noted that organizations require adopting the right organizational structure.

The findings regarding whether there was any laid down procedures or way to manage change and to implement it, 80% of the respondents agreed the organisation follows a laid down procedure. Work streams were used to formulate project plans and activities, timelines, budget requirements, action plans and dependencies. They researcher found out that the models of strategic change used were Prosci's 3-Phase Process of organizational change management and ADKAR (Awareness, Desire, Knowledge, Ability and Reinforcement) model for managing individual change. The Prosci's 3-Phase Process of (1) Preparing for change, (2) Managing change and (3) Reinforcing change was used to outline the specific actions that a change management resource or team would take for a particular project or initiative to help individuals build awareness, desire, knowledge, ability and reinforcement. The ADKAR model was used to describe the required phases that an individual will go through when faced with change. ADKAR was also used as a foundational tool for understanding how, why and when to use different change management tools and procedures.

The researcher found that at CfC Stanbic bank change is led at various levels by the board of directors, managing director, the managers, work streams, change champions and the change agents. The role of change leaders is categorized by project or change phases, that is, the planning stage, design stage and implementation stage. At the planning stage, the change leader explains why change is happening, define change objectives and scope, select right people for the team, ensure adequate resource allocation and enlist support of senior management. At the design stage, the change leader reinforce why the change is happening, Listen and respond to feedback from the people, provide updates on change progress, facilitate training, keep stakeholders informed and remove obstacles encountered by the teams. At the implementation stage, the change leader share the change with all levels in the organization, stay focused on the implementation, provide explanations for implications of change, ensure there are adequate resources, keep stakeholders informed measure results and reinforce. The change agents received comments from employees. All comments were compiled and presented to executive change committee, made up by head of departments, manager and the managing director. The issues would be solved and solutions posted to the intranet. This finding agrees with the need leadership and stakeholders in strategic change implementation.

The interviewee's views regarding the involvement of all employees before arriving at the strategies to be implemented was that 75% of the respondents were of the opinion that they were not involved in the process. Employee involvement is an essential part of change process. Employees like to feel personally responsible for organization change efforts.

However, for effective and up to date strategies the interviewees were of the opinion that everybody should be made aware of the operation plan, improvement of communication on strategy implementation downwards and making use of competent staff. This will enable management to keep abreast with any issues that might emerge and recommend corrective measures before any damage is done and continuous internal review should be done regularly. Those staff involved should also be empowered through trainings, delegation, giving them mandates to make decisions and proper relay of feedback from management.

All the respondents agree that the bank committed massive amount of resources to facilitate the process of strategic change implementation. These resources include financial resources inform of capital investment, skilled personnel, project management resources such as external consultants, new staff, board support, matrix experts, vendors, trainings and new systems.

4.3 Challenges to Strategic Change Implementation at CfC Stanbic Bank

According to the findings there was some resistance to change from staff as they were unaware of what to expect and security of their jobs, all the interviewees reported having experienced some resistance. Resistance to change introduced delays, additional costs and instability into the change process. Resistance was either behavioural or systemic. Behavioural resistance was exhibited by individuals, managers or groups because of parochial self interests, misunderstanding and lack of trust or perhaps low tolerance to change. Systemic resistance originated from passive incompetence in managerial capacity to carry out the change.

With new offices and merged teams in place, all respondents noted that settling the bank's people and creating a positive new culture was an issue. There was the issue of employee alignment and redeployment of duplicated duties. Integration of the two companies required a high quality management. Integration was very often poorly managed with little planning and design. All the respondents pointed out cultural differences in the way the two former banks were run. Cultural fit between the merged entities was one of the most neglected areas of analysis prior to the closing of the merger deal. Without cultural due diligence chances are great that it will quickly amount to misunderstanding, confusion and conflict.

According to 80% of the respondents, there were challenges caused by system integration as the two former banks used different banking systems. The bank had to run two separate systems in operations leading to customer complain as they could not access bank products from all the branches. The system integrator brought together discrete systems utilizing a variety of techniques such as computer networking, enterprise application integration, business process management or manual programming.

The pace at which change was implemented was slow and this influenced the desired result which was expected to be achieved by certain time and therefore the organization needed to put in place all factors in order to increase the pace at which change took place. The various factors which all the respondents cited as slowing the pace of implementation were; regulatory approvals, legal cases from customers and retired staff, the need to engage all stakeholders, infrastructure challenges especially systems and branches, need for training and need to harmonise staff offerings.

As to what extend the employees were committed to strategic change implementation process, the findings were that employees bought the change at different levels. At the top were former Stanbic employees who were very committed due to the fact that a lot of their processes were not changed while at the bottom were former CfC bank staff who felt they were being taken over and therefore were less committed. Some employees also took long to buy into the change since they were hesitant and worries about the change and the uncertainty of the future.

The interviewees reported having seen the organization reporting on regular basis how far the change process is. The reports helped to ensure that the organization is on track to achieving its objectives as they can deal with any challenges on the way which may affect the attainment of its objective. All respondents agreed to having received regular communication and feedback.

The findings regarding the mode of communication showed that all the respondents said that the organization uses emails, internal memos, weekly and monthly meetings, seminars and workshops, road shows, face to face engagements and letters as a way of communicating to them regarding strategic change. The respondents however said a times there was a breakdown in communication. The modes of communication were varied to be very effective as modes were able to: tickle down information, update progress or status of issues and open up communication between the management and employees.

All respondents agreed that the stakeholders were viewed as an important asset that should be taken care of and their interest considered adequately. CfC Stanbic bank stakeholders were reported to include employees, shareholders, customers, suppliers, competitors, government and social groupings. According to 20% of the respondents, some stakeholders were not taken care of. Lack of stakeholder management is one of the key reasons why change projects fail, so understanding them and ensuring they are addressed in all plans and activities is a critical activity. The remaining 80% of the respondents said that the organization consulted its stakeholders and their representatives who were involved in the change process.

Other challenges cited by all the respondents include; environmental constraints, constraints imposed by regulatory bodies, legal issues, rigid internal structures, inadequate planning, inconsistent or poor leadership, size issues and new competitor league, poor culture fits, poor strategic fit, poorly managed integration, failure of top management to follow up, lack of proper communication and feedback, inadequate attention to people issues, lack of clear focus and expecting results too quickly.

4.4 Management Reaction to Strategic Change Implementation Challenges

The study showed that management support is very important in countering the challenges faced in strategic change implementation. The management support mentioned include coordination of the change process, providing communicating to all stakeholders, leadership role in the process, providing experience and expertise in the change process and problem solving. Eighty percent of the interviewees agree that it is very important that strong leadership is provided during the implementation phase. If staff feel that senior management are not fully committed to the strategy, their commitment and enthusiasm for it will wane. Staff must believe that implementing the strategy is one of the organisation's top priorities. They need to explain the vision and communicate the importance of the strategy for the future of the organisation.

The study found out that it is important that Individual responsibilities for implementing the change are made clear. It is not sufficient just to develop a very insightful and relevant strategy and hope that the logic behind the strategy will be enough to make it a reality. The management was observed to have given people clear and specific responsibilities for making the strategy work. The more people are directly involved in the implementation process the better. This will create a wider sense of ownership, commitment and responsibility for making the strategy happen. Accountability must go hand in hand with responsibility. If someone has been given an implementation task, make sure they do it. Part of assigning staff responsibility should be to give clear and understandable tasks with regular progress reviews.

All the respondents also noted that the management made efforts to ensure customers and employees fully understands the strategy. There is a tendency for chief executives and senior management to communicate the business on a need to know basis only not putting an effort to sell and explain the strategy. The front-line staff must understand what the strategy is about, why it is important and how it will affect them. The strategy implementation plan should include a communications plan, which sets out who needs to be told about the strategy. Some respondents noted that making employees feel they are an important part of the change process and educating them about the details will help to create enthusiasm and cooperation instead of paranoia.

The respondents also mentioned that management conducted informational sessions or training sessions and road shows to help employees achieve a comfortable level with new strategic processes and procedures. This helped them to make any necessary changes to the plans as gaps and mistakes appear. Informational sessions often elicit helpful suggestions from staff and line employees.

The respondents agreed that management took some steps to ensure that the change momentum is achieved and maintained. The steps taken include empowering employees to make decisions in their areas of jurisdiction, constantly communicating feedback to all stakeholders, having clear guidelines and procedures, holding team buildings and trainings to ensure staff are up to date, resources at change team disposal such as a shuttle to the town Westlands, good working environment, rooms set aside for meetings and discussions and good and effective leadership.

All respondents said that the pace at which change was implemented was slow and this influenced the desired results which were expected to be achieved by a certain time and therefore the organization needed to put in place all factors in order to increase the pace at which change takes place. The various factors which the interviewees cited as slowing the pace of implementation were; resource constraints, bureaucracy, lack of proper coordination, poor communication, lack of motivation and relevant expertise. The respondents agreed that the management through change agents ensured these issues were captured and addressed including financial packing from the shareholders.

Other management reactions towards these challenges mention by all the respondents include acquisition of new systems, improving and assuring employees of their job security, harmonisation of staff pension schemes and salaries, regular updates from the chief executive officer, issuing public notices to reassure customers and address their concerns, personal letters to employees, engagement of all employees, open forums where employees can ask questions, emails to address frequently asked questions and use of change champions and work streams.

CHAPTER FIVE: SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This chapter seeks to summarize the findings of chapter four, providing conclusions and recommendations and way forward with regard to strategic change implementation and further research in the area.

5.2 Summary of findings

The study shows that the respondents are aware of the strategic changes which have taken place at CfC Stanbic Bank within the last five years which they considered extremely important since it outlines the organizations objectives, targets, means of achievements and responsibilities. They also had sufficient experience to be able to answer reliably the interview questions.

The study reveals that the head of departments are fully involved as well as all employees in strategic change implementation for the organization. The strategies formulated are also related to the department's role and function as most of the respondents agreed to that fact. This is a clear indication that the business units/departments strategies are in synch with the corporate strategies and the department's strategy is incorporated into the corporate strategy. The respondents also indicated that top management were initiators of strategies. This is significant in the strategic management process as the top management is the ones who initiate the strategy but also steer the strategy implementation process. Without the support of top management the strategy cannot survive as no resources will be allocated to implement the strategy.

The study also underlines the importance preparations and planning before strategic change is implemented, all the respondents agreed that there were some planning and preparations. Strategic change involves not only deciding what to change but how and when to change specific elements of one's strategic orientation. The preparation included developing budgets and timetables, assigning roles and tasks that will guide the process, garnering commitment to ensure that there is a high level of ownership in the process, communicating to ease uncertainty, and allocating resources for support. There were also organisational structural changes effected to accommodate the strategic change.

The researcher found that Prosci's 3-phase process was employed and involves (1) Preparing for change, (2) Managing change and (3) Reinforcing change. Preparing for change deals with understanding the nature of the change, understanding the groups being changed, creating the right sponsorship model and coalition, identifying risks and developing special tactics. Managing change involves Communication of the plan, preparing the roadmap, the training plan, coaching plan and resistance management plan. Reinforcing the change entails having Compliance audit reports and employee feedback, corrective action plans, after action review and transition management.

According to the respondents ADKAR model was used to describe the required phases that an individual will go through when faced with a task. ADKAR was used as a foundational tool for understanding how, why and when to use different change management tools and procedures. The people dimension of change as described by the ADKAR model has five stages: Awareness of the need to change, Desire to participate and support the change, Knowledge of how to change, Ability to implement the change on a day-to-day basis and Reinforcement to keep the change in place.

For effective strategic change implementation the interviewees were of the opinion that everybody should be made aware of the operation plan through proper communication. This will enable management to keep abreast with any issues that might emerge and recommend corrective measures before any damage is done and continuous internal review should be done regularly. Those staff involved should also be empowered through trainings, delegation and giving them mandates to make decisions.

All the respondents agreed that CfC Stanbic Bank faced challenges in the process of strategic change implementation. Among the challenges mentioned were resistance to change, different cultures, different systems, uncertainty of the future, Frauds, lack of proper processes, handling customer complains, staff turnover, legal issues, infrastructure challenges, tight timelines and limited resources.

The management of the organization commitment to strategic change implementation was rated as high. The employees' commitment to the strategic change implementation indicated that the employees were not fully committed to the process due to differences in culture, processes, poor working conditions, low motivation and non-involvement in formulation of strategies. There were also constrains in the resources needed to ensure that the strategies were implemented on schedule.

The management communicated to the staff on regular basis using emails, internal memos, weekly and monthly meetings, seminars and workshops, road shows, face to face engagements and letters. Though they were not effective and reliable enough, they were varied and helped to tickle down information, update progress or status of issues and open up communication between the management and employees.

Although not all employees were involved in the strategy formulation, employees are part and parcel of it and therefore they would all want to see that the strategy is successful. For effective and up to date strategies the interviewees were of the opinion that everybody should be made aware of the operation, improve communication on strategy implementation downwards and making use of competent staff.

Strategic change needs to be understood and managed in a way that people can cope effectively with it. It is also important to ensure that people affected by the change agree with, or at least understand the need for change and have a chance to decide how the change will be managed and to be involved in the planning and implementation of the change. This helps to reduce resistance to the change.

The success of an organization depends with how they deal with the challenges which they have encountered during the implementation of its strategies. The respondents mentioned the management being committed to the strategic change and their reactions to strategic change challenges included; frequent communication to all stakeholders, issuing public notices through media to update customers, sending personal letters, face to face meetings, engaging all staff, holding training and open forums, road shows, team building, use of change champions and addressing staff concerns.

5.3 Conclusion

From the research findings some conclusions that can be made from the study were, first and foremost that organizational change is about making alterations to the organization's purpose, culture, structure, and processes in response to seen or anticipated changes in the environment. Strategic change is about leveraging the organization vision to get at fundamental aspects of the organization, including the organization's direction and its culture. Strategic change is also about forging organizational robustness in the face of environmental pressures.

Secondly, the researcher also finds out that strategic change management at CfC Stanbic was a structured approach to transitioning individuals, teams, and organizations from a current state to a desired state CfC Stanbic responded to the strategic change management challenge by employing structured approach to effectively transition employees to change. Organizational change management processes were put in place including techniques for creating a change management strategy, engaging senior managers as change leaders, building awareness of the need for change, developing skills and knowledge to support the change, helping employees move through the and methods to sustain the change.

The study also found out that CfC Stanbic used structural methods/models to implement the strategic change. They employed experts and coaches from the group head office to guide staff in these process lead by work streams and change champions. The interviewees consented to having used Prosci's 3-phase process of organizational change management and ADKAR (Awareness, Desire, Knowledge, Ability and Reinforcement) model for managing individual change.

Thirdly, the frequency of communicating the strategies to be implemented is so crucial to the achievement of the strategy. The feedback should be done regularly to ensure that in case a strategy is lagging behind some other means can be done to ensure it succeeds. Communication is a critical issue in any aspect of corporate life and even more important in times of great organizational change.

Fourthly, the pace of implementing a strategy determines whether it will be completed in time or not. The management should consult with all the stakeholders and put in place mechanisms which should address the factors hindering the pace of implementation. The level of management reaction to strategic change implementation challenges should not be moderate as was cited but of highest level as employees would emulate the management reaction whenever they encounter challenges. The success of an organizational change also depends with how they deal with the challenges which they have encountered during the implementation of its strategies.

5.4 Recommendations

5.4.1 Recommendations with Policy Implications

This study makes a few recommendations that have policy implications for decision makers. The study also found out that CfC Stanbic used structural methods/models (Prosci's 3-phase process and ADKAR) to implement the strategic change. The researcher recommends that the organization should be flexible and organization architectural strategy should be linked to all departments in order to add value and create synergy.

The study also found out that not all the employees and stakeholders were involved in the strategy formulation and implementation. It is therefore recommended that all the employees and stakeholders should be part and parcel of the strategic change process. Strategic change management should be an organization-wide competency and not the exclusive preserve of change specialists. The change leaders should have also created an environment that actually facilities change. This would not only have ensured that the people were ready for change especially the older workers but that they also flourished in it.

The respondents indicated that there was a natural human resistance to change that had a significant impact on strategic change success. The major change management obstacles being employee resistance, poor executive sponsorship, limited time, budget and resources, corporate inertia and politics, lack of awareness and a culture that is resistant to change. The study recommends that training and communication are key to overcoming these challenges There was also need for the organisation to have sought a better consultancy firm preferably one that has handled this kind of change before or with more experience.

5.4.2 Recommendations for further research

The study found out that CfC Stanbic used structural methods/models (Prosci's 3-phase process and ADKAR) to implement their strategic change. It is recommended that further research be done on the use and how effective these models are. The study also found out that employee non involvement in the formulation of strategies, poor working conditions, employee resistance, poor executive sponsorship, limited budget and resources, corporate inertia and politics, lack of awareness and a culture that is resistant to change are some the challenges facing strategic change implementation at CfC Stanbic Bank. It is therefore recommended that a similar research be replicated in other organisations in the banking industry and the results be compared so as to establish whether there is consistency on the challenges they encounter when they are implementing strategic change.

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APPENDIX: Interview Guide

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Section A: Background Information

Interviewee name (Optional

Position / Department

Section B: Strategic Change Implementation

Following is a list of questions designed to gather information relating to Strategic change implementation at CfC Stanbic Bank.

1. Are you aware of any major strategic changes that have occurred in CFC Stanbic in the last 5 years? If yes, enumerate a few.
2. Were there any preparations made before implementing the strategic changes?
3. Were there any organisational structure changes / restructuring made to enable strategic change implementation?
4. Does CfC Stanbic have any laid down procedures/way to manage change and to implement it?
5. Are there any task forces or specific teams mandated the responsibility to implement strategic changes?
6. Are employees involved in arriving at strategies to be implemented? How are they involved?
7. How are those involved in the change process empowered?
8. What steps have the management taken to ensure that the change momentum is achieved and maintained?
9. What resources are committed to facilitate the process of strategy implementation?

Section C: Challenges to Strategic Change Implementation

Following is a list of questions designed to gather information relating to challenges to Strategic change implementation at CfC Stanbic Bank.

1. What were the major challenges which were encountered in the process of strategic change implementation?
2. How has management reacted to strategic change implementation challenges that exist at CfC Stanbic bank?
3. What factors may have influenced the speed of Strategic change implementation at CfC Stanbic?
4. To what extend were the employees committed to strategic change implementation process?
5. How often is feedback on strategy implementation communicated to the employees? What modes of communication are used?
6. Were all the stakeholders taken into consideration before implementing strategic change? If so how did you address their concerns?