

**AN ANALYSIS INTO THE ROLE OF HUMAN RESOURCE IN
FACILITATING CHANGE.**

In a Selected Case of Bio Food Products Ltd.

Industrial Area, Nairobi

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D53/R1/11417/2004

**A RESEARCH PROJECT SUBMITTED IN PARTIAL
FULFILLMENT OF THE REQUIREMENT OF THE DEGREE OF
MBA, (HUMAN RESOURCE MANAGEMENT) SCHOOL OF
BUSINESS, DEPARTMENT OF BUSINESS ADMINISTRATION
KENYATTA UNIVERSITY.**

Nzioki chelangat
*An analysis into the
role of human*



2009/338359

MAY 2007

DECLARATION

I declare that this research project is my original work and has not been presented to any University for any award.



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Date

This project has been submitted for examination with approval of the Supervisor.



Margaret Oloko

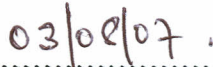


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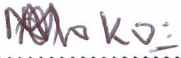
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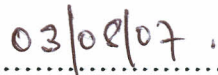


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DEDICATION

I wish to dedicate this research project to my family (Loving Husband
Sammy Nzioki, sons Bernard Masio and John Wambua)

To my late parents, Bernard Langat and Milka Langat.

To my late parents, in-law Shem Masio and Serah Masio.

ACKNOWLEDGEMENT

I would like to thank all the people who in one way or the other played a role in making this project and my study of MBA a reality.

Special thanks to my Supervisor, Margaret Oloko for his guidance. Thanks to my Managing Director, Mr. Zachari Binoi Bio Food Products Ltd. for allowing me to have my study in his firm.

Special thanks go to my family and particularly my husband for his patience and understanding during my long withdraw period while working on this course

ABSTRACT

Today's business environment is characterized by constant change, meaning that organizations have to adapt quickly to stay in business. Economic, technological, social and political trends have redefined the way organizations operate. The new approach for Human Resource to managing people is shifting from protector and screener to strategic partner and change agent. It is the firms' workforce that contributes to knowledge, commitment, skills and training that provides a competitive advantage in the new markets.

The critical role for the Human Resource management is to define the maximum benefits from employee skills and knowledge. Hence, Human Resource job is to help create unique competence, open culture in which the values and norms emphasizes the importance of sharing knowledge, through networks of groups and teamwork to manage change. It entails new management methods such as the improvement of organizational structures, new approaches to reward management and the adaptation of new philosophies like Total Quality Management.

Therefore a focus on the framework of the organization design is diagnosed and evaluated in comparison to the key areas of change are the strategic change, operational change, cultural change and behavioral change. For effective change to take place, the Human Resource have a responsibility to analyze the critical success factors which will be embraced to bring a smooth implementation process which will result in positive expected output.

Change management involves establishing a sense of urgency, joint diagnosis of the problem in question in order to have shared understanding and ease resistance to the implementation of the change. Hence, Human Resource strategy in an organization is to identify, analyze and diagnose the key areas, and that are vital to business's success. This involves developing a combined corporate and Human Resource strategy

in the line with the state goals of the organization. This finally enables the organization to respond faster to product and technological innovations and competitor's move.

The main objective of this study is to analyze the strategic role played by Human Resource in facilitating change in an organization.

A selected case of Bio Food Products Ltd. has been identified as study sample. Bio Food Product Ltd went through crucial time in the year 1999 – 2000 due to drought, which resulted in power rationing and shortage of milk products. The senior management consulted the Human Resource to come up with low cost strategy. It sought two alternatives.

Downsizing and stoppage of increment, incentives and bonuses. A consensus between the management and the workforce opted for the stoppage of increments and other rewards. A strategy plan 2000 – 2005 was formulated and Human Resource was to advice the management on the way forward. A restructuring strategy was implemented through embracement of critical success factors such as teamwork, two-way communication, behavioral and cultural change, leadership style, consultancy, motivation and training.

The research seeks to analyze the role played by the Human Resource in facilitating change and identify the factors applied in bringing effective change in Bio Food Product Ltd. in the period 2000 – 2005. At the end of the year 2005, Bio Food Product Ltd. had recorded sales turnover of Kshs.

114 million, and a profit margin of over 20%. In 2002, the company won quality Awards from

European Quality Award in dairy products and a Recognition Award of the best managed

company in a competition of quality awards in Market Village Westlands.

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LIST OF ABBREVIATIONS

ERP	Enterprise Resource Planning
HRM	Human Resource Manager
QC	Quality Circle
NGO	Non Governmental Organization
SME	Small Medium Enterprises
HR	Human Resource
LTD	Limited.
FMI	Fan Milk International
ERF	Egypt Research Foundation
e-HRM	electronic Human Resource Management.
NAS	Nairobi Airport Services

DEFINATION OF TERMS

Total Quality Management – Programs aimed at maximizing quality and customer satisfaction through continuous Improvement.

Teamwork – A small number of people with complementary skills and commitment to common purpose.

Team building – Activities aim to improve and develop the effectiveness of a group or team of people who work together.

Quality Circles – Means of improving employee work life through participation and problem solving.

Two-way communication – Meetings between managers and their staff on sharing values.

Holistic Approach – Addressing needs to be done across the organization as a whole and total entity.

Human Capital – The knowledge, education training, skills and expertise of a firms workers.

Strategic Change – It is concern with organizational transformation.

Operational change – It relates to new systems, procedures and structures that will affect working programmes in change.

e-HRM – Electronic Human Resource System of Keeping information.

Participation and Consultation- Involvement of employees in decision making and seeking opinions.

Commitment – An employee's identification with and agreement to pursue the company or the units' mission.

Change Management – Process of analyzing of the situation of an organization as it is now and where it wants to be in the future.

Model – simplified description of a system used in explanation.

Theory – facts of reasoning.

Leadership – Ability to persuade others willingly to behave differently.

Critical success factors - Factors that bring change of behaviour.

Capacity Building – Ability to hold together with a common purpose.

Empowerment - Give authority

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CHAPTER ONE

1.0 INTRODUCTION

1.1 BACKGROUND

The main objective of the research is to analyze the role of Human Resource in facilitating change in an organization. **Armstrong (2003)** states that change process start with the awareness that there is a need for a change such need requires analysis, procedure and diagnosis of the factors and all elements contained in the situation. According to **Torrington et al (2005)** core objective in every business organization relates to the Human Resource function in effectively managing change. These changes need a command of Human Resource methods with analytical skills and continuous assessment to be able to embrace change.

The role of Human resource is to identify such need and understand the type of change and the implementation process. Human resource function is to identify models and theories, which explain the right approaches of handling change process during implementation.

Several scholars have developed models of change over the years. Some of them are **Bandura (1986)**, **Beer et al (1990)**, **Qinn (1986)** and **Thurley 1979**. Thurley came up with Consultative Approach where the employer and the employed negotiate, compromise and agree before implementation of change. He emphasized on changing the attitudes, values and beliefs of the whole workforce, a shared vision and commitment, he calls this approach "Heart and mind model". Hence it is important for the Human Resource to have sound management of the independent variable which are levels of change namely, strategic change, operational change, cultural change and behavioral change. These variables reflect detailed cross section of matrix of change in an organization.

Strategic change deals with the transformation of the organization to be based on long-term goals, vision and the mission operational change deals

with the structures, new systems of approach and delegation of responsibilities.

While culture and behavioral change check on performance, values, attitude and skills. The dependent variables are the critical success factors to be embraced to bring change of behaviour to allow smooth transformation in the organization. These variables are teamwork, leadership style, commitment, quality circles, two-way communication and participatory consultancy.

The role of the Human Resource is to see that these variables are in application in each matrix of change by targeting the right set of inter-related practices of change of behaviour, the Human Resource will be able to get the expected output from the employees. The expected out put will include customer perception and relation, motivated staff, competence, reduced turn over, high profit margins, quick delivery of services, and realization of firms objective.

The purpose of this study is to analyze the strategic role played by the Human Resource to affect change in Bio Food Products Ltd. in the period 2000 – 2005. Bio Food Product Ltd. is located in Industrial Area, Nairobi. It was started as a small company in 1990, with a workforce of four and has since grown to eighty-six. The company processes dairy products such as yogurt, skimmed milk, amongst others. The company is growing fast and expanding its market size outside East African. It supplies its product to tourist hotels, NAS, United Nation organization in Kenya, Tanzania, Congo, Burundi and other countries in the Sub-Sahara region.

In 1999, Bio Food Product Company faced a crisis caused by environmental and economic factors. The severe drought resulted in power rationing, running cost of production were very high and production equipment was obsolete and needed replacement. All these factors resulted in low productivity and poor quality products.

A consensus of management and the employees was arrived after consultative meetings. Human Resource was to be the driving force in the

facilitation of change process operations. A strategy plan for the year 2000 – 2005 was put in place and incentives and bonuses were stopped to reduce cost until recovery was realized. The role of the Human Resource in implementing the strategy was focused on change matrix namely, Strategic Change, Operational change, Cultural change, Behavioral change, Critical Success factors and Expected output.

1.2 STATEMENT OF THE PROBLEM

This research study focuses on the analysis of the role of Human Resource in facilitation of change.

Today's business environment is characterized by constant change, meaning that organization have to adapt quickly to stay in business. Defined opportunities and planned strategies in managing change are of paramount importance. Change present a slight shift or a major shift of directions which means there must be new learning, rethinking of the culture, behavior pattern and radical redesign of business process to achieve desired performance.

In a typical Kenyan organization, a Human Resource Personnel does the routine Human Resource functions and exerts orders from the executive to the employees. The management exercises unnecessary bureaucratic practices which involve long processes and procedures, resulting in delayed delivery of services. The practices have cultivated a culture of ineffectiveness and negative attitude in the workforce. This tradition has resulted in roots of culture and attitude, which needs effective approach from the Human Resource management to handle challenges of change.

There is a growing need in Kenya for the development of a competent Human Resource management and empowerment of the employee on capacity building and participative management to meet challenges of change. More research need be done in this aspect; more so on the transformation of service in both public and private sector. A case of Bio Food Products has been selected for the purpose of this study.

1.3 STATEMENT OF THE OBJECTIVE

1.3.1 General Objective

The purpose of the study is to analyze the role played by Human Resource in facilitating change change in Bio Food Product Ltd. in the period 2000 – 2005.

1.3.2 Specific Objective

The study sought to: -

- (i) Identify the variables of dynamic of change diagnosed in Bio Food Product Ltd., namely, strategic, operational, cultural and behavioral change.
- (ii) Identify the critical success factors embraced in enacting change in Bio Food Product Ltd.
- (iii) Analyze the leadership style of management embraced in Bio Food Product Ltd. in the management of change crisis in the period 2000 – 2005.
- (iv) Diagnose the holistic approach used by support agency, Fan Milk International (FMI) to develop desired behaviour in Bio Food Company.
- (v) Assess the expected output after application and embracement of the dependent variables in Bio Food Products Ltd.

1.4 RESEARCH QUESTIONS

- (i) What role does Human Resource play in facilitating change?
- (ii) How did Human Resource manage change crisis in Bio Food Product Ltd in period 2000-2005?
- (iii) Which approach did Human Resource embraced to bring change in the period?
- (iv) How has the support Agency (FMI) implemented culture change?
- (v) What is the expected output in Bio Food Product in implementing the strategy plan 2000 – 2005?

1.5 SIGNIFICANCE OF THE STUDY

This study will be useful: -

- (i) To firms which are undergoing crisis in change management.
- (ii) To NGO's, government and other bodies formulating policies on management of change in their organization.
- (iii) To Bio Food Product Ltd. as a referral and guide for future management of change.
- (iv) To Human Resource professionals who need information on Managing change?
- (v) In the contribution general body of knowledge.

1.6 SCOPE OF THE STUDY

The study was limited to firms in industrial Area Nairobi and a sample was drawn from Bio Food Product Ltd.

Bio Food Product is approximately 20 Km. from the city center refer to sketch map Appendix 1.

2.0 LITERATURE REVIEW

2.1 Introduction

All organizations are started and ran by people regardless of the kind of activities undertaken. The people employed to run the operations of the organizations are commonly referred to as workers or employees. These are the crucial and valued assets of any organization.

Armstrong (2003) defines Human Resource Management as a strategic and coherent approach to the management of an organization's most valued assets. He further explains that they are people working in the organization who individually and collectively contribute to the achievement of its objective and goals. Human Resource is treated as assets rather than cost; they are regarded as source of competitive advantage and as human capital to be invested in, through the provision of learning and development opportunities.

Boxall (1996), Schuler (1998) and Guest (1989) state that, Human Resource Management is about managing people in an organization as effectively as possible for the good of the employee, the company and society. Human Resource roles comprises of a set of policies designed to maximize organization integration, employee commitment, flexibility and quality of work. It involves continuously improving and changing activities that take time to put in place and produce result. It aims at achieving superior levels of customer service and high profitability through committed employees.

2.2. Human Resource Functions and Roles

Scholars have defined Human Resource role and functions with a difference, **Ulrich (1998)** argues that, the activities of Human Resource appear to be and often are disconnected from the real work of the organization; but believes that, Human Resource should not be defined by what, it does but what it delivers. He focuses on four areas of argument. First, that Human Resource should become a partner with senior and line

management in strategy execution. Secondly, Human Resource should become an expert in organizing, executing and implementing with efficiency quality. A third view in Human Resource role is that, it becomes a champion of employee and work to increase employee commitment and ability to deliver. A fourth and more expansive view is that, Human Resource becomes an agent of continuous transformation and improves organization's capacity for change.

Sisson (1995) states that Human Resource functions involves a variety of roles and activities, which differ, with levels of organization **Hailey (1998)** agrees with Sisson that, there are different roles and practices of people management depending on the variables in question, such as values, norms and structures, which are different in organizations.

Nevertheless, Human Resource role may be more defined in models, **Kathleen Monks (1992)** combines several aspects on Human Resource functions. She talks of traditional role of support and following procedures as well as keeping records, but highlights contribution of Human Resource in innovation and integration of Human Resource and business strategies.

Storey model (1992) suggests that Human resource roles as that of change masters, advisers and regulators. Human Resource role is not just to adapt to activities of the firms business strategy or to carry out operation in day-to-day tasks, like paying employees as explained by Kathleen Monk's model. But the need to forge the organization's employee into competitive advantage, by adapting to company's strategy with commitment.

This concept is supported by **Ulrich (1997)** and **Raymond (2001)** model, which argues that Human Resource is a strategic partner in change management. Both agree that employees are a central focus in the delivering organizational transformation and culture change. Human Resource managers are change synergists who strategically coordinates, integrate and deliver large scale and multiple change projects across the whole organization.

Human Resource role today must include several issues.

- (i) People management through organized policies, practices of the organization and plans of change to compete effectively now and the future.
- (ii) Managing changing forces e.g. new competitors, new technology, environmental change, business restructuring, legal and social concerns that organization need to respond to today order to ensure they are positioned to compete effectively.
- (iii) Attracting and retaining employee with unique professional and technical capabilities investing in training and development of the employees. Competitive advantage can best be achieved by seeking people and organizational structures through better utilization of Human Resource and consultations.

2.3 Management of Change and Human Resource role

2.3.1 Change Management

Change management is the process of analyzing of the situation the organization is in at the present and where it wants to be in the future. According to Moss Kanter Ross, it is a process of analyzing position in which an organization is operating elicit future course of action. **Graw et al (1991)** suggests, understanding of competitive forces in play and how they change overtime, is linked to the competence of business to mobilize the management of resources necessary for the chosen competitive response through process of time.

According to **Gongera (2005 unpublished)**, management of change is a process of attaining equilibrium level of organization objectives. This is brought about by reasons driving force and needs. Gongera describes the forces as in two factors, drive and constraints forces. **Kurt Lewin Model (1951)** formulated the classic explanation of how to implement a change in face of resistance. To Lewin, all behaviour in organizations was a product of two kinds of forces, those striving to maintain the status quo

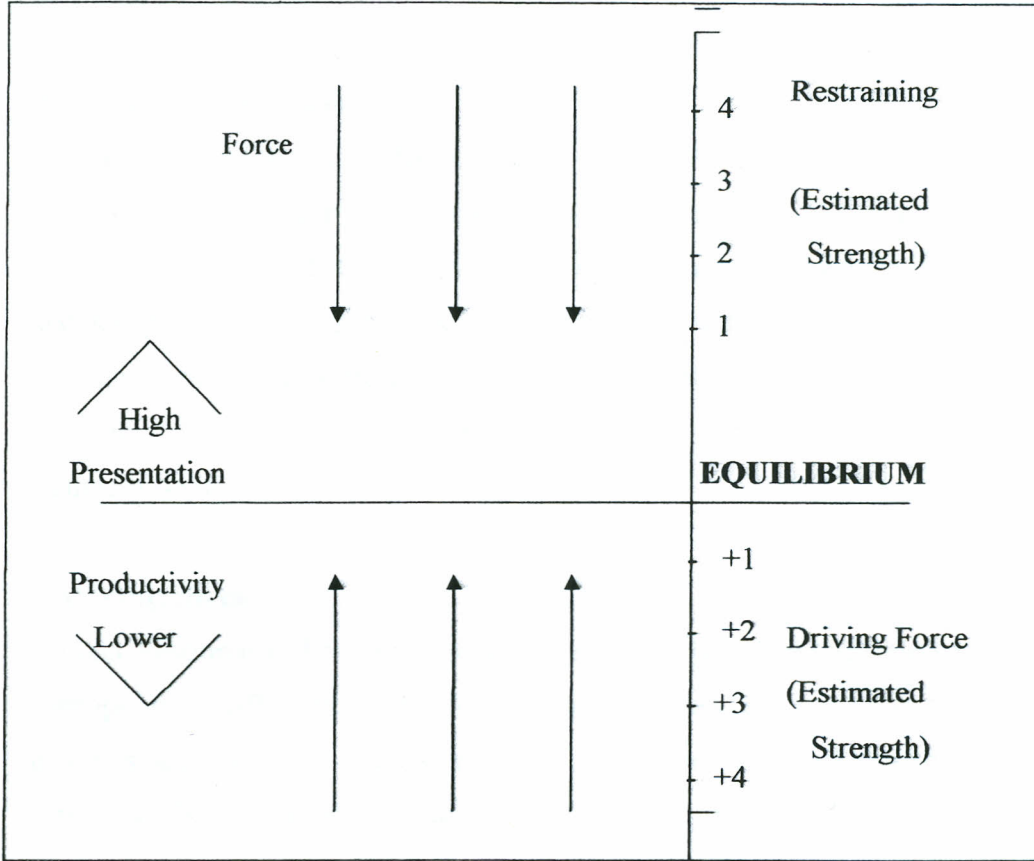
and those pushing for change. Implementing change thus meant either weakening the status quo forces or building up the forces for change.

Lewin, came up with a model of equilibrium levels of organization in attaining the desired pattern of behaviour. He came up with steps of adopting to change.

- (i) **Unfreezing:** It means reducing forces that are striving to maintain status quo usually by presenting a provocative problem or event to get people to recognize the need for change and search for new solutions.
- (ii) **Moving:** Moving means developing new behaviors, values and attitudes through structural changes through Human Resource in an organization.
- (iii) **Refreezing:** Lewin assumed that organizations tend to revert to their former ways of doing things; hence reinforcing the change is necessary by refreezing the organization into the new equilibrium. The model advocates institution of new systems e.g. compensation plans, appraisal system and rewards to maintain the change process. Kurt Lewin model is explained well in a figure form as in figure 2.1.

Figure 2.1

Kurt Lewin model on change management



Source: Kurt Lewin (1951)

Every firm is a system whose survival depends on the ability to adopt to change; adaptation to change is done through the people of the organization. Human Resource framework should, therefore, focus on change dynamics and critical success factors and the desired outputs in the future of the firm. This calls for formulating objectives to this effect.

2.3.2 Change management objectives

Managing change and resourceful Human requirements, requires a constant balancing between meeting the Human aspirations of people and meeting the strategic and financial needs of the business or organization. Before Human Resource take action on change, objectives are formulated as a guide to adaptation of change. The role of the Human Resource functions is explained by identifying the key objectives to be achieved.

Some of the objectives that form the foundations of all Human Resource activities are: -

Performance objectives

Human role seek to ensure that people are well motivated and committed so as to maximize their performance in the different roles. Training and development has a role to play as do reward systems to maximize efforts and focus attention on performance. Human Resource takes the role of looking at employee welfare; motivation and initiative to raise levels of commitment team culture engage employees in developing ideas in change process.

Staff Objectives

Human Resource is first concern with ensuring that the organization is appropriately staffed and thus able to draw of Human resource needs. It involves designing structures, identifying contracts of different groups of employees before recruiting, selecting, developing people required to fill new roles in adopting change, with right skills and right people.

There is need to compete effectively in the employment market by recruiting and retaining the best. This involves developing packages that are sufficiently attractive. Employing of approaches that seek shared vision, commitment, consultative approach, with the aim of changing the attitudes, values and beliefs of the whole workforce to new culture during change process.

2.3.3. Human Resource strategic role in managing change

Human Resource position is to see that a shared vision is developed with commitment and competence. People support what the help to create. Commitment to change is improved if those affected by change are allowed to participate fully in the planning and implementing it; this brings a feeling of ownership of the organization. The strategic role of the Human Resource is to identify the needs of both the organization and individual employee and create conditions that will reconcile these needs.

This will promote teamwork for the success of the organization, and share in its rewards. Humanistic approach creates conducive environment to change processes, structures and systems, which will gradually effect change of behaviour.

Humanistic image of employee, propagated by normative management, advocated by researchers such as **Maslow (1954)**, **Argyr's (1957)** and **McGregory (1960)**, pointed out the best way people in an organization could contribute and be motivated. McGregor Theory focuses on employees as part of enterprise, utilization of talent, acknowledgment of human relations, trust and delegation of authority among others. He believes these qualities determine the success and generation growth of an organization. Hence, Human Resource key role is to provide guidance in analysis and diagnosis, highlighting the employee issues that will fundamentally affect the success of the change process.

Human Resource give advice on training schedules for the employees at all levels where skills and knowledge need be updated to effect change. It can give direction on rewards, communications and development of leadership skills and succession. This aspect needs proper guidance during implementation through human procedures that will cause minimal disruption to employees' normal conditions of work.

Human Resource role of change in an organization need the understanding of dynamics and critical success factors, which allow gradual change of the desired pattern of behaviour. It is of great importance that Human Resource is familiar with the levels of change and critical success factors.

Levels of Change

Behaviour change

Behaviour at work is dependent on both the personal characteristic of individuals and the situation in which they are working.

The way in which behaviour is perceived and judged is explained much in theory; people have to act in certain positioning order to manage a situation. **Chell (1985)** model indicates that person act within situations hence adopts a suitable role in order to perform effectively within situation. Role in this aspect is the specific forms of behaviour required to carry out a particular task in a job-description, where behaviour at work is dependent on both the personal characteristics of individual personality and attitudes, and the situation at work. An attitude can broadly be defined as a settled mode of thinking.

Markin et al (1996) say any attitude contains an assessment of whether the object to which it refers is liked or disliked. Hence, Human Resource has a responsibility to assess employees' behaviour by observing their attitudes. Behavioural change deals with changes in people's attitude, skills and knowledge. This means that employees themselves must change and call for intervention techniques based on changing attitudes, values and behaviour.

Understanding of the pattern of the behaviour of the workforce is an important aspect to the Human Resource, as it helps in guiding in the formulation of organization policy governing roles of functions.

The concepts of a role can be explained well in Roles theory, where emphasis is made on how people at work always act as a part and behave in relation to the context in which they work, especially with their interactions with other people.

For change of behaviour to take place, clear job description is needed to avoid conflicts and ambiguity, which will otherwise slow implementation process of change. Similarly, the environment serves as a great influence on information people get when they are choosing their cause of change; change to new behavior needs convincing the workers; persuading them and reflection other output value. **Bandura Model (1986)** explains that, the consequences employees think will accrue to the behaviour they decide to engage in, and will make them engage into the new behaviour.

Bear (1990) states that the most effective way to change behaviour, is to put people into a new organizational context which imposes new roles, responsibilities and relationships on them. This will simply diffuse the new attitudes and behaviour on the employees. Human resource should be concern with involving employees and implementing it. Commitment to change is improved if those affected by change are allowed to participate as fully as possible in planning; and involving champions of change to influence change of behaviour without causing alarm.

Strategic change

At this level, the vision, mission and the strategy of the organization is communicated to the employees. New technology may lead to outdated equipment, innovation and hence change in organizational structure and culture. **Gray (2003)** states that strategic change may include activities like redesigning the company's departmental structure, coordinating specific employees and teams' jobs and authority. Reorganizing requires the Human Resource to check on job analysis, personnel planning and selection. Human Resource provides guidance and supports on all matters relating to employees practices of the organization and plans of change to compete effectively now and the future with the aim of achieving organization goals.

Boxall and Purcell (2003) emphasizes the need of Human Resource strategy in Planning, that aim to meet the needs of the stakeholders by developing distinctive capabilities in employees that will act as pivot points in achieving competitive advantage through innovation, quality and effective leadership.

Strategic change takes place within the context of external competition, economic and social environment and organization's internal resource's capabilities, culture structure and systems. Competitive advantage therefore, can best be achieved by seeking improvements in management of people through better utilization of human resource. Human Resource

acts as a partner in reorganizing of the organizational department, coordination, span of control and reporting relationships.

Operational Change

Today, employees have to adapt to technological change, improve product and service quality and boost productivity to stay competitive. Due to these changes in the organization, the way activities are done may as well change. This will lead to new systems of approach through creation of office and delegation of responsibilities. A firm command of Human Resource is needed to focus on training personnel. Employees need skills in team building, decision-making, communication and computer skills to be effective in carrying out the operations of the day and effect change.

Change is always accompanied by competition, which demand better service, and require employees training in customer care. Subsequently, technological change is futile without employee support because modification to work methods need technical training, which will allow effective accomplishment of the tasks. This means applying Human Resource methods like building teamwork, drafting new jobs description, boosting skills and knowledge levels, and installing more flexible work arrangements. **Lynda et al (2000)** stresses the need for Human Resource to understand the state of company, the extent of the embedding of processes, and structures throughout the organization context, this will ease the implementation process of resistance to change.

Cultural Change

Culture is a pattern of shared values and beliefs giving an organization meaning and providing them with rules for behaviour. The values are inherent in the ways organization and their members view themselves, define opportunities and planned strategies in managing change.

The culture of an organization is seen in the norms of expected behaviours, values and philosophy used by the employees. Human resource role has to consider the culture of the organization before implement change. This is because excellent strategies in managing

change can be negated by culture that is incompatible with the strategy and result in resistance to change.

Garry (2003) defines culture change, as a change in a company's shared values and aims.

Mathis et al (2000) defines as a pattern of shared values and beliefs that given members of an organization meaning and rules for behaviour.

The values are inherent in the ways organizations and their members view themselves, define opportunities and planned strategies in managing change. Much as personality shapes an individual, organizational culture shapes its members responses and defines what an organization can or is willing to do.

The culture of an organization is seen in the norms, of expected behaviors, values, philosophies and symbols and by employees. Human Resource manager must consider the culture of an organization before enacting change. This is because excellent strategies in managing change may otherwise be negated by culture that is incompatible with the strategies and result in resistance to change.

Deeply embedded and shared beliefs and assumptions, even when positive, can cause an organization to become non-adaptive and resistant to change. Strong cultures, attached to past strategy, can create a force of bidding that is difficult to give way to business changes.

Culture change needs to occur at a systemic level, specifically at the level of organizational practices, where work gets done. By targeting the right set of inter-related practices in a disciplined manner, leaders quickly and effectively shift organization behaviour and, as a result culture is born. To ensure that Human Resource and other leaders in the organization, have an accurate picture of organizations culture, a culture-strategy fit profile is used to identify the key elements of the culture, its sub-cultures and how these are aligned with the organization's goals.

Furn et al (1993) argues that such procedure leads to extensive research into the contextual factors that are influencing the organizational culture, as a result of rich portrayal of the organizational culture is developed. Human Resource important factor in change of culture is the extent of influence on leader's behaviour on the consistency with the desired culture; consistent in that they support the desired culture and that the behaviours are observable on a moment-by-moment basis.

Developing a coordinated plan of action to align leader behaviours, to drive culture change is a key success factor. By establishing a culture baseline, Human Resource stands a strategic position of comparing culture change overtime and have information needed to test whether a strong adaptive organizational culture is being built and needed.

Experts in organizational culture have advocated several ways to change company's culture, each of which requires Human Resources support and advice.

- (i) Make it clear to the employees of what to change, how to measure and control.
- (ii) React appropriately to critical incidents.
- (iii) Align culture change with strategy and leadership development efforts.
- (iv) Communicate the priorities by way of allocating rewards and status e.g. promotions and play plans link to sales growth.
- (v) Make Human Resource procedures consistent with values upheld by the company.
- (vi) Play Role-model-by displaying and coaching the values to be developed e.g. values of hard work and commitment.

Critical Success Factors

The following are elements that bring change of behaviour such as –

- (i) Teamwork, participatory and consultancy.
- (ii) Quality circles, flexible structure, two-way communication.

(iii) Leadership style, motivation, organizational learning and self-development gradually bring change of behaviour in targeted group. It needs participative decision-making.

People develop a feeling of ownership in planning process only when they participate in developing the purpose, objectives and activities. When they are involved, people will work hard to succeed because the plans belong to them.

Genesis of Human Resource in Japan embraced individual ownership of the organization by encouraging flexibility, empowerment, commitment, participation in decision-making and embracement of quality circles and has become a Japanese model. It reflects a wholehearted commitment of the workforce in the organization.

Teamwork

Kazenbach and Smith (1993) defines a team as small number of people with complementary skills who are committed to a common purpose, performance goals and approach for which they hold themselves mutually accountable. Teamwork applies to the whole organization as well as specific team. Building productive teams requires effective selection, training and motivation and thus cannot be achieved without Human Resource facilitation.

Teamwork represents a set of values that encourage behaviour such as listening and responding co-operatively to points of view expressed by others. All team members should believe the team has urgent and worthwhile purpose, and they need to know what their performance standards are. Human Resource is to encourage and train team leaders to develop a culture of support and coaching; select people who like teamwork. Training should cover topics such as philosophy of doing work through teams, how teams make decisions interpersonal, communication skills, and problem solving skills.

Participation and Consultation

Marchington (2001) suggest that participation is about employees playing a greater part in the decision making process. The reason being, to rectify a problem with management, or prevent deterioration of relations. It also seeks improvements in work organization, quality and productivity where both the employee and the management have shared flat form in solving problems. This concept has been, supported by **Boxall (2003)** where they state that two-way communication seeks opinions of staff through consultations.

Leadership style

According to **Armstrong (2003)** leadership is the ability to persuade others willingly to behave differently. Human Resource function is to make sure that development programmes are aimed to improve quality of leadership in teams and managers; this should be part of the organization strategy for increasing commitment need cross-training for flexibility to learn the jobs of other team members either informally or through scheduled rotating assignment. This can help reduce disruption due to absenteeism and boost flexibility, since all team members are always ready to fill in when required.

Quality Circles

Embracing Quality Circles (QC) as a means of improving employee work life is a crucial factor in change process. Quality circles is a people building philosophy, providing self motivation and happiness in improving environment without any compulsion or monetary benefits. It is bound to succeed where people are respected and are involved in decision concerning their work life, and in environments where people's capabilities are looked upon as asset to solve work area-problems. It is a Human Resource development technique and primary based upon recognition of the value of the worker as a human being, as someone who willingly activates on his job, his wisdom, intelligence, experience, attitude and feelings. It is based upon the Human Resource Management

key factors considered in the improvement of product quality and productivity. It has three major attributes.

- (i) Quality circle is a form of participation management.
- (ii) Quality circle is a human resource development technique.
- (iii) Quality circle is a problem solving technique.

Human Resource work is to make sure that well coordinated playing field for the employees is leveled. The objectives of Quality Circles are multi-faceted. It focuses on change of attitude from “I don’t care” to “I do care”; hence there is continuous improvement in quality of work life through humanization of work. The other objective is that, it promotes self-development by bringing out hidden potential in people and learns addition skills. It also focuses on development of Team Spirit that is individual verses team and eliminates inter-department conflicts.

Improvement of organizational culture is realized when quality circles is embraced. Human resource role therefore, is to arrange and organize training of coordinators and facilitators to foresee implementation process during change. Human Resource is a leader, hence effective relationships between the individuals employees and management must be maintained, and motivated to allow tasks be achieved.

Commitment

Commitment is the way employee identifies with the organization in agreement to pursue its mission. It refers to attachment and loyalty **Porter (1974)** defines it as relative strength of individual’s identification with, and involvement in a particular organization. Commitment strategy from Human Resource point of view is a tool of reward to the achievements of the organization.

Many organization today use the Human Resource help build employee commitment, Research done with Japanese School of Excellence **Ouchi (1981)** have shown that Japanese business succeed due to their embracement of values that totaled to commitment e.g. trust, leadership style, quality management, a feeling of ownership of the organization and human approach. Human Resource policies should integrate activities,

which will gradually build a feeling of commitment. For effective performance, Human Resource needs to retain motivational skills, which will upgrade feeling so to commitment.

Two-way communication

Human Resource keep employees informed of the policies and plan affecting them and employees can react promptly with the views about management's proposals and actions. Change cannot be managed properly without an understanding of the feelings of those affected by it, hence a system of good communication is needed to understand and influence these feelings. Good communication focuses on engagement, by involving individuals in the decisions that affect them; by asking for their input and allowing them to refute the merits of one another's ideas and assumptions. The other factors, is to let everyone understand why final decisions were made.

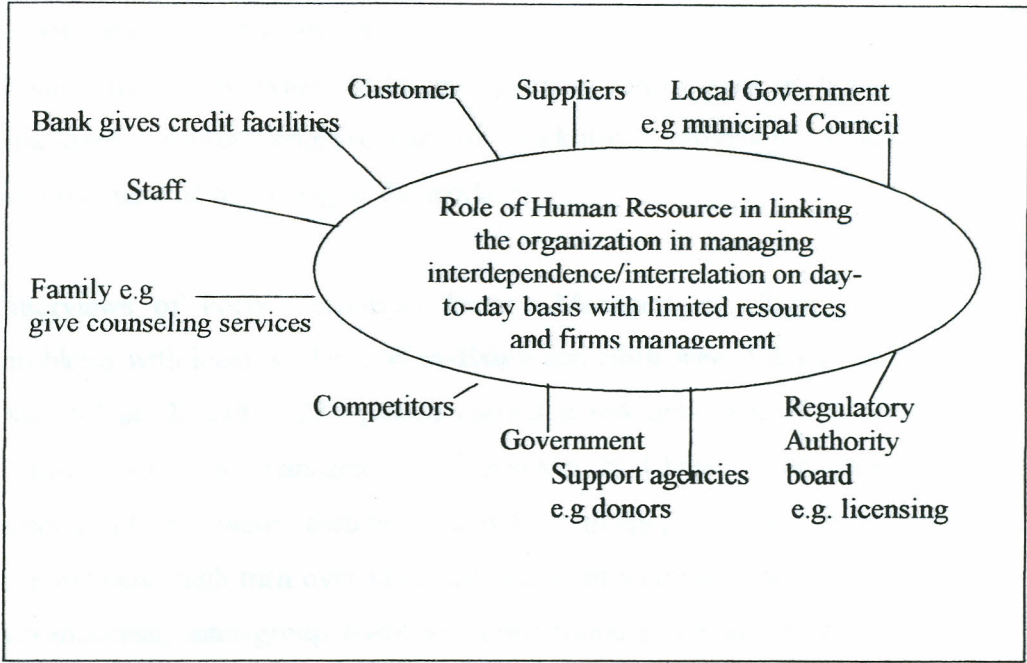
Communication theory of management, in dealing with communication in managerial problems asserts the needs of both employees and organization be fitted together on the basement of shared experiences. The expectation of this aspect may not be very balanced due to indifference of individual feelings; however, communication strategies need be formulated to enhance mutuality and commitment through Human resource efforts.

2.3.4 Strategic Role Of Human Resource In Coordinating Stakeholders in Managing Change.

Change management normally affects several stakeholders. Human Resource role is to level the playing field in the process of developing mutual understanding and cultural empathy between the stakeholder and the organization. Hence, mutual respond should be earned through the interdependence and interrelation of human resource role in facilitating change. Human resource is seen as the strategic partner and agent in the process of adopting to change.

Coordinating Stakeholders in change

Fig. 2.2



Source: Author Computation 2006

2.3.5 Challenges In Managing Change In Human Resource

Challenges in managing Human Resource during change process are the same all over world. However, the magnitude of the challenges is rampant in developing economies than the developed. Many governments throughout the world have adopted series of policies concerning assistance for improvement of personnel management. This is done through several bodies e.g. NGO, World Bank, Co-operatives and financial institution.

Subsequently, following the economic shocks of recent years, many organizations are not able to compete with the world trade and markets due to very fast change in the competitive markets. Large organizations are able to absorb such changes, hence management of change in technology and other dynamics of change are absorbed easily.

Japan has taken tremendous measure in dealing with change caused by competitive markets in the world. Japan has laws governing the

promotion of improvement of employment management in relation to management of change. The laws are intended to improve attractiveness of jobs among others through: -

Improvement in working conditions e.g. reduction of working hours and employee relation, improvement of workplace, provision of wages, improvement of well being of the workers.

Interviews of Forty Taiwanese factory Managers in China revealed problems with local workers. **Wen-Hsien and Shih-wen, Chien Journal No. 2–Vol. 2. 219 – 239 (2005)** carried a research to identify critical failures factors in management of business in China. The problems among others were assumed shared language, culture, poor job commitment, high turn over rates, disinterest in learning new skills or job advancement, inter-group hostilities, poor training and low literacy rate. Due to these Human Resource problem, the Taiwan managers resorted to adopting holistic approach of Human relation of production to enact change, which of recent times have acted as a dynamic force behind the high competition of China's product in the world.

The holistic approach bases its move on change management through remunerations, employee education and attention to employee welfare and jobs satisfaction, promotion of teamwork based on quality circles among others.

Research done in Egypt on performance of SME's by **Egypt Research Foundation (2004)** through consultative process through two phases as follows:

- (i) Number of workers
- (ii) Annual turnovers

The above two were main problems in the firms and financial constrain was major factor in the development of human resource, hence conducive conditions to employee relations to adopting to change was not easy: Lack of adequate education and sufficient institutional mass to train human

resource in management skill which are required to handle operational change in the process of adaptation to change.

Human Resource Management of change in Kenya

Kenya Government has realized the need of developing a policy framework for the development of Human Resource, because of its role in the growth of the economy. **Development plan 2005 and sessional paper 1 and 2 1992** categorically emphasized the need to train human resource in managerial functions to enable organization to adapt to change in the competitive global market.

A paper on **Public sector reform and Institutional capacity building (2005)**, emphasized on Implementation on Institutional and capacity building for results oriented management culture, by featuring on:-

- i. Set performance standards and targets for public service operations by use of appraisal system.
- ii. Transformation of service from process oriented to target results, delegation, enabling and empowerment.
- iii. Human resource planning, remuneration career development among others.

In the private sector, Human Resource management in adapting to change needs intensive intervention to bring up a culture and behavioral attitude trend, ready to meet the needs of the task in the business environment. The maximization of economic and social resource need a human resource force which is ready to adapt to change without embracing dishonest gains through corruption and other means of theft. Lack of set procedure substantially constrains effective behaviour change, but provide the basic for creation of informal and perhaps even a criminal enterprise. With these setbacks, there is still a big gap in development of Human Resource relation in both private and public organizations.

However, some private organization have taken up the initiative of applying the holistic approach where quality values e.g. quality circles are adopted through training from consultancy firm, NGO and other support

agencies. This enables them to adopt to change gradually and quality productivity realized, as they integrate flexibly with Human Resource policies, strategic change dynamics and critical factors.

Johnson and Scholes (1993) state that organization which successful manage change are those which have integrated the Human Resource management policies with training employee relations, compensation packages involving employee in block strategic change as significant facilitators of strategic change.

2.3.6 Human Resource and change management in Bio Food Product Ltd.

Between 1990 – 2005

Bio Food Product Ltd. started as a small company in 1990 with workforce of four employees. By 1998 the company had grown its capacity to sixty-nine employees. The company faced very tough competition in the market; this was compounded with crisis of management due to unidentified roles and structures in the company in the company.

In 1999, the company went through yet a difficult period caused by severe drought and political turmoil; the effects were power rationing, uncertainty of the future and scare resources which resulted in poor productivity, high running costs in production, demotivated staff, indifferent quality and a falling market share.

There was need for change, the management took a strategic position in analyzing the situation the organization was in and get solution for the future course of action.

A consultative Approach between the seniour management and the Human Resource was held to diagnose the key areas, which needed change. The Human Resource role was given mandate to take strategic role in ensuring that the organization and individual needs were reconciled through consultation and participation in decision making, the management recognized the employees as its competitive advantage in the implementation of change process. Hence, Human Resource role was to

provide guidance in the analysis, diagnosis and highlighting employee issues that affected the change process.

A strategy plan for the period 2000 to 2005 was effected and focused mainly strategic and operational change. Critical success factors were to be implemented through training personnel, team building, participation amongst others, these would gradually bring change in new culture and behaviour change amongst the employees.

The company communicated its vision through **Bio leaders in Functions Dairy Foods** with a basic philosophy of innovation, analyzing anticipating, consistency, quality and constantly involving. Bio Nucleus focuses on Research and Development (RD) on technical expertise, environmental protection and consumer care. Human relations is developed through the Leaders in function philosophy by encouraging teamwork, mutual trust and confidence, tapping new potential through training, stimulating and motivation, and two way communication.

The company's competitive advantage to profitability relies on the development of culture of commitment and values that uphold honesty and trust. Sensitivity and quality perception on customer care, delivery and quality of product is considered a priority.

Sharing of the company's vision, which embraces its motto for excellence through people as a target condition, qualified by quality of workforce, quality of product and quality service. Communication was encouraged by creation of flexible structures and delegation of responsibilities, refer to figure 2.3

Management of Human Resource in Bio Food Product Ltd. and its Strategic Role in Change Management in the Period 1990 – 2005.

Figure 2.3

Phase I 4 – 11 Staff	Phase II 12 – 69 Staff	Phase III Over 70	Phase IV
<p>Start up or the growth creation company.</p> <p>1990</p>	<p>The company expanded its capacity and moved from Langata Road to a bigger premises in Mombasa Road Industrial area.</p> <p>Production line and marketing departments were introduced.</p> <p>Impact of change crisis was realize and the need of direction and delegation of responsibilities became a concern were introduced e.g. Supervisors and Sales Personnel.</p> <p>1998 - 2000</p>	<p>The company faced crisis of red-tape and was addressed through coordination, operation manager was given responsibility of training programmes in coordination with Human Resource and accounts department focus on Quality circles and team building.</p> <p>Time management Two-way communication Values of commitment by reflecting the philosophy on quality.</p> <p>Appraisal system Training programmes.</p> <p>2001 and over</p>	<p>.....??.....</p> <p>International Support Agency (FMI) personnel to organize training programs to impact on behavioral change, using holistic approach to promote quality in performance.</p> <p>Human Resource record keeping.</p> <p>Culture Change.</p> <p>Management in shift in production line to improve quality of work life (health and safety), share value of belongingness and loyalty.</p> <p>To the future</p>

Source: Bio Food Product Limited

A support Agency (FMI) from Denmark is a consultant donor who guides the company in the implementation and update of skills, knowledge and attitudes change through training programmes within the organization.

Employee safety and health in Bio Food Product Ltd. is a point of concern, the working environment is glass through, where every worker is visible including the Managing Director. The top management are personally involved in safety precaution and the support Agency offer lectures on safety management once a week. The management believes that safety is an integral part of the system, woven into each management competency and part of every one's day to day responsibilities.

2.3.7 Emerging Issues in Managing Change

There are several emerging issues, which need Human Resource Management to be on the watch, according to Noe (2006), there are three importance aspects of high performance work system in Human Resource.

- (i) Technology challenges and its opportunities in Human Resource and their capabilities.
- (ii) Efficient work structure and policies that allow employees and technology to interact, e.g. e-HRM application give employee more relationship of employment internship through ability and participation in training programs and customer care on line.
- (iii) Managing change with new technology system need high skilled workforce ready to internalize the change force in culture and attitude.

Other issues of critical importance are HIV/AIDS and substance abuse at work and also employees with victims amongst their families. Such issues compels the Human Resource have proper policy which will accommodate every worker; as well as provides counseling to them and their families concern.

In the analysis and diagnosis of change dynamics, critical success factors and future outputs, the Human Resource and the organizations need to address these issues in integrated manner, since they affect quality productivity.

SUMMARY AND CONCLUSION

Today, Human Resource's role is shifting from protector and screener to strategic partner and change agent. In today's flattened, down sized and high performing organizations, teamwork as in quality circles, trainee and committed employee are firms competitive key players. The field of strategic Human Resource Management is the linking of Human Resource functions with strategic goals and objective of the organization. This will enhance the facilitation of managing change in the improvement of the business performance; develop organizational culture that fosters innovation flexibility and finally quality productivity.

In conclusion, Human Resource role in facilitating change process involves analysis of critical success factors and dynamic change forces, relating them to the organizational goals.

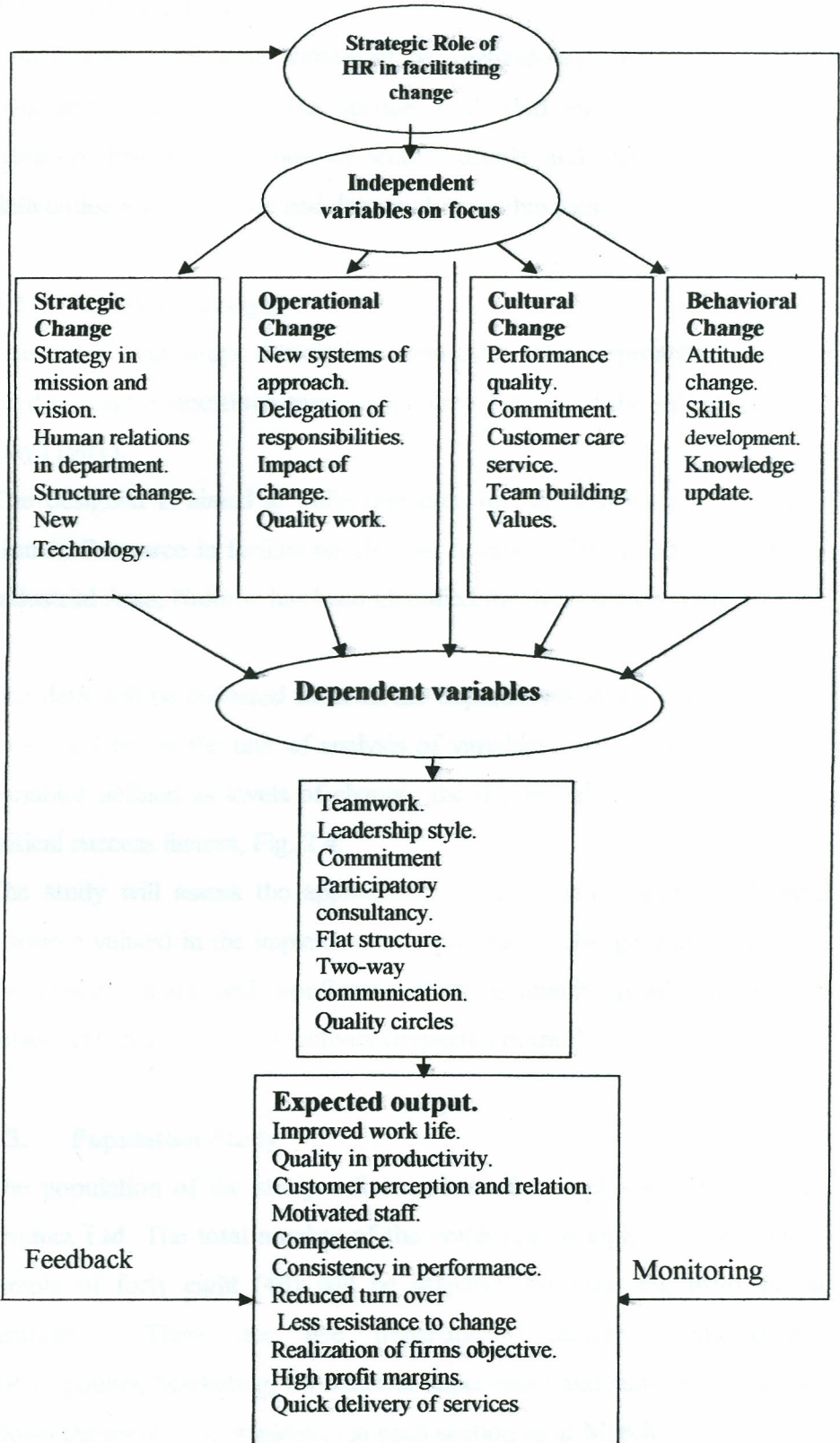
2.4 CONCEPTUAL FRAMEWORK

The framework shows relationship between variables on focus during change management process. The variables are of significance importance to Human Resource when diagnosing and analyzing the way forward in managing crisis in the change process to the future of the firm.

2.4 Conceptual Framework

Fig. 2.4 Human Resource Strategic role in facilitating change in an organization

Variables on focus in managing change



Source: Author 2006

CHAPTER THREE

3.0 RESEARCH METHODOLOGY

3.1 Introduction

This chapter gives a descriptive of the methodology that will be used in conducting the study. The section is divided into five parts namely: research design, population of study, sample and sampling procedure, data collection procedure and data analysis techniques.

3.2 Research Design.

This study will adopt descriptive approach. This approach is normally used to answer questions concerning current status of the subject in study, Gay (1981).

The designed is aimed at collecting data on the analysis on the role of Human Resource in facilitating change. A case of Bio Food Product Ltd. Industrial Area, Nairobi, has been identified for the research study.

The data will be collected from all the departments in the company. The focus will be on the unit of analysis of variables, that is the independent variables defined as levels of change, the dependent variables defined as critical success factors, Fig. 2.4.

The study will assess the applicability of dependent variables, (Human resource values) in the implementation process of change without causing unnecessary fears and conflicts: which gradually result in positive behavioral change and productivity (expected output).

3.3. Population Study

The population of the study will constitute the employees of Bio Food Product Ltd. The total number of the employees is eighty six (86) and a sample of forty eight (48) will be selected, for sampling from all the sections. – There are five departments namely Administration, HR/Accounts, Marketing, Production, supervisors and sub-staff. Table 3.1 shows the number of employees in each section as at March 2006.

Table 3.1**Staff establishment in each section in Bio Food Product Ltd.**

Population Target	Population Size	Percentage of Total Population (1%)
Administration	5	6
HR/Accounts	3	3
Supervisors	7	8
Marketing	10	12
Production	54	63
Sub-staff	7	8
TOTAL	86	100

Source: Adapted from table 2.3**3.4 The sample and sampling procedure**

Mugenda and Mugenda (1999) noted that, in a descriptive research 10% of accessible population is adequate for a sample. From a total of 86 employees in the study population, 48 employees will be selected by stratified sampling. The selected sample of 48 employees will make 56% of the total population.

Table 3.2**Study Sample Size.**

Sample Category	Population size	Sample size	Sample as % of total population.
Administration	5	3	3
HR/Accounts	3	1	1
Supervisors	7	4	5
Marketing	10	6	7
Production	54	30	35
Sub-staff	7	4	5
TOTAL	86	48	56

3.5 Data Collection Procedure

A questionnaire will be used as the main instrument for data collection. It will be distributed to respondent to all the section of the company. The questionnaire contains both open ended and close-ended questions. The closed ended question will be used to obtain data that could be supported by information held in the firms' records; the respondents will use open-ended questions to obtain qualitative data and observation. The study also intends to interview the respondent in the working environment.

The questionnaire is divided into three sections, where section A asks background information of the respondent, section B requires management information on employee relations and section C needs opinion answers.

The questionnaire will be first pre-tested to determine its clarity and validity. The study will rely on primary and secondary data from the organizations own archives and other sources.

3.6 Data Analysis Techniques.

Descriptive Statistics will be used to analyze data collected. Analysis of the data gathered will be tabulated in tables, pie chart, bar chart, frequencies percentages and mean score which will be ranged on 5 point Likert Scale. The Likert scale, will take one to mean important and five as not important. This will guide in establishing the relationship of Human Resource variables and the way they are valued in the company. The main assessment will be on the application and integration of critical success factors, levels of change and the expected output.

3.7 Expected Output

It is expected that the output will be observed in improved work life, quality in productivity, customer perception and relation, motivated staff, competence, consistency in performance, reduced turn over, less resistance to change, realization of firms objective, high profit margins.

CHAPTER FOUR

4.0 FINDINGS AND DISCUSSION OF THE RESULTS.

4.1 Introduction

This chapter gives a systematic and comprehensive analysis of the data collected during the research study. The targeted population was from the Bio Food Products Ltd. staff. The study major concern was to analyze the role played by the Human Resource in facilitation of change in an organization.

The independent variables on focus in managing change were strategic change, operational change, cultural change and behavioral change.

The main dependent variables were teamwork, leadership style, participatory and consultancy, flat structure, two-way communication, quality circles, commitment, organizational learning and self development. An attempt was made to tie the interpretation and analysis to the research questions and specified objective (statement of objective 1.3.2) of the study.

4.2 Background to the Sample

The sample size was drawn from a target population of 86 (Table 3.1) and a sample size of 48 (Table 3.2) from each department of the organization.

4.2.1 Response Analysis

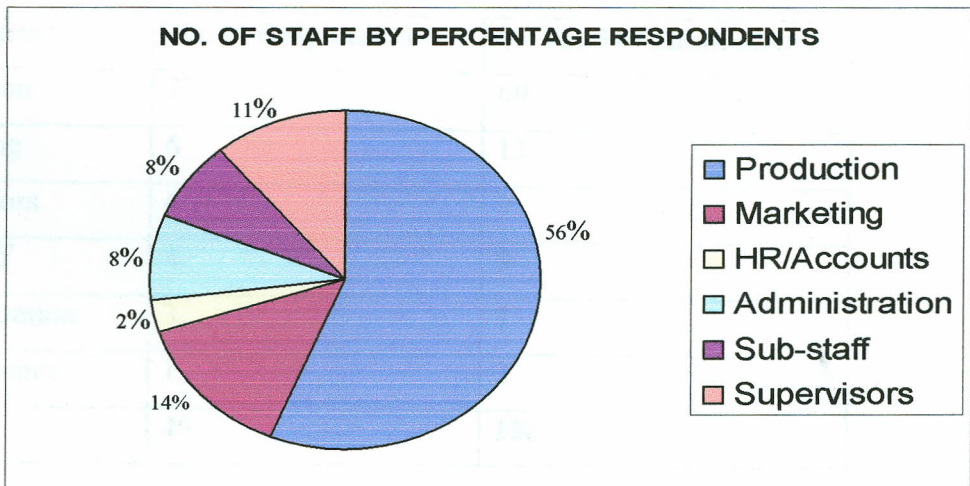
The researcher gave out 48 questionnaires to the respondent and all of them were completed and returned, this accounted to 100% of the total respondent. The analysis also focused on the information gathered through interview, which was conducted, on a face-to-face basis in their working environment. The study response below is the analysis and interpretation on items related to management and general perception on change were focused on independent variables linked to items coded as 008, 009, 010 and 011 of section B.

Table 4.1**Response Analysis on Perception of the On Going Changes (item no. 008)**

Department	No. of Respondent	% Total of Respondent
Administration	3	8
Human Resource	1	3
Accounts		
Supervisors	4	11
Marketing	5	14
Production	20	56
Sub-Staff	3	8

Only 36 respondents answered this item of research. The other 12 respondent either omitted the question or no clear response was given. From the above information the study showed that majority of the respondent were encouraged by the changes made by the management. The study showed that 56% of the respondent from production were encouraged, marketing 14% supervisors 11%, Administration and sub-staff got 8% respectively, and HR/Accounts was last 2%.

The information was presented in a Pie Chart in Fig. 4.1

Figure 4.1**Pie Chart: Number of Staff by Percentage Respondents.**

The factors cited by respondents which contributed to the encouragement were:-

- (i) Commitment to communicate the vision, mission of excellence through people and strategy plan of the organization for the period between the year 2000 – 2005.

The Bio Products adopted a vision of; Leaders in Functional Dairy Foods. According to Gray (2003) strategic change may include activities of coordinating specific changes like redesigning of company’s structure in relation to the plans of the future, which requires leadership with ability to improve quality of teams and managers.

- (ii) The leaders of the company were flexible in interacting with the staff and willing to help and encourage them through the leaders’ philosophy of mutual respect to everyone in the organization, build confidence, motivate through recognition, appreciation and acceptance. Bio Food Products Ltd. Philosophy, (2001) archives.
- (iii) The working environment which is glass transparent, and all workers within the building are visible. This promotes oneness and belongingness as one family unit.

Table 4.2

The percentage of total respondent on management to change objectives, change policy and staff participation. (Item 009, 010 and 011 Sec. B).

Department	No. of Respondent	% Total of Respondent
Production	27	60
Marketing	6	13
Supervisors	4	9
Sub-Staff	4	9
Administration	3	7
HR/Accounts	1	2
TOTAL	45	100

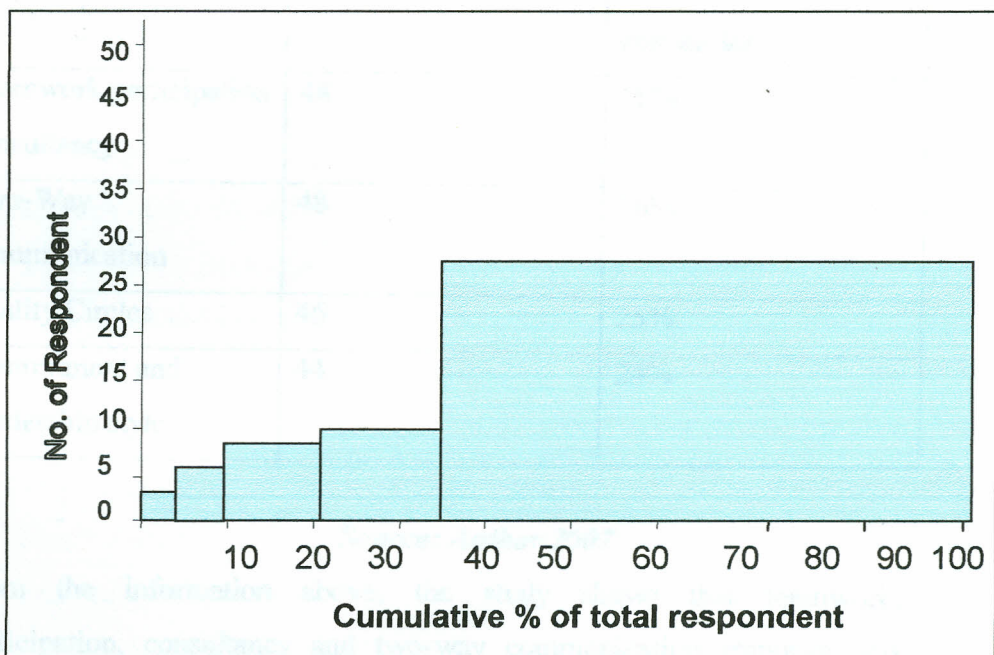
company's goals. Participation and involving employees in the planning process in the company's strategy of the period year 2000 – 2005 (refer to 2.3.6 and figure 2.3 literature review) allowed smooth unfreezing of forces of resistance to change.

According to Lewin (1951) model, implementing change meant either weakening the status quo forces or building up forces for change to attain the desired pattern of behaviour through the people or the organization. Many respondents advocated for new changes, which were reviewed on weekly basis through memos, suggestion box and briefing at each level of change.

The summary data analysis of table 4.3 was represented in a Histogram to show a clear interpretation in each category of response.

Figure 4.2

Histogram: Cumulative percentage of total respondent on management to opinions on handling change of attitude.



4.2.2 Analysis on Critical Success Factors (Dependent Variables)

The study sought to identify the critical success factors embraced in enacting change in Bio Food

Product Ltd in the period of the year 2001 – 2005.

The study defined the critical factors as the dependent variables (Conceptual Framework 2.4). The following were items under study.

- (i) Teamwork participation and consultancy.
- (ii) Quality circles
- (iii) Two-way communication.
- (iv) Commitment and leadership.

The analysis sought to discover which factors were embraced most on a rate scale measure, from the respondent as shown in the table 4.1. There was an average of 46 respondent who responded to the questions.

Table 4.4

Critical Success Factors Embraced in Bio Food Products Ltd.

Factors	No. of Respondent	% total of respondent
Teamwork participation consultancy	48	26%
Two-Way Communication	48	26%
Quality Circles	46	25%
Commitment and Leadership style	44	24%

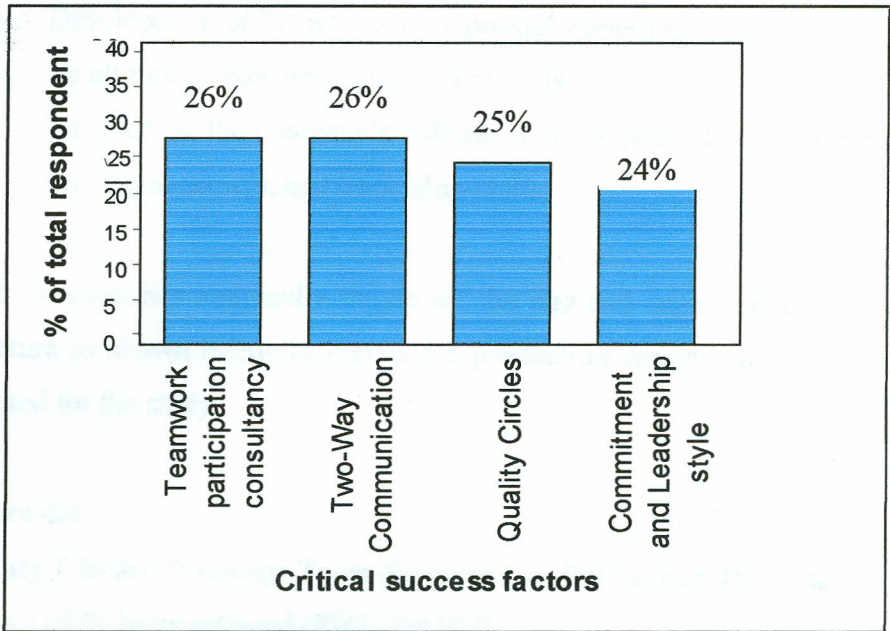
Source: Author 2007

From the information above, the study shows that teamwork, participation, consultancy and two-way communication response was 26% respectively, followed by quality circles 25%, commitment and leadership style captured 24%. This analysis gives an interpretation that all the factors are embraced on almost the same strength though commitment response is still low. The majority of the staff stated that

all the factors are embraced on almost the same strength though commitment response is still low. The majority of the staff stated that teamwork and quality circle were emphasized more in production department, which also has the highest number of employees

Figure 4.3

Bar Chart: Critical Success Factors Embraced in Bio Food Products Ltd.



The respondent ranking of the critical factors on Likert scale shows the analysis of the attributes response as follows.

Teamwork, participation and consultancy were scaled to very important at 83% and quite important at 17% attributes. Two-communication attribute response garnered; very important, 75% quite important 15% and little importance 10%. Commitment and leadership style responses ranked very important at 68%, quite important at 32%. Quality circles distribution of responses garnered as follows: very important 78%, quite important 20% and little importance 2%.

Quality Circles are held every Tuesday and Friday at 10.00 a.m. the operational manager who is of the DANIDA support Agency team organizes the program, refer to Appendix (ii) and (iii)

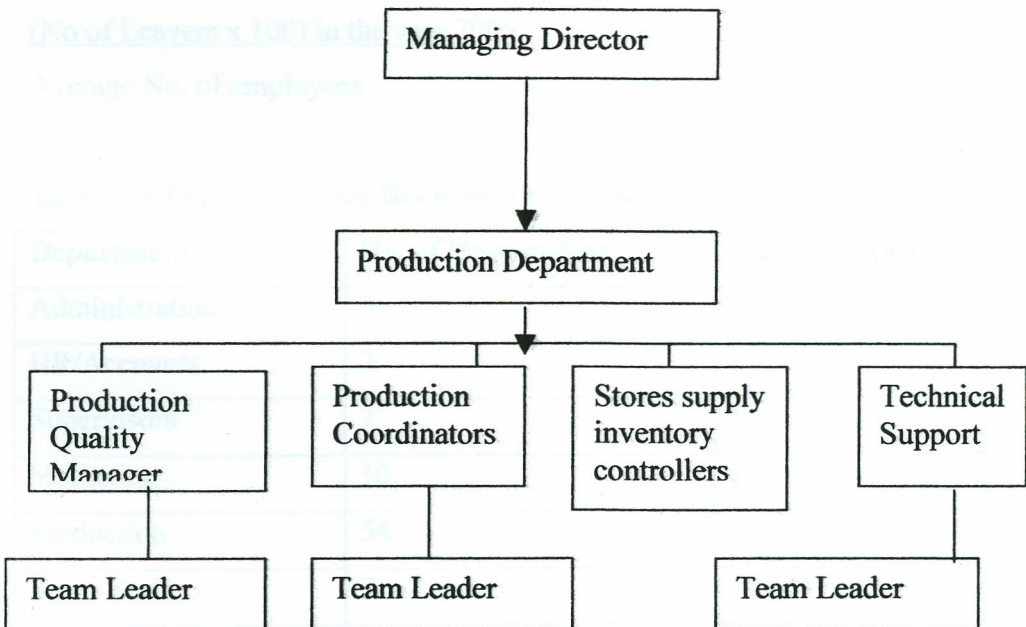
4.2.3 Application of Quality Circles in Adopting to Change Bio Food Products Ltd.

- (i) The objective of the quality circles in Bio Food Products Ltd is to bring change in attitude and continuously improve the quality of work life through humanization of work.
- (ii) Bring out hidden potential of the employees and learn additional skills. (Bio Neuclea Philosophy 2001).
- (iii) Development of Team Spirit, Individual verses team.
- (iv) To eliminate inter-departmental conflicts.
- (v) To improve the company's culture in developing of commitment, time management, and leadership skills.

Each program has assigned a theme for the day and organized in Team structure as shown below in Figure 4.3 production department has been selected for the study.

Figure 4.4

Quality Circles Training: Team Structure in Production Department by Fan Milk International (FMI) DANIDA



Appendices (ii and iii) show a complete model for Human Resource plan October 2006, which took 10 to 16 weeks to second January 2007. This analysis shows that Bio Food Products Ltd. embraces qualities of human relation as their basis concept and tool to competitive market.

Analysis on whether the company encouraged learning and self development showed that 83% of the respondent advocated for learning and training as a basic tool for the improvement of ones skills and knowledge. The innovation characteristic scored 98% under the scale of 'quite important' on likert scale. The respondent described innovation as a factor that can be influenced by training, good incentives and rewards, and flexible structures that allow creativity.

The study major focus was to analyse trend of employees leaving or resigning from the company. Eighty three (83%) of the respondent attributed to low payment, 13% attributed it to lack of job satisfaction and 4% lack of career ladder. The analysis from the Human Resource/Accounts department showed turn-over rates of 46% in the year 2005. The following table shows the annual turn over in Bio Food Products Ltd. at the end of the year 2005.

(No of Leavers x 100) in the year 2005

Average No. of employees

Table 4.5 Turn over rates Bio Food Products Ltd.

Department	No. of Respondent	Turnover rates
Administration	5	-
HR/Accounts	3	1
Supervisors	7	1
Marketing	10	1
Production	54	2
Sub – Staff	7	-

Source: HR/Accounts Bio Food Products Department 2006

From the analysis of the study, skills and knowledge were updated through on-job training, and most respondent needed time be allowed to go for self-development programs.

The study found out that the support Agency (FMI) DANIDA organized training programs to impact change on behaviour by applying holistic approach to promote quality performance.

The study made assessment on the expected output after the application and embracement of the dependent variables in Bio Food Products Ltd. The results showed that there was less resistance to change, because employee participated in the decision making in the change process. High Profit margins and sales turn were realized, after the five year strategic plan.

Sales turn over between the period year 2001 and 2005 records showed a gradual increase in sales revenue to about Kenya Shillings 114 Million in the year ending 2005. (Appendix V) the company recorded profit margins of over 20% in the period between year 2004 and 2005 ending. In 2001, the company has worn quality awards from European Quality Award in Dairy Products and a Recognition Award of the best managed company. Other variable of the expected out could not be measured well due to the limitation of the study

5.1 Bio Food Products Ltd

5.2 Conclusion

The main objective of the research was to analyze the role of Human Resource in facilitating change in an organization. With respect to the research questions and objectives, the Human Resource has a role in Identifying needs and understanding the type of change needed. The role of Human Resource is to emphasize the need on change of employee behaviour, attitudes, values and beliefs. A shared vision, commitment and participation of employees is under the command of Human Resource.

5.3 Discussion

Bio Food Product Ltd, Human Resource made a consensus of management by having consultative meetings with the staff and came up

with a strategy plan for five years (2000 – 2005 period). The Human Resource was given mandate to foresee the implementation of the strategy. The conclusion of the study shows that Human Resource Role in the management of change resulted in positive expected output.

Integration of the dependent and independent variables result in positive achievement, only handled with skill. From the study research Bio Food Products Ltd. advocated five main approaches to change in the company which required Human Resource support and advice.

- (i) It made clear to the employees the reasons as to why there was an urgency for change to stay in business.
- (ii) It made clear the changes strategy plan, vision and mission.
- (iii) It reacted appropriately to critical incidents and organizational crisis.
- (iv) Deliberate role-model in change of culture in shared values e.g. time management, where managers observed time.
- (v) The leaders used a tool of philosophy of mutual trust, respect and motivate through recognition, appreciation acceptance and teamwork.

5.3 Recommendation for Bio Food Products Ltd.

1. Bio Food Products Ltd. plan to have an independent Human Resource department.
2. Human Resource management policy establish a documented article of inventory of personnel.
3. Employees should be encouraged to go for self-development programmes e.g. evening classes to increase knowledge on areas of specialization.
4. Policy related to HIV and AIDS, social responsibility and environmental care be formulated.
5. HIV/AIDS policy be established as part of Human Resource policy.

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APPENDICES

APPENDIX 1

A RESEARCH QUESTIONNAIRE ON THE ANALYSIS OF THE ROLE OF HUMAN RESOURCE IN FACILITING CHANGE A CASE OF BIO FOOD PRODUCTS LTD.

The researcher is a MBA, Human Resource Student, in the school of Business Department of Business Administration, Kenyatta University. She would like to make it clear that information given by the respondent is strictly for academic purpose and no other motives whatsoever.

CONFIDENTIAL:

SECTION A:

BACKGROUND INFORMATION OF THE RESPONDENT.

TICK OR FILL IN THE SPACE PROVIDED AS APPROPRIATE.

1. Name _____ of _____ the respondent.....
2. Sex: Male [] Female []
3. Age:
Years 20 and below []
 20 – 25 years []
 26 – 35 years []
 46 and above []
4. Education –
Formal []
Informal []
If formal, level of achievements
Primary []
Secondary []
Certificate/Diploma []
Degree /above []

5. For how long have worked for this Company?

- (a) 0 – 1 years []
- (b) 1 – 5 []
- (c) 6 – 10 []
- (d) 10 and over []

6. Indicate your designation

- (a) Manager []
- (b) Supervisor []
- (c) Subordinate staff []

7. Are you computer literate

- Yes []
- No []

**SECTION B
MANAGEMENT QUESTIONS**

8. What is your general perception on the on-going changes in the company?

- (a) Very encouraging []
- (b) Encouraging []
- (c) Slightly encouraging []
- (d) Not encouraging []

If (a) state factors which has contributed to the encouragement.

.....
.....

9. Change objectives has been clearly explained by the management.

- (a) Yes []
- (b) No []

10. Does the company have a proper policy on change management?

- (a) Yes []
- (b) No []

- (c) Not clear []
- (d) I don't know []

If (a) what is your opinion on handling change of attitude of the employees in your company?

.....

.....

.....

11. State level of staff participation in change management process.

- (a) Staff participate fully []
- (b) Staff participation partially []
- (c) Staff do not participate at all []
- (d) Staff are just informed []

12. How do people in your department value teamwork and two-way communication?

- (a) Very positively
- (b) Positively
- (c) Negatively
- (d) Very negatively

If (c) what may be the reason(s)

.....

.....

.....

13. Rank the following aspects of your job using the values 1 to 6 in your Company

1 = the aspect you like most

6 = the aspect you like the best

- Pay []
- Working environment []
- The work itself []
- Relationship with supervisors []
- Company culture []
- Staff commitment []

14. Do the training programmes being offered in your company useful to you? Comment

.....

15. Employees demonstrate a sense of.... Tick all those which are applicable.

- (a) Ownership and commitment []
- (b) Loyalty and belongingness []
- (c) Teamwork []
- (d) Mutual trust and confidence []
- (e) Responsibility []

16. Employees sometimes resign from this company due to

- (a) Pay []
- (b) Job satisfaction []
- (c) Lack of career ladder []
- (d) Lack of appreciation []

17. How important are the following characteristics to the performance of the company in change management.

Please tick one box for each characteristic.

	Embraced characteristic	Very important	Quite important	Of little importance	Undecided	Not important
1	Team work, participation consultancy					
2	Quality circles					
3	Organizational learning and self development					

	Embraced characteristic	Very important	Quite important	Of little importance	Undecided	Not important
4	Innovation					
5	Loyalty of key staff					
6	Two-way communication					
7	Customer care relation					
8	Incentives and Rewards					
9	Interdependence and interrelation with stakeholders					
10	Commitment of leadership					
11	Training					
12	Team building and culture change.					
13	Quality Management					
14	HIV/AIDS Policy					

SECTION C

OPINION QUESTIONS

18. What achievements have you noticed since the company effected change? Comment.

.....
.....
.....

19. What other training would you like to have to enrich your present status?

.....
.....
.....

20. List four factors that has contributed to the smooth transition of change.

.....
.....
.....
.....

APPENDIX II

Bio Food Products Ltd.
HR plan Oct. 10 to 16 (Week 41)

Managing			3 Gerald Wachira Mwangi 165 Ndimiro Ngana Kakongo	2
Production	Non milk based products, packaging	Day	96 Benjamin Mwatoo 179 Florence Mwikali Nthenge 138 Fanuel Mwaghogo Mwangale 158 Josephine Kathini Mbiti 47 Richard Mutua Usi xxx Amos Musyoka xxx Catherine Msatari xxx Edika Alwany	8
		Night	xxx Cyril Matheka	1
	Milk based products	Day	182 Dominic Waweru Macua 163 Isaiah Nyongesa Wafula 131 Moses Muvo Kitoo 79 Paul Kioko Muasa 72 Protus Mutuku Ochoka xxx Paul Nganga Wandunga 123 Moses Ndungu Kanja 159 Francis Muriithi Kariuki	8
		Night	11 Peter Muoka Mutiso 19 Josephat Mumo Mungai 139 Wilson Kilonzo Musyoki 180 Isaac Maloba 187 Paul Kusimba Shikhoba 80 Haron Mubu Masio 110 David Kihara Kathama 176 Alphonse Mwanzia Nthenge	8
Store	Raw Material	Day	175 Lucy Wanjiru Mathenge 7 Fidelis Kasyoka Mbuku 143 Thomas Mwangi Ndegwa	3
	Finished goods	Day	12 Fred Wanyama Malawa 177 Boniface Wambua Kithuma 162 Nicholas Kitheka Mulatya	3
Quality	QC	Day	128 Maryline N. Malomba 190 Gillian Kadenyi xxx Vane Kwamboka Nyangeri	3
	QA	Day	152 Lilian Owiti 92 Julianah Mumbua Muli	2
		Night	181 Ruth Misiko	1
Support	Tech support and supply	Day	Manjit Singh	1
	Cleaning	Day	17 Patrick Moses Emajong 42 Titus Aristika Petro	2
	Driving/Milk collection	Day	8 James Erii Awoikal 126 Wilson Ndirangu xxx Peter Njoroge No. of personal in process	45
	On leave e.t.c		50 Patrick Shpendi 108 Reuben Ogola Mbok 145 Fraciah Wangui Wanjiru 16 Boaz Efedha Ombima 178 Festas Nyamai Mwanza 75 Esther Nyambura Sure No of personal absent:	6 6
			No. of personal in total:	51

TRAINING:

TOPIC: INTRODUCTION TO HACCP
DATE: 11/10/2005
SPEAKER: Lilian
TIME: 10.00 A.M
PLACE: TEA ROOM

TOPIC: EFFECTIVE COMMUNICATION
DATE: 13/10/2005
SPEAKER: Julianah
TIME: 10.00 AM
PLACE: TEA ROOM

APPENDIX III

BIO Food Products Ltd.
Personal plan Jan 02-07 (01)

Printed date: 30/12/2006

Product Quality	Product Quality Manager		003	Gerald Wachira Mwangi
QC/QA		Day	128	Maryline N. Malomba
		Day	145	Fraciah Wangui Wanjiru
		Day	193	Vane Kwamboka Nyangeri
		Day	152	Lilian Owiti
		Night	095	Juliana Muli

6

Production	Production Coordinator		165	Ndimiro Ngana Kakongo		
Mobile team	Team leader	Day	011	Peter Muoka Mutiso		
		Day	179	Florence Mwikali Nthenge		
		Day	138	Fanuel Mwaghogo Mwangale		
		Day	xxx	Robert Maya Muturia		
		Day	019	Josphat Mumo Mungai		
		Day	075	Esther Nyambura Sure		
		Day	158	Josephine Kathini Mbiti		
		Day	017	Patrick Moses Emojong		
		Day	042	Titus Aristsika Petro		
		Night	110	David Kihara Kathama		
		Day	131	Moses Muvo Kitoo		
		Day	072	Protus Mutuku Ochoka		
		Night	163	Isaiah Nyongesa Wafuta		
		Milk based products	Team leader	night	198	Abraham Galgalo
				Night	050	Patrick Shipendi
Night	080			Haron Mubu Masio		
Night	139			Wilson Kilonzo Musyoki		
Night	178			Festas Nyamai Mwanza		
Night	079			Paul Kioko Muasa		
Night	187			Paul Kusimba Shikhoba		
Night	xxx			George Lifureze Muhindi		
Team leader	day			182	Dominic Waweru Macua	
	Day			180	Isaac Maloba	
	Day			159	Francis Muriithi Kariuki	
	Day			123	Moses Ndungu Kanja	
	Day			194	Paul Nganga Wandunga	
Under training	Day			xxx	Kelvin Kilonzo Kieka	
	Day			179	Richard Mutua Usi	
	Day	192	Cyrl Matheka			
Fine Foods	Acting Team leader	Day	xxx	Amos Musyoka		
		Day	016	Boaz Efedha Ombima		
		Night	016	Boaz Efedha Ombima		

33

Store and Supply	Store, supply and inventory controller		175	Lucy Wanjiru Mathenge
		Day	007	Fidelis Kasyoka Mbuku
		Day	143	Thomas Mwnagi Ndegwa
		Day	177	Boniface Wambua Kithuma
Finished goods		Day	012	Fred Wanyama Malava
		Day	162	Nicholas Kithaka Mulatya
		Day	xxx	Mathew Muli Maithya
Supply	Driver, Milk collection	Day	008	James Erii Awoikai
		Day	108	Reuben Ogola Mbok
		Day	xxx	Peter Njoroge

10

Technical Support	Technical	Day	196	Manjit Singh
		Day	199	David Okeyo Arogo

2

No. of personal in process: 51

Absent On leave		096	Benjamin Mwato (5 Dec. - 12 Jan)
		126	Wilson Ndirangu (12 Dec. - 16 Jan.)
		080	Haron M. Masio (22 Dec. - 22Jan)

3

No. of personal absent: 3

No. of personal in total: 54

TRAINING				
TOPIC: HANDLING OF FINISHED PRODUCTS				TOPIC: REVIEW OF PREVIOUS TOPICS
DATE: 03/01/2007				DATE: 05/01/2007
SPEAKER: LILIAN/VANE				SPEAKER: VANE/LILIAN
TIME: 10.00 AM				TIME: 10.00AM
PLACE: TEAM ROOM				PLACE: TEA ROOM

APPENDIX VI

PROPOSAL OF RESEARCH BUDGET.

BUDGETARY REQUIREMENTS.

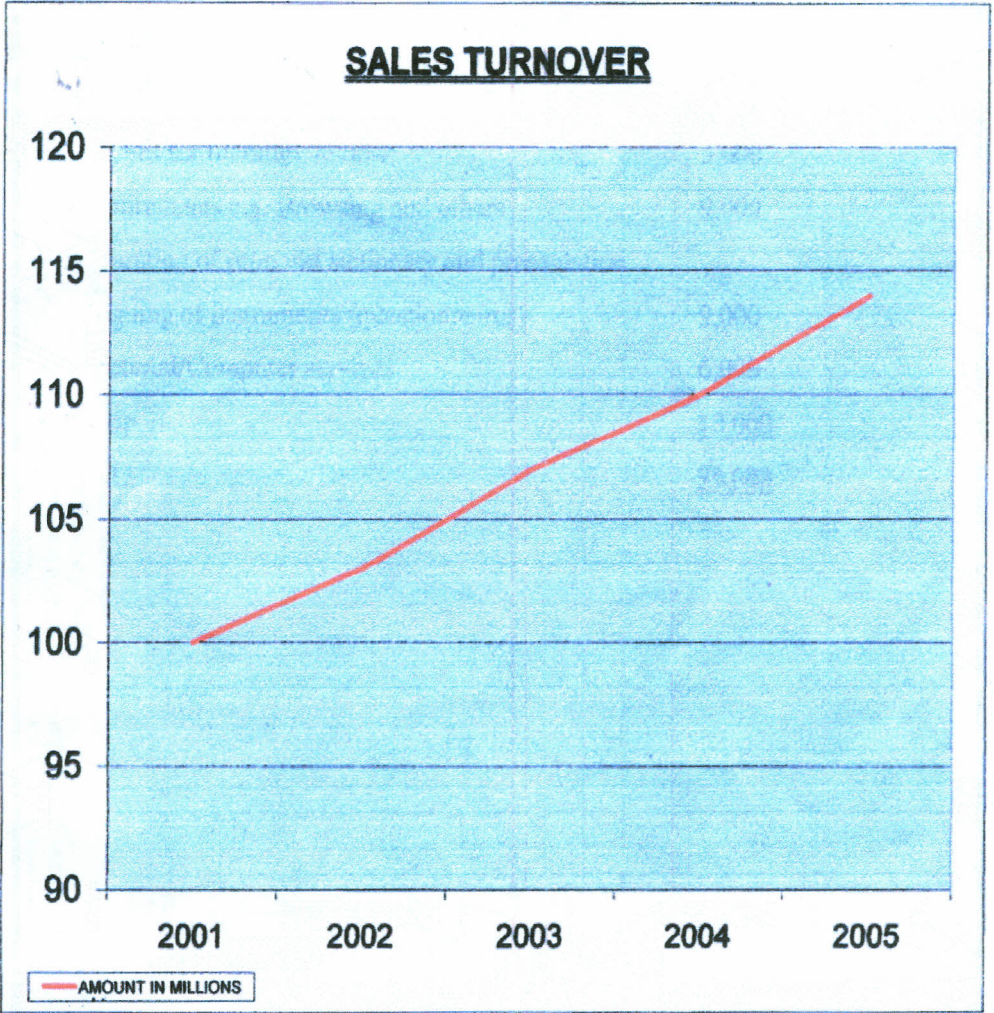
No.	ITEM	PROJECT INPUT KSHS.
1.	Searches for Literature review e.g. browsing and others.	5,000
2.	Preparation of proposal, stationary	9,000
3.	compilation writing and typing.	9,000
4.	Designing of instrument questionnaires.	6,000
5.	Secretarial /Computer services	10,000
6.	Transport	
	TOTAL	39,000

APPENDIX V

BIO FOOD PRODUCTS LTD

5 YEAR PERFORMANCE

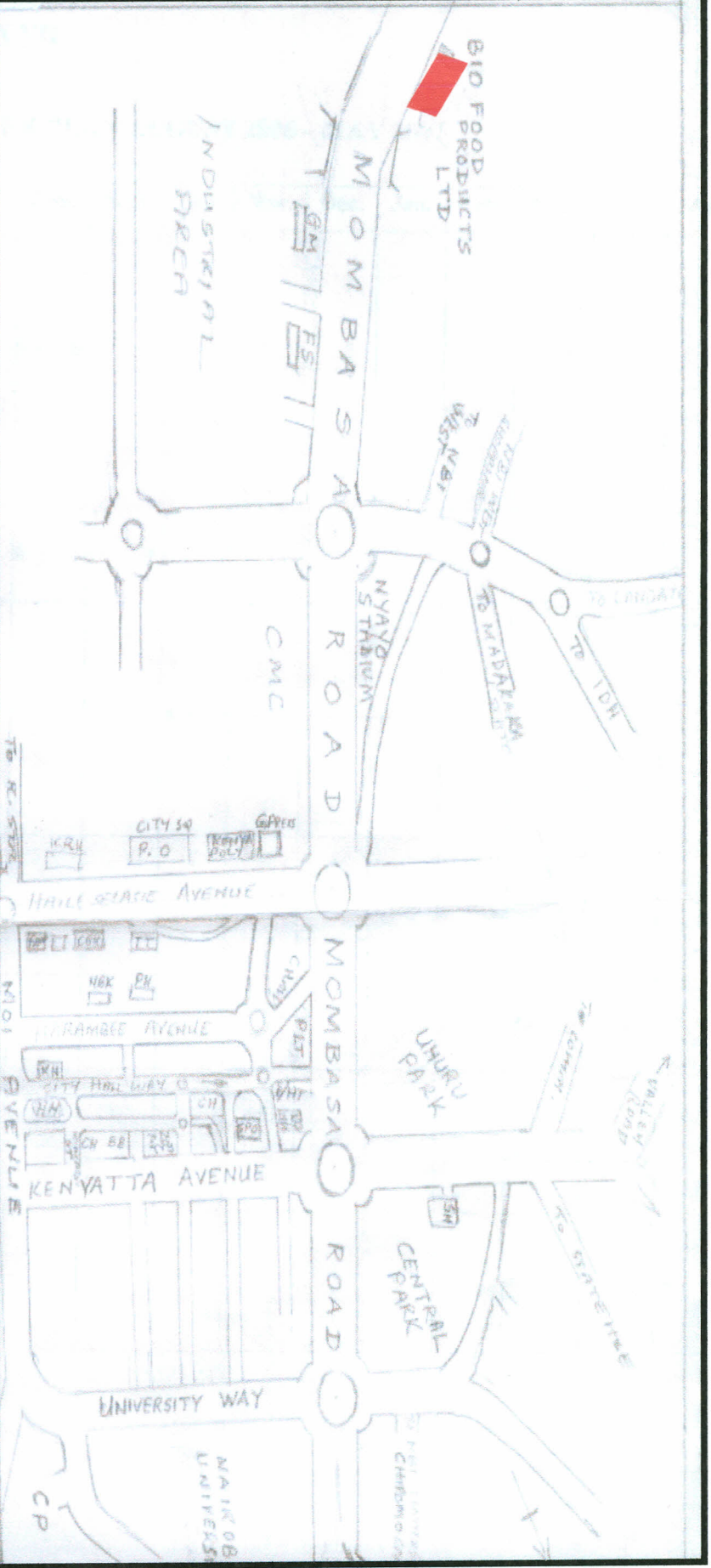
TURNOVER IN KES



Source: Bio Products 2006

APPENDIX IV

SKETCH MAP SHOWING
LOCATION OF
BIO FOOD PRODUCTS
IN NAIROBI



KEY:
GM - General Motors
FS - Fire Stone/YAMAHA
CMC - Cooper Motor Cooperation

GPO - General Post Office
PL - Parliament Building
CP - Central Police Station
SH - Serena Hotel

APPENDIX VII

TIME WORK PLAN AUGUST 2006 - MAY 2007

ACTIVITY	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May
Area of study selection and approval by supervisor	←→									
Literature Review	←→									
Proposal preparation, approval of the supervisor			←→							
Writing, typing and correction							←→			
Proposal defence								←→		
Data collection and analysis								←→		
Presentation of final report								←→		