

ADDIS ABABA UNIVERSITY

**SCHOOL OF COMMERCE
DEPARTMENT OF BAIS**



**ASSESSMENT OF CHANGE MANAGEMENT PRACTICES
EFFECT ON STRATEGY IMPLEMENTATION: THE CASE OF
HIBRET BANK S.C.**

*Research Paper Submitted to Addis Ababa University School of Commerce in Partial
fulfillment for the Award of Master of Arts (MA) in Business Leadership*

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**June, 2023
Addis Ababa, Ethiopia**

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*Assessment of Change Management Practices Effect on Strategy Implementation:
The case of Hibret bank S.C.*

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DECLARATION

I declare that this project work for the partial fulfillment of Masters in Business Leadership is my ownwork. This project titled with “*Assessment of Change Management Practices Effect on Strategy Implementation: The Case of Hibret Bank S.C.*” has not been copied and has not been submitted in any other university.

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STATEMENT OF CERTIFICATION

This is to certify that FasikaAbebe T/Mariam has carried out this project entitled “*Assessment of Change Management Practices Effect on Strategy Implementation: The case of Hibret bank S.C.*” This work is original in nature and it is sufficient for submission for the partial fulfilment for the award of Degree of Master of Art in Business Leadership.

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Date: _____

Acknowledgement

First of all I would like to thank God, for his showers of blessings throughout my academic year and the research and its successful completion.

I would also like to express my deep and sincere gratitude to my research advisor, Abudrazak Mohammed (PhD) for providing me invaluable supervision and support, during the course of my research study. I would also like to thank him for his empathy, patience, and knowledge that he shared with me. It was a great privilege and honour to work and study under his guidance.

My gratitude also extends to Addis Ababa University College of Commerce, distance coordination office, instructors, registrar office, librarians, and all other University community, for giving me the necessary guidance and assistance from start to the end of my academic stay.

I would also like to thank and appreciate respondents who willingly helped with their full cooperation which has made the research study achieve its smooth completion. We would also like to give thanks for the time and knowledge that you have given me to conduct this study.

Last but not least, to my family, specially my husband and kids (Nathan Michael, El-Shadaai Michael and Eliana Michael) for their patience, support, and understanding throughout my academic year. My husband, Michael Admassu, my rock, thank you for giving me the support I needed by searching and bringing all the necessary books and documents, giving me advises and also giving all the support you could give and beyond to get me through it and achieve my dream. This achievement is yours too.

Thank you all.

ABBREVIATION

ADKAR Awareness, Desire, Knowledge, Ability, Reinforcement

ANOVA Analysis of Variables

S.C. Share Company

SPSS Statistics package for social science

Abstract

The goal of this study was to examine the various components of the Bank's strategy by assessing how strategic execution affected Hibret Bank's change management procedures. An explanation-focused research design was employed. Both primary and secondary data were used in this investigation. Secondary data were obtained by looking through textbooks, journals, financial records, and internal Hibret bank records. Primary data were gathered through questionnaires. A total of 103 questionnaires were given, and 96 of them received responses, for a response rate of 93.20 percent. The study's results revealed that employees were unaware of the bank's well-documented plan, despite the fact that it was made by a foreign consultant. The development and evaluation processes did not involve employees or middle-level managers as stakeholders. According to inferential analysis, organizational change management methods and the dependent variable strategy implementation had a positive correlation. The accessibility of the approach was only overseen by top managers. The implementation of the plan was limited to employees only. Workers and middle management were doing a task assigned by high management. They were incapable of starting the plan on their own. Regarding the strategy's ability to affect change within the company, the report advises the bank's management to implement some significant corrective measures. One suggested action is to educate Bank staff members on the strategy and the significance of its implementation.

Key Words: *strategy formulation, implementation, and Change management*

Chapter One

Introduction

1.1 Background of the Study

Any company experiences change regularly. Organizations must continuously adapt to new technologies, tactics, and structures to participate in society's dynamism and environment. Otherwise, they risk losing their competitive edge. This description is accurate for the involuntary metamorphosis that takes place. On the other hand, a shift might be free, especially if it is motivated by conviction, such as the desire to succeed.(Ertürk,A.,2018)

Change is the alteration of the status quo or the creation of something new. "The term change refers to any modification that takes place in an organization's overall working environment." Change is a coping mechanism that involves going from an undesirable current condition to a desired future state. The law of nature is change. Most organizations rely on it to function and expand.(Cummings and Worley,2008).

A defined procedure and a collection of tools are used in change management to guide the people's side of change toward a desired result by assisting those who are affected by a change in making smooth personal transitions so they can interact with, accept, and employ a change. (Cameron, E., & Green, M., 2015)

A methodical strategy for dealing with the transition or transformation of an organization's objectives, procedures, or technologies is known as change management. Implementing ways for bringing about change, managing change, and assist individuals in adapting to change is the goal of change management.(Kotter, J. P.,1996)

Change management has originated, developed, and matured over the past 25 years, going from basic perceptions through conceptual underpinnings to becoming a recognized discipline. According to Prosci's study and expertise, the future will increasingly center on three areas: improved organizational maturity development, increased change discipline collaboration, and individual professional development.(Hiatt, J. M.,2006)

The process of carrying out a strategic plan is known as strategy implementation. It entails converting the strategic goals and objectives into concrete activities, allocating resources, and putting in place procedures and mechanisms to help the plan run smoothly. Clear communication of the strategic plan and support from all stakeholders, such as employees, clients, suppliers, and investors, are necessary for successful strategy implementation.(Kazmi, A., 2014)

Strong leadership, efficient resource management, a supportive organizational culture and structure, employee engagement and involvement, and monitoring and evaluation are important elements that contribute to successful strategy execution. The allocation of resources and strategic alignment are essential components of strategy implementation. It is crucial to make sure that all resources—financial, human, and technological—are coordinated with the overall aims and objectives of the strategy. (Hitt, M.A., Ireland, R.D. &Hoskisson, R.E.,2017)

Clear timetables, performance targets, and accountability standards should be part of the implementation process. This makes it easier to keep the strategy on track and to gauge and assess progress. The execution of a strategy is a continuous process that necessitates frequent evaluation and modification. Organizations should be ready to modify their implementation plans as necessary in response to new information and evolving conditions. (Wheelen, T. L., Hunger, J. D., Hoffman, A. N., & Bamford, C. E.,2017)

Finally, a dedication to ongoing learning and improvement is necessary for successful strategy execution. To enhance their implementation procedures and accomplish their strategic goals and objectives, organizations should be receptive to criticism and prepared to make adjustments.(Johnson, G., Whittington, R., Scholes, K., Angwin, D., &Regner, P.,2017).

Considering the elements most important for successful change management and strategy implementation. The role of leadership, the significance of communication, the impact of corporate culture, the influence of resource allocation, and the significance of employee engagement are some of the major topics of discussion. While there is no universal agreement on which of these elements is most crucial, experts generally concur that

successful change management and plan execution require a thorough and integrated approach. (Cameron, E., & Green, M.,2015).

1.2 Background of the Organization

In accordance with the Commercial Code of Ethiopia 1960 and the licensing and supervision of Banking Business Proclamation No. 84/1994, Hibret Bank S.C. was established as a share company on September 10, 1998, G.C.

Hibret Bank has earned a reputation for offering cutting-edge financial solutions to the Ethiopian banking sector throughout the years. Additionally, the Bank is implementing its transformative strategy for 2030 to create a solid financial foundation and an "Eco-system" for stakeholders, key partners, and clients that benefits all parties.

Hibret Bank is chosen as a pioneer partner by Giant National Brands such as Ethiopian Airlines in "Hibir Sheba Miles," Ethio Telecom in "Tele-Birr," and the Ministry of Revenues for e-tax payment as a result of the Bank's competitive edge in technology and renowned name.

With 466 branches and sub-branch locations (and still growing), Hibret is a well-known brand in Ethiopia today. Of its 4706+ employees, 41.8% are women. Large multinational and local corporations, non-governmental organizations, and institutions now favor Hibret Bank above other banks.

The country's financial area is home to the 37-story "Hibir Tower" headquarters of Hibret Bank S.C. It is a cutting-edge structure with features and aesthetics that meet worldwide standards. In fact, Hibir Tower is Hibret Bank's gift to Addis Ababa, the nation's capital, and the continent as a whole.

Every firm aspires to improve its daily operations. They must implement various forms of modifications to create that to get a favorable outcome. This requires a pre-planned strategy and instructions on how to carry it out.

In this regard, the company I've chosen to highlight adopted a new strategy five years ago after being the subject of research and consultation by the consulting company Deloitte Consulting Ltd. The name of the strategy, "Strategy 2030 (Yekuchit Strategy)," represents the bank's vision for where it wants to be in 2030. The plan was created and researched beginning in August 2018. There are three defined strategy period of the strategy implementation. The first one is from August – December 2018 (Short term). The second is from January – December 2019 (Medium term). The last one is from January 2020 – 2030 (Long term).

1.3 Statement of the Problem

With a focus on the usage of variables by Hibret Bank S.C. that influence the execution of the strategy and the anticipated change, this study intends to address the implications of strategy implementation on change management in Ethiopia.

To help the bank become a "Globally preferred Financial Service Provider of Innovative Solutions" by 2030, the first step of the plan was to research how to offer a framework and road map for the implementation of the recommendations. Kotter's eight steps (Create, Build, Form, Enlist, Enable, Generate, Sustain, and Institute) served as the basis for change management. This framework is used in conjunction with the ADKAR model to promote change at the individual level and to pinpoint areas where staff require assistance to advance along the change curve and come to terms with the change.

There is a need for modification because of the following issues:

- Market share decline; escalating industry competition
- There is a largely unexplored market.
- Opportunity for market growth through regional development.

The new strategy's role in the projected shift in the organization, however, is not made apparent enough. The primary components of an organization must be affected for strategy implementation to succeed. This means that the implementation alone promotes improvements in several dimensions. Therefore, the purpose of this study is to determine the size of this effect.

The paper may contribute to the existing literature by addressing the theoretical and empirical gap in the understanding of the impact of change management practices on strategy implementation in the banking sector, specifically in the context of Hibret Bank.

1.4. Research Questions

1.4.1 Main Research Question

What is the effect of change management practices on the implementation of strategy 2030?

1.4.2 Sub-Research Questions

1. What are the effects of strategy implementation on bringing change?
2. What are the means employed by the bank in managing change?
3. What are the roles of management in creating change?

1.5 Research Objectives

1.5.1 General Objective

The study's main objective is to establish the effect of change management practices on the implementation of strategy 2030.

1.5.2 Specific Objective

The specific objectives of the study are:

- Effects of strategy implementation on bringing change.
- Means employed by the bank in managing change.
- Define the role of management in creating change.

1.6. Significance of the Study

The findings of this study are intended to help improve the researcher's strategic management skills as far as change management and strategy implementation is concerned. The study will also assist managers and policymakers in Hibret Bank and other organizations to make decisions regarding change management and strategy implementation. Finally, the study will contribute to the understanding of existing theories of change management and specifically regarding strategy implementation. It will also contribute to the body of knowledge for researchers and scholars interested in change management practices and their effect on strategy implementation.

The study also has great significance in getting the full effect of the strategy and identifying whether the strategy is fully implemented, and the expected results are achieved or if it needs an amendment to get the full effect.

It also serves as input for all stakeholders of the bank while measuring and evaluating their performance towards the implementation of the strategy and filling the gap if there is any.

1.7 Scope of the Study

1.7.1 Thematic Scope

The study is delimited conceptually, under the conceptual framework of the independent and dependent variables.

1.7.2 Geographical Scope

Since the time of the study is very short out of the 466 branches, 4 districts in Addis Ababa, and 6 districts outlying, the study will be conducted only at the head office.

1.7.3 Methodology Scope

The other limitation is that since out of different types of methodology the data is collected only by questionnaire. Therefore, it is difficult to conclude the research is done thoroughly and that all the needed information's are collected.

1.7.4 Time Scope

The study is focused on the Banks strategic plan till the year 2030. the time scope of the study would be limited to the period leading up to 2030, including the current state of the

bank's operations, its goals and objectives for the future, and the strategies it has developed to achieve those goals. The study would aim to provide a comprehensive analysis of the bank's strategic plan, including its change management practices and strategy implementation.

1.8 Limitations of the Study

The first limitation is that since the study is made only in Ethiopia it is difficult to generalize the findings of the study stands for other banks since the sample size doesn't include other bank staff. In addition, the strategy 2030 is only implemented at Hibret Bank S.C., therefore we can't conclude the findings will work for other banks.

1.9 Organization of the Study

The paper is divided into five chapters; the first one provides an overview of the study, and the second one includes a review of the literature. It also provides a conceptual review and a detailed discussion of the theoretical literature. The methodology is covered in the third chapter, and the data presentation is covered in the fourth. The researcher presents findings, conclusion, and recommendations in the fourth and fifth chapters respectively.

Chapter Two

Review of Related Literature

This chapter starts with brief history of change management and by explaining the concept of change, types of change, characteristics of change and also the importance of change by taking into account some of the definitions given to the terms by different scholars. It has been attempted to mention some concepts of change management and different models of change management.

Also the significance of strategy implementation and emphasizes the critical elements that make it successful, including good resource allocation, strong leadership, effective communication, a positive company culture, employee engagement and involvement, and monitoring and evaluation. Other crucial elements include resource allocation and strategic alignment. Overall, the literature highlights the necessity for firms to take a methodical approach to strategy implementation and concentrate on these crucial areas in order to ensure success.

2.1 Brief History of Change Management

Many academics and researchers like Kurt Lewin, John Kotter, Rosabeth Moss Kanter, Edgar Schein, Ricard Beckard spoke out in favor of the importance of real transformation for organizations to operate successfully. Certain of them stated that to achieve a level of long-term success and sustainability, businesses need to make certain real organizational adjustments (Burnes, 2004; By, 2005; Hailey & Balogun, 2002; Kotter, 1996; Mintzberg, 1979; Moran & Brightman, 2001). Scholars and academics have agreed that firms must accept, adapt, and apply changes to their business model in response to evolving trends, technology, customer preferences, and long-term issues when discussing these actionable measures for enterprises.

Four distinct eras mark the evolution and growth of the change management discipline:

The development and expansion of the field of change management can be divided into four major eras: (Eeva K. Kallio, June 2014)

The 1980s: the foundation

Academics are starting to comprehend how people and human systems undergo change.

The 1990s: Seen Coming

Change management has become commonplace in business.

Formalization in the 2000s

Change management has been given more structure and rigor to be codified as a discipline. Individual professional progress and improved organizational maturity are on the rise going to the future.

Pre-1990: Foundations

Before 1990 was the first era of change management. The goal throughout this time was to advance human beings as a whole, how we perceive change, and how our human systems interact and respond. For understanding successful change, this age brought essential insights, research, and paradigms.

During this time, some of the major contributors include:

Cultural anthropologist ARNOLD VAN GENNEP (1909) was interested in rites of passage all across the world. Adolescence, marriage, and parenthood are just a few examples of the three stages he described as occurring during change: separating from our current condition, transitioning through it, and reintegrating into it. 1948's Kurt Lewin, Lewin, a social psychologist, developed force field analysis and the three states of change of unfreezing, moving, and refreezing.

The discipline of organization development was pioneered by Richard Beckhard in 1969, who defined it as "an effort (1) planned, (2) organization-wide, and (3) managed from the top, to (4) increase organization effectiveness and health through (5) planned interventions in the organization's 'processes,' using behavioral-science knowledge."

DARYL CONNER, (1992), in his groundbreaking book, *Managing at the Speed of Transformation*, provided invaluable insights on a range of transformation concepts and topics. Todd Jick (1993) additionally included current case studies and the "Implementing Change" chapter from Jick's book *Managing Change: Cases and Concepts*. Jick outlined his Ten Commandments for Implementing Change in this chapter and identified common issues. Jeanenne Lamarsh, 1995 *LaMarsh* investigated concepts on the need for flexibility, lowering resistance, and developing encouraging frameworks for change in his book *Changing the Way We Change*. In 1996 John Kotter first outlined eight change failure scenarios in a Harvard Business Review article and then in his book, *Leading Change*, along with subsequent procedures to resolve each mode.

Spencer Johnson wrote a story about how people could deal with the changes happening in their life and around them in his book "Who Moved My Cheese?" published in 1998. Change management first became "on the radar" in the 1990s when concepts and terminology started to spread throughout the management community. Geopolitical factors, economic growth, the emergence of new value systems (think empowerment), and changing employee-employer dynamics paved the way for a greater appreciation of the significance of the human side of change.

2000 - Present: Formalization

The third era in the development of change management was that of the 2000s, leading up to the present. This era of change management was marked by the formalization of the discipline. Where the foundation's era gave us underlying understanding and the "on the radar" era gave us concepts and language, a shift occurred as we entered the new millennium. Growing out of a need for greater repeatability and structure, the change management discipline began adding formal structure and discipline on several fronts. Although founded in 1994, it was early in the 2000s that Prosci formalized and accelerated its research specifically in change management.

The first integrated approach to change management that made use of both organizational and personal change management processes and tools was introduced by Prosci in 2003.

The Prosci ADKAR Model, an individual change model, gave change management activities an outcome orientation by focusing on one person at a time. The Prosci 3-Phase Process gave creators of customized change management strategies and plans the framework, procedure, and resources they needed. Prosci began formalizing research and creating a platform for the discipline's pioneers in 2005. These pioneers then set out to integrate change management into their businesses as a key competency. Additionally, Prosci improved its methodology and tools in 2021 to make applying change management to businesses and change practitioners easier to execute, more practical, and more effective.

2.2 Theoretical Review

2.2.1 The Concept of Change and Change Management

We contend that everything is always changing due to a variety of factors, including the advancement of technology, the transformation of nation-states into more powerful alliances, shifts from localization to globalization, and a general perception of constant change. It is frequently noted that the rate of change in the modern world is exceptional, unprecedented, and immeasurable. Our times are also marked by faith in progress and growth, with the idea that transformation brings about not merely change but also something essentially new. Furthermore, we are confident that whatever emerges is not just superior to what has existed in the past but also more sophisticated. Change can be understood since it exhibits a certain regularity and guiding principles (Bakalis, 2005).

The evolution of the cosmic sphere and its movements were reflected in the changes in the circle of life (Burrow, 2008). The circle of life of a person was, according to contemporary developmental psychology, a mirror of a healthy cosmological belief and the observed cosmic rhythms (Sears, 1986). In other words, it suggested a holistic perspective of the world and the interdependence of natural and extraterrestrial events. It concerns a holistic concept of reality, according to which everything lower in the hierarchy depends on everything higher up and they mirror one another (Gonger, 1922).

The Greek philosopher Heraclitus put out the most radical idea of transformation. He maintains that everything in the universe is always changing, even to the point where nothing is ever truly stable. Heraclitus is credited with saying "You cannot step twice into the same river because other waters are always flowing on to you," although some have questioned its veracity. [Another well-known quote from Heraclitus, though not unquestionably his own: "We both step and do not step into the same rivers. We both are and do not. He has, in any case, been a vocal supporter of instability. The fundamental character of material reality is one of change and motion; there is nothing stable about it (Graham, 2007). A contradiction, a key idea in Western dialectical philosophy, is also the basic energy of change. Dialectical thought, which first appeared in the later writings of Hegel and Marx (Marx, 2000; Taylor, 2008), is predicated on the idea that the presence of contradiction results in change. The evolution of the spirit, which is the essence of reality, or the logic of contradiction, which operated in the realm of material reality, was what changed at that time. Though dynamic, thinking that places a focus on change may not always include the birth of something new.

However, Hegel and Marx both believed that the dialectical contradiction would eventually result in the formation of new, qualitatively more advanced forms as the world developed. Therefore, at least according to some dialectical schools of thought, the terms change, progress, and development are mutually inclusive.

Chinese culture is prevalent (Shaughnessy, 2005). According to this idea, change does occur, but it consists of repeating prior occurrences rather than something new.

Many authors (see Chapman, 1988; Kaplan, 1983; Kohlberg 1990; Lerner, 2002; Lourenço, 1997; Marti, 1991; Overton, 1993; Piaget, 1983; Tappan 1992; Vonèche, 1994; Werner, 1957) contend that for a change to be considered developmental, it must exhibit greater differentiation, adaptation, integration, organization, and balance. It is an integrated process that leads to a final stage, which is determined by the criteria of differentiation, complexity, integration, abstraction, and equilibrium Lourenço (1997).

2.2.2 Models of Change Management

Some of commonly employed change management models are examined in this study. These change management techniques have been introduced in many ways, some by experts and others by the scientific community.

The most well-known change models were developed by Lewin (1951) and Beckhard (1969). Other important advancements in understanding the mechanisms of change have been made, nevertheless.

Thurley (1979), Bandura (1986), and Beer et al. (1990) all made comparable claims. This study examines the majority of widely used change management models. The scientific community and specialists have both contributed to the introduction of these change management strategies in various ways.

Lewin (1951) and Beckhard (1969) established the most well-known change models. However, there have been other significant developments in our knowledge of the mechanics of transformation.

KURT LEWIN'S CHANGE MANAGEMENT MODEL

John Lewin, a social psychologist, outlined the three stages of the change process in 1947: Unfreeze, and Refreeze. Lewin contends that dismantling the status quo is the first step in bringing about change. Employees will be able to identify the altered working environment at this point. Announcing the need for change through meetings, announcements, and other kinds of communication is how managers in this stage should make sure that staff members are aware of it. Lewin proposed that in the second stage of the change process, employees would be included. To improve the effectiveness of the change process, managers should at that point actively include the workforce. Lewin explained that the final stage of the desired change would include the personnel. At this point, managers must make sure that workers participate effectively and that the change they bring about is targeted. (2018) (Hussain et al.).

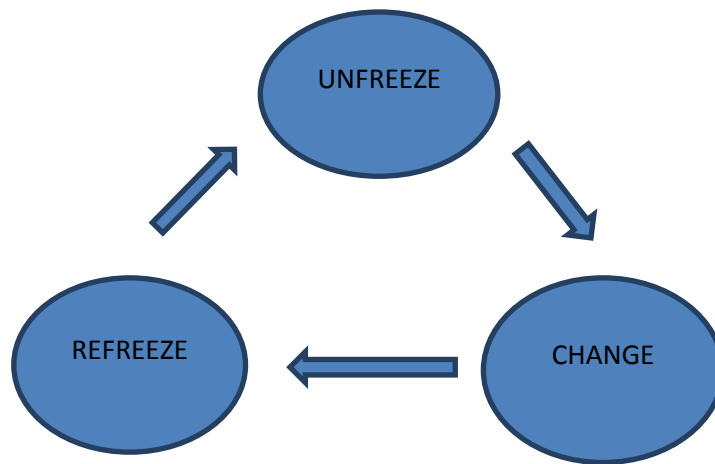


Figure 1 Kurt Lewin's Change Model

Beckhard

•According to Beckhard (1969), a change management program should include the following processes.

Beckhard (1969), Change Program Processes

- Establish goals and define the intended future state or organizational conditions following the transition.
- Assess the current situation regarding these objectives.
- Identify the transition state actions and commitments needed to achieve the future state.
- Create strategies and action plans for managing this transition based on an understanding of the elements that are likely to influence the implementation of change.

ADKAR MODEL

The ADKAR paradigm of change management was created in 2006 by Jeffrey Hiatt, a renowned businessman and the creator of the Prosci Learning Center. Individual resistance to change, according to Hiatt, can be overcome through five stages: awareness, desire, knowledge, ability, and reinforcement. The first problem that managers should address, according to Hiatt, is the employees' aversion to change. In general, regardless of their type, employees are averse to change. Because of this, managers must instill a sense of urgency regarding the necessity and significance of the change, which all stakeholders in an organization, including employees, should be aware of. The development of such

environments does not imply that staff members approve of changes. Managers should point out the benefits of the change or warn employees about potential consequences if no adjustments are made to persuade them to accept it. Managers must assist staff members in acquiring the relevant expertise once they have been accepted for changes to be implemented successfully. Managers should improve their employees' knowledge by launching essential training programs that enable staff to take advantage of new abilities learned in an organizational environment. Last but not least, managers must strengthen the change process by putting in place a thorough control and evaluation system that can identify challenges faced by all organization stakeholders, but especially by employees, so that they can assist them in overcoming these challenges and inspire them to continue participating in the change process (Hiatt J., 2006).

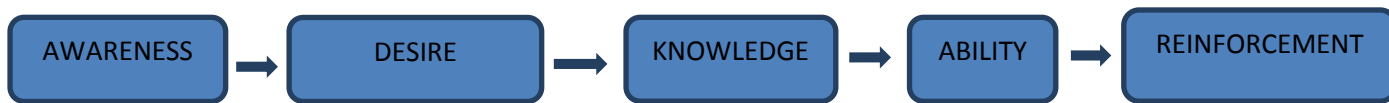


Figure 2 ADKAR Model

KOTTER'S 8 STEPS CHANGE MANAGEMENT MODEL

Kotter, an emeritus professor of change management at Harvard University, outlined his eight-step change management model in his book *Leading Change*. These steps are: creating urgency; forming a strong guiding coalition; developing a clear vision for change; communicating the vision; empowering actions; achieving short-term wins; establishing a change base; and ensuring that the change is stable (Kotter J., 1996). Managers must initially instill a sense of urgency for change among all stakeholders, concentrating on the influential ones like top and middle managers who can help them sell the idea of change to other stakeholders, starting with employees (Kotter J., 2008). Managers should develop a clear vision of change after marketing the change idea so that all stakeholders can comprehend the change needed and contribute to its successful implementation. Employees should then be given the freedom to actively participate in the change process, with the most productive workers receiving rewards. In order for all future plans and actions to be tied to the change achieved, managers should start new systems based on the change achieved. This will make the change achieved stable. (J.kotter,1996)

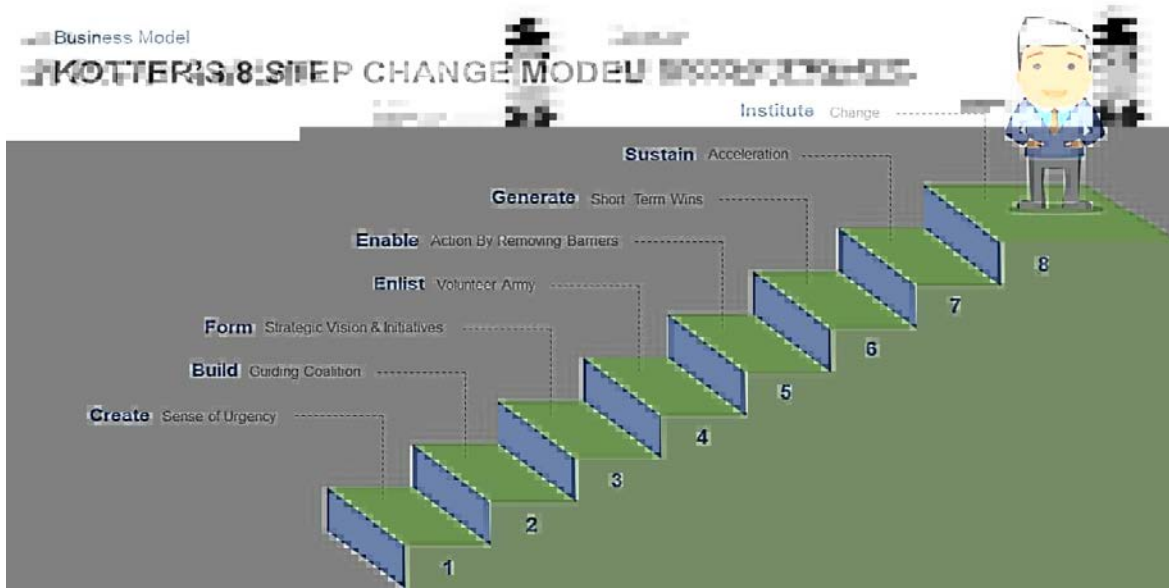


Figure 3 Kotter's steps change management model

Advantages of Kotter's Model

- It is a simple, step-by-step approach that offers a precise explanation and direction for the entire change process and is rather simple to apply.
- The importance of employee acceptance and participation in the overall process is emphasized.
- Rather than focusing on the actual change process, a lot of attention is paid to preparing for and increasing acceptability for change.

MCKINSEY 7S MODEL

Waterman, Peters, and Phillips created the McKinsey 7s model in 1980 to examine businesses from seven different perspectives: strategy, structure, system, skills, staff, style, and shared values. These angles are classified as hard Ss for the first three and soft Ss for the last four. Managers can identify the necessary adjustments and assess the degree of consistency among the organization's important characteristics using the McKinsey 7s model, a helpful analysis tool.

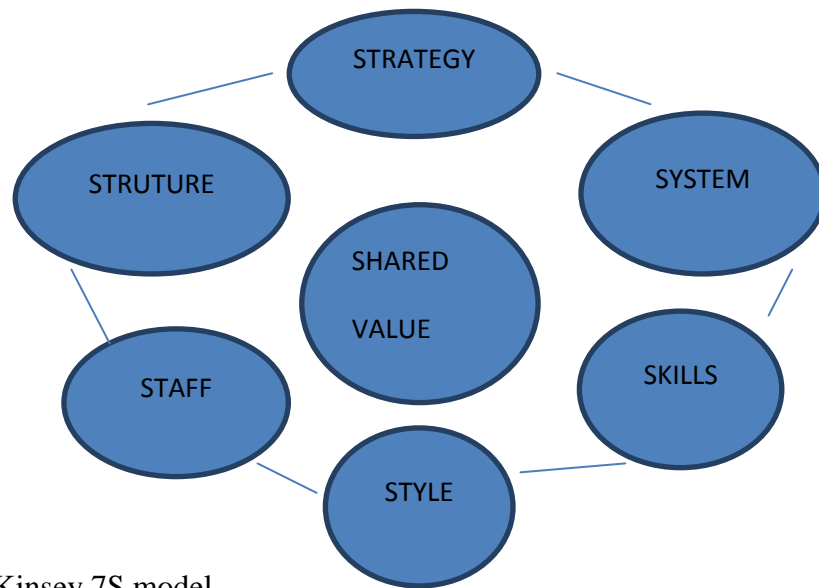


Figure 3 McKinsey 7S model

2.2.3 Types of Change

There are three types of change: strategic, operational, and transformational.

1. Strategic change

Strategic change addresses broader, longer-term, organizational-wide challenges related to change. In terms of strategic vision and scope, it reflects a transition from one state to another. The goals and objectives of the company are included, as well as the business philosophy on topics like growth, excellence, innovation, and value for both customers and staff. Competitive positioning, competitive advantage, and product market expansion are also covered. To accomplish these goals, policies in the fields of marketing, sales, production, product and process development, finance, and human resource management are used. Strategic change is influenced by a company's internal resources, skills, culture, structure, and processes as well as the economic, social, and external competitive environments. A detailed examination and understanding of these issues are required for the formulation and planning phases to be successful. Achieving a sustainable competitive edge eventually requires the traits highlighted by Pettigrew and Whip (1991). Resources needed for a competitive response are gradually chosen. Although it can be planned and

carried out as a logical sequence of events, strategic change should not be viewed as a straightforward linear process from point A to point B. Pettigrew and Whipp (1991).

2. Operational change

The operational transformation is related to new methods, practices, structures, or technological advancements that will instantly alter working conditions in a specific area of the business. However, because of the potential for greater significance than larger strategic change, its influence on people must be managed with equal care.

3. Transformational change

When structures, procedures, and behaviors undergo a significant, fundamental shift that has a significant impact on how an organization operates, this is known as transformational change.

2.2.4 Resistance to change

People resist change because they perceive it as a danger to their established behavioral habits, social standing, and financial benefit (Woodward, 1986). Woodward further emphasizes that the majority of the time when we discuss opposition to change, we are referring to management. Employees are stupid and emotional, or it's unreasonable when they don't react as they should, thus a change of direction is always rational. However, if you are someone who is either directly or implicitly offended when it is implied, resistance to a change in policy is understandable. Organizational and personal objectives are incompatible and inevitably conflict, but some people sense opportunity in change.

In particular, the main reasons for resistance to change are:

- **New Shock**—People are cautious of anything they think would disrupt their regular routines, working practices, or employment conditions. They do not want to give up the comfort of their accustomed surroundings. They might not believe management's claims that the change is for both their advantage and the organization's; in certain cases, this is

for good reason. They might suspect that management has hidden agendas, and in some cases, the more loudly management protests, the less likely it is that people will trust them.(Woodward, 1986)

- Economicinsecurity**–monetary loss and risk to one's employment.

- Inconvenience**-Changemakeslifemoredifficult.

- Uncertainty**-Changemaybeofconcernbecausethepotentialimpactisuncertain.

- Symbolicfears**-When staff members are unsure of the scope of the change program, a modest modification that can harm a beloved symbol, such as a separate office or designated parking place, may represent larger ones.

- Interpersonalthreats**-anything that disrupts regular social behaviour. Group norms and bonds are opposed.

- ThreattoStatusorSkills**–Changes are interpreted as a decline in social standing. or by weakening their abilities.

- AbilityAnxiety**-Concernabout the abilitytomeetorlearnnewdemands, and newtechnology.

Overcoming resistance to change

Resistance to change can be difficult to overcome even when it is not detrimental to those concerned. However, an effort must be made. Analyzing the potential effects of change requires first taking into account how it will influence individuals in their workplaces. The aforementioned causes of resistance to change can be used as a checklist to identify potential issues with people or groups in general. The study should show which components of the suggested change would be opposed and which aspects might be supported broadly or by a certain group of people. The reasons behind people's possibly hostile or unfavorable reactions should be ascertained, if at all possible. In order to alleviate unwarranted concerns and, to the extent feasible, clear any ambiguities, it is vital to make an effort to grasp the expected sentiments and fears of individuals impacted. In conducting this analysis, the person bringing about the change—the change agent—should be aware that fresh ideas are likely to be unreliable and should allow plenty of time for others to voice their opinions so that everyone is sure they comprehend the suggestions.Participating in the change process allows people the ability to voice and

address their concerns as well as offer ideas on the shape and introduction of the change. The goal is to create a sense of "ownership" among people, where they believe that the change is something they can live with because they were involved in its introduction and planning.

To prevent unwarranted anxieties, a communication strategy should be developed and put into action to explain the intended change. The ideal form of communication is face-to-face direct contact from management to individuals or through a team briefing method.(Davies 1995).

2.2.5 Characteristics of Change

The following points are outlined by F. Luthans (2002) as the major characteristics of change:

1. A Dynamic Process, rather than a Series of Events:

The Stone Age, the Agricultural Age, the Machine Age, and the Modern Information Age are all terms we frequently use. The 'ages' show that society has evolved in a variety of ways. As a result, it can be inferred that change is and always has been a continuous process. Every second, millisecond, microsecond, and nanosecond, the time is changing. This consistency serves as a sign of dynamism.

2. Change can be exciting and bring about the best work of a lifetime:

Change always gives hope for betterment, and this hope brings out the best in a person.

3. The Pace, Amount, and Complexity of change only Continue to Rise, with no signs of letting up:

The speed of change has multiplied during the past ten years, as we have observed. Everything has changed. Furthermore, there is no chance that it will slow down. Change is therefore also changing.

4. Change does not take place in a vacuum:

Change is when someone is there to feel and something is there to change. Change occurs in a system.

5. Change is an accelerating constant universally:

Change, like death and taxes, is permanent. Somebody has rightly said that nothing (except God) is as permanent as change. The process of change is not restricted to one country or organization. It is pervasive.

6. Change will generate other changes:

Change always follows a systems approach. Hence a change in one place requires simultaneous changes in related aspects as well.

7. Change is not new:

Change has been here for times immemorial, and hence, it is not a new thing.

8. Change is a Natural Phenomenon:

As sunrise and sunset are natural, so is also change.

9. Change is a continuum:

The transition from night to day is called dawn whereas the transition from day to night is called dusk. But no one can tell when the day ceases to be day or night ceases to be night. No one can! Since change is a continuum.

2.2.6 Importance of Change Management

Organizational transformation is essential for businesses to develop and expand. The introduction and effective implementation of change inside a corporation are made possible through change management. Employee understanding, participation, and efficiency during shifts are all aided by this. (Luthans 2002)

changes may be unpredictable and require a lot of time and resources if there is ineffective organizational change management. Additionally, it may result in decreased skill development and staff morale. Key stakeholders, including investors, suppliers, and potential workers, take into account a company's response and adaptation to change when selecting whether to work with or for it. Therefore, poor change management might result in organizational failure. (Woodward, 1986)

2.2.7 The Process of Change Management

The change management process is a set of actions that a project manager or change management team would do to manage the change. Phases of the change management process, the psychology of transition, and steps in change management are the three components that make up the change management process.(Woodward, 1986)

i) Phases of Change Management Process

The three important phases of change management are

Phase I: Preparing for Change

Phase II: Managing Change

Phase III: Reinforcing Change

Preparing for Change

To deal with the shift, the change manager or change agent must develop change management techniques. In order to prepare for change, one must first define the shift, ascertain its dimensions and severity, and then create a plan of action. A model to deal with the shift is also necessary, as is the planning of change management. Thus, the first step in the change management process is getting ready for it.(Davies,1995)

Managing Change

The change management plan is carefully planned and put into action during the management stage. A lot in a real-world scenario depends on the change manager's abilities. (Davies,1995)

Reinforcing Change

In the reinforcing stage, specific data are gathered, examined, and gaps are found. The resistance is also recognized here. Corrective action is then taken. (Davies, 1995)

ii) The Psychology of Transition

The psychology of transition has three stages, the first of which is referred to as the stage of topsy-turvy, doubt, or confusion. The second step, which is also known as "the neutral zone," is the implementation stage. The third stage, known as the "New Beginning," is when most people accept the change and it is strengthened.

iii) Steps in change management

Various steps followed in the change management process are as follows (Lyndon,2007):

Step 1: Preparation for change

The change manager must first concentrate on the following elements during the planning phase. identifying the necessary change, figuring out the big problems, figuring out the hurdles, figuring out the risk level, and figuring out the cost of change trying to comprehend why resistance to change exists Determine the current situation, acknowledge the need for change, and then come up with a workable solution.

Step 2: Building a Vision

Creating a vision is the second step in change management. The following factors need to be taken into account at this point. Create a distinct vision. Make sure individuals are aware of what changes entail.

- What is the proposed change?
- What action is required?
- What will be its effect?
- How to manage the change?

Step 3: Plan the change

In the planning stage, the following aspects have to be taken into consideration.

- 1) Devise an appropriate strategy to introduce change
- 2) Design the change
- 3) Discuss the need for change and the full details of what is involved
- 4) Involve people in planning the change
- 5) Communicate the plan to all who are concerned
- 6) Devise a time scale for change
- 7) Produce an action plan for monitoring change
- 8) Understand why change is resisted.

Step 4: Implementing the change

The activities involved in implementing the change follow:

- Implement the strategy for change management
- Check and record the progress in implementing the change
- Make sure that change is occurring and is permanent
- Improve on the weak areas and identified gaps
- Overcome resistance to change
- Involve all people who are affected by the change

- Devise an appropriate reward or incentive system
- Ensure that all strategies involved in the change are adaptable

Step 5: Monitoring and Reviewing Change

The activities involved in monitoring and reviewing change follow

- 1) Recording and monitoring the change
- 2) Measuring progress against set targets
- 3) Ensuring that the desired results are achieved
- 4) Has the process been successful?
- 5) Monitoring how those affected by change feel about the new situation
- 6) How can those who do not respond to change are to be helped?
- 7 Sustaining the change, preventing any backsliding.

2.2.8 Implementing change

The following pointers for bringing about change were developed by Nadler and Tushman in 1980. They claim that to change people's behaviour, motivation must be developed. They also claim that to manage the transition, organizational arrangements must be made to ensure that control is maintained both during and after the transition, as well as the creation and dissemination of a clear vision for the future. It is necessary to control the political dynamics of change so that power structures emerge that promote rather than resist the change. They add that there are limits to how much uncertainty and turbulence organizations and people can withstand, which is why Quinn (1980) emphasized the necessity for an incremental approach. Instability of structures and processes to act as anchors for people to cling to. (Quinn, 1980)

Credible change agents, whether internal or external, will aid the change process and make it go more smoothly. These are the individuals who assist and advise on the introduction and management of change, hence facilitating it. Because they are autonomous and "carry no baggage," people from outside the company are sometimes believed to be the only ones qualified to serve as change agents. They may be helpful, but respected and trustworthy employees who work for the company themselves can perform the task properly. The utilization of line managers offers additional value, even though this is frequently the function of HR specialists. (Quinn, 1980).

Guidelines for change management

Sustainable transformation requires a strong commitment from the top and visionary leadership. Understanding the organizational culture and the change levers that are most likely to work in that culture is also crucial. All those in charge of managing change should possess the temperament and leadership abilities necessary for the organization's circumstances and change management techniques. If there is a "burning platform" to support the change or a compelling justification for the change, it is more likely to succeed. People back what they contribute to making. (Quinn,1980)

2.2.9 Strategy Implementation

The process of turning a strategic plan into action in order to accomplish corporate goals and objectives is known as strategy implementation. It entails a number of processes, such as creating an action plan, allocating resources, and keeping track of results. Effective leadership, communication, and organizational skills are necessary for successful plan implementation, which is essential for establishing organizational success. Some of the most important conclusions from the research on strategy implementation are summed up in the literature review that follows.

Successful strategy implementation depends on strong leadership. The strategic vision must be communicated, goals must be created, and resources must be coordinated in order to accomplish goals. Developing a culture inside a business that supports innovation, learning, and continual development is another aspect of effective leadership (Hrebiniak, 2013; Leavy, 2018).

Another important element in the implementation of a successful strategy is communication. All stakeholders should be aware of the strategic vision, goals, and objectives and should be working toward the same goal through effective communication. Sharing information and knowledge, which is essential for learning and ongoing progress, is made easier by communication (Kaplan & Norton, 2008; Leavy, 2018).

For a strategy to be implemented successfully, organizational competencies such as strategic, operational, and innovative capability are also crucial. According to Hoang and

Nguyen (2020; Sirmon et al., 2007), these capabilities allow firms to create and carry out strategies that are in line with their aims and objectives as well as adapt to changing conditions and competitive pressures.

Allocating resources effectively is yet another crucial element of successful strategy implementation. In order to employ resources effectively and efficiently to accomplish strategic goals, organizations must allocate resources wisely. Setting priorities, weighing trade-offs, and balancing short- and long-term goals are further components of effective resource allocation (Hrebiniak, 2013; Kaplan & Norton, 2008).

The literature on strategy implementation as a whole emphasizes how crucial good leadership, communication, organizational capabilities, and resource allocation are to a successful execution of a plan. Focusing on building these competencies and practices can help organizations flourish in today's cutthroat business environment and meet their strategic goals and objectives.

Organizational structure and culture are significant elements that can help or hinder the implementation of a strategy. Employee alignment with the strategic goal and increased communication and collaboration within the business can both be facilitated by a supportive organizational structure and culture. A restrictive organizational structure and culture, on the other hand, might obstruct communication and collaboration and make it more challenging to accomplish strategic goals (Leavy, 2018; Hrebiniak, 2013).

Successful plan execution also requires employee involvement and engagement. Employees that are engaged and interested are more likely to comprehend, support, and contribute to the implementation of the strategic vision. Employees who are disengaged or uninterested, on the other hand, could resist change or be less receptive to new tactics or projects (Kaplan & Norton, 2008; Leavy, 2018).

Effective strategy execution requires both monitoring and evaluation. Organizations must track how well they are doing in achieving their strategic goals, identify and close performance gaps, and modify their plans and initiatives as necessary. This necessitates the

use of pertinent performance measures, regular feedback to stakeholders and staff, and regular communication (Hrebiniak, 2013; Kaplan & Norton, 2008).

The literature on strategy implementation emphasizes how critical it is to approach the process methodically. This entails creating a precise action plan, establishing deadlines and priorities, properly allocating resources, and tracking the advancement of goals. In order to ensure that the business can adjust to changing conditions and competitive demands, a systematic strategy helps to ensure that all stakeholders are united around the strategic vision (Hrebiniak, 2013; Kaplan & Norton, 2008).

The literature on strategy implementation as a whole places a strong emphasis on the value of strong leadership, clear communication, organizational capabilities, resource allocation, organizational structure and culture, employee engagement and involvement, monitoring and evaluation, and a systematic approach to the process. Organizations can improve their chances of successfully implementing their strategic plans and attaining their goals and objectives by concentrating on these aspects.

Strategic alignment is a critical factor in successful strategy implementation. This involves ensuring that all elements of the organization are aligned around the strategic vision, including the organizational structure, processes, culture, and people. When the organization is aligned, it is better able to execute the strategy and achieve its goals and objectives (Kaplan & Norton, 2008; Hrebiniak, 2013). Resource allocation is another important factor in strategy implementation. This involves allocating resources in a way that supports the strategic objectives, including financial resources, human resources, and technology. Effective resource allocation requires a clear understanding of the strategic priorities and an ability to make trade-offs between competing demands (Hrebiniak, 2013; Leavy, 2018).

For the implementation of a strategy to be effective, organizational culture is equally crucial. Implementing strategic initiatives can be aided by a supportive culture that promotes creativity, education, and ongoing progress. The implementation of strategic initiatives, however, may be hampered by a culture that is averse to change or preoccupied with immediate outcomes (Kaplan & Norton, 2008; Leavy, 2018).

Successful strategy implementation depends on effective communication. All stakeholders, including staff members, clients, suppliers, and partners, must be informed of the strategic vision, goals, and objectives. In order to alter the strategy and implementation plans as necessary, one must be open to receiving input and willing to do so (Hrebiniak, 2013; Leavy, 2018).

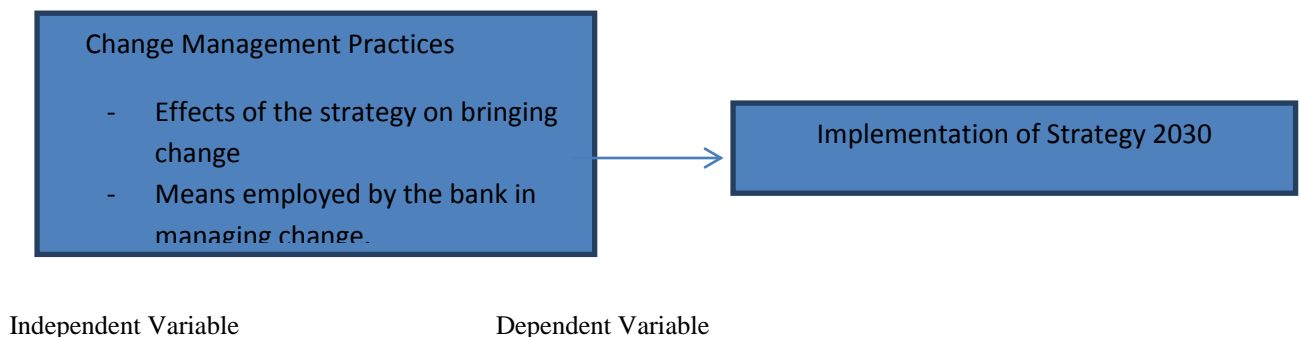
The literature on the implementation of strategies also highlights the significance of monitoring and assessment. This entails monitoring the development of strategic goals, spotting and resolving performance gaps, and making necessary adjustments to the strategy and execution plans. Utilizing pertinent performance measures and communicating with employees and stakeholders often are necessary for effective monitoring and evaluation (Kaplan & Norton, 2008; Hrebiniak, 2013).

In general, the literature on strategy implementation emphasizes the value of corporate culture, monitoring and evaluation, resource allocation, and strategic alignment. Organizations can improve their chances of successfully implementing their strategic plans and attaining their goals and objectives by concentrating on these aspects.

2.2.10 Conceptual Framework of the Study

The conceptual framework that follows shows how the independent variables, change management practices, affect the strategy implementation.

Figure 3: Conceptual Framework



2.3 Empirical Review

The research by Othman and Musa (2018) is one study that looked into the connection between change management techniques and strategy execution. The goal of the study was to investigate how change management techniques affected the public sector of Malaysia's implementation of strategy. Partial least squares-structural equation modeling (PLS-SEM) was used to examine the data collected from 180 respondents from different Malaysian government entities.

The study's findings demonstrated that the execution of strategies is significantly benefited by change management techniques. In particular, the study discovered a positive relationship between strategy execution and change management approaches like communication, employee involvement, and leadership support. The authors came to the conclusion that successful change management techniques are essential for the public sector's implementation of strategy.

According to Othman and Musa (2018), implementing a strategy is a challenging process that necessitates change management techniques. techniques for managing the human side of change and making sure the intended results of change are realized are what they characterized as "change management practices." The authors recognized a number of change management strategies, like as communication, employee involvement, leadership support, training and development, and performance management, as being crucial for successful strategy implementation.

The authors used a self-administered questionnaire that was given to employees of various Malaysian government departments to gather information in order to test their research hypothesis. The survey was divided into two parts: the first portion asked about the respondents' demographics, and the second section used a five-point Likert scale to gauge the variables of interest. In order to explore the correlations between the variables and determine their significance, the authors employed PLS-SEM to analyze the data.

The study's findings demonstrated that the execution of strategies is significantly benefited by change management techniques. The authors discovered that plan implementation was specifically positively connected to communication, employee involvement, and leadership support. The authors also discovered that performance management and training and development had a favorable but insignificant impact on the execution of strategies.

Overall, the study by Othman and Musa (2018) offers empirical support for the claim that successful strategy implementation depends on the use of effective change management strategies. In order to increase their chances of success in putting their ideas into action, the authors advise firms to concentrate on creating and implementing efficient change management processes.

Aldehayyat et al.'s (2019) study looked at how change management techniques affected the adoption of strategies in the Jordanian banking industry. The authors used structural equation modeling to examine the data after collecting it through a questionnaire survey. The study's findings demonstrated the beneficial effects of change management procedures on the execution of strategies.

This study sought to determine how change management techniques affected the banking industry in Jordan in terms of plan implementation. Using a self-administered questionnaire, the authors gathered data from 282 respondents who worked for several Jordanian banks. The factors of interest, such as change management techniques and strategy execution, were measured via the questionnaire. To assess the data, the authors employed structural equation modeling (SEM).

The study's findings demonstrated the beneficial effects of change management procedures on the execution of strategies. The authors discovered that plan implementation is specifically positively connected with communication, staff involvement, and training and development. Additionally, the authors discovered that plan implementation is positively but insignificantly impacted by leadership support.

The study emphasizes the significance of effective change management techniques for banking industry strategy execution. To maximize the likelihood of a successful execution

of their strategy, the authors advise Jordanian banks to concentrate on strengthening their change management procedures.

The Sabir et al. (2020) study looked into the connection between strategy implementation and change management methods in the Pakistani banking industry. The authors used structural equation modeling to examine the data after collecting it through a questionnaire survey. The study's findings demonstrated that the execution of strategies is significantly benefited by change management techniques.

In this study, the relationship between strategy implementation and change management methods in the Pakistani banking industry was to be looked at. The authors used a self-administered questionnaire to obtain data from 317 respondents who worked for different Pakistani banks. The factors of interest, such as change management techniques and strategy execution, were measured via the questionnaire. SEM was employed by the authors to examine the data.

The study's findings demonstrated that the execution of strategies is significantly benefited by change management techniques. The authors discovered that plan implementation is specifically positively connected with communication, employee involvement, training and development, and performance management. Additionally, the authors discovered that plan implementation is positively but insignificantly impacted by leadership support.

According to the study, effective strategy execution in the Pakistani banking industry depends on the use of change management techniques. The authors advise Pakistani banks to concentrate on enhancing their change management procedures in order to raise the likelihood of a successful strategy implementation.

In the context of the US federal government, Al-Haddad and Kotnour's (2015) study looked at the connection between change management techniques and the effectiveness of plan implementation. Various change management approaches, including as communication, employee involvement, leadership support, training and development, and performance management, were identified by the authors after conducting a literature analysis of prior studies.

The relationship between change management techniques and the success of strategy implementation was also described by the authors in a framework. According to the framework, successful strategy implementation follows from effective change management methods, which in turn increase organizational performance and results.

The study emphasizes the significance of effective change management techniques for the public sector's execution of strategies. According to the authors, companies within the US federal government should prioritize strengthening their change management procedures in order to raise the likelihood that strategies will be implemented successfully and produce better results.

In the context of the US federal government, the study sought to investigate the relationship between change management techniques and the effectiveness of plan execution. The techniques of change management that are crucial for a successful execution of a plan were identified by the authors after a thorough assessment of the literature of earlier studies. They have created a framework that explains the connection between successful strategy implementation and change management approaches.

The authors recognized a number of change management strategies, like as communication, employee involvement, leadership support, training and development, and performance management, as being crucial for successful strategy implementation. They also discovered that good strategy implementation can result from change management approaches that are effective, which can enhance organizational performance and results.

According to the authors' paradigm, successful strategy execution is facilitated by a number of mediating elements, such as employee commitment, motivation, and alignment with organizational objectives. In turn, a successful implementation of a strategy can result in an improvement in organizational performance and results, such as a rise in productivity, effectiveness, and competitiveness.

The study emphasizes the significance of change management techniques in the public sector, particularly in the US federal government, for successful plan implementation. According to the authors, companies should concentrate on enhancing their change

management procedures in order to raise the likelihood that a plan will be implemented successfully and to produce better results.

Overall, the study by Al-Haddad and Kotnour (2015) gives an insightful analysis of the research on change management techniques and how they affect the execution of strategies.

CHAPTER THREE

METHODOLOGY

3.1 Description of the Study Area

The study area is the main office of Hibret Bank S.C., The research will focus on the effects of change management practices on the implementation of strategy 2030. The goal of the research is to identify best practices and strategies that can help the bank to adapt to changing market conditions, meet customer needs, and remain competitive. The study aims to provide valuable insights and recommendations for improving the effectiveness and success of Hibret bank. For this study, data was only gathered from the Addis Ababa headquarters.

3.2 Research approach

Both quantitative and qualitative methodologies have been used in the study. This study took a quantitative approach, asking a predetermined number of employees to respond to a questionnaire that is used to gather data. This approach was chosen because it makes it possible to provide trustworthy information that may be used as a basis for judgment. Additionally, utilizing surveys enables the researcher to learn replies from the participants regarding the impact of change when adopting the new approach. The results of the findings on the topic will also be described using a qualitative research approach.

3.3 Research design

This study used explanatory research to examine the information gathered. Additionally, this design assisted the study in clarifying the relationship between the variables.

3.4 Population and sample

3.4.1 Sample size determination

Using Krejcie and Morgan's (1970) formula of a 95% confidence level and a 5% margin of error, a sample size of 103 employees from the total population of management and executive team, i.e., 140, took part in the data-gathering activity.

3.4.2 Sampling Design

Since probability sampling enables us to give every member of the population an equal chance of appearing in the sample, it is used to select the sample members from the population.

3.4.3 Sampling method and procedure

The individuals of the sample population were divided into groups using stratified random sampling. This is so that we can divide the members of the sample population into the most appropriate groups according to their responsibilities and job classification.

In this manner, we are able to adjust the focus of our attention according to the engagement and proximity of each stratum to the influence of the change.

3.4.4 Target population

The target population for this study is the management team, which includes individuals who are responsible for leading and managing the bank. Therefore, it is important to tailor the research question and methodology to this specific audience, focusing on topics that are relevant to their roles and responsibilities. This might include exploring best practices for change management and strategy implementation, or investigating the role of leadership in driving organizational change.

3.5 Data sources and types

The data for this project are obtained from primary as well as secondary sources. The primary data were collected from selected Hibret Bank management team using the structured questionnaire as this enables the respondent to respond to the questions in his/her way without any limitation. In addition, some informal discussions were used by the researcher to gather additional information on the subject. The secondary resources were collected from the Hibret Bank's profile and also Hibret Bank Change Management Strategy, its intranet, published books, internet sources, and websites.

The instrument, which is a list of questionnaires, is prepared keeping in mind to cover all aspects of the effect of the change happened and the change management while implementing the strategy.

3.6 Data Collection Procedures

The data collection procedure started by obtaining the consent of the organization's concerned department ahead of time. A formal and informal discussion are held with the people involved in the organization to get their engagement in the practice.

3.7 Ethical Consideration

Ethical considerations or issues related to ethics in research are of paramount importance. This is because if research work is expected to bring an impact and change in the organization or the society it is conducted, it has to be fair and considerate of the concerns of all involved. The researcher will make all the necessary precautions not to engage in activities that will endanger the confidentiality and dignity of the respondents, involve accounts of plagiarism, and create or development of data different from reality.

3.8 Data Analysis Techniques

As observed in similar research works both inferential and descriptive statistics methods are used for the analysis of the data gathered. The inferential statistics where both the correlation and regression analysis are used to help us to infer the relationship between the variables of change management and strategy implementation.

CHAPTER FOUR

DATA PRESENTATION, ANALYSIS AND INTERPRETATION

4.1 Introduction

In this chapter, the demographic characteristics of the respondents are reviewed along with the validity and reliability of the measuring tool. Additionally, frequency and percentage are used to display, analyse, and evaluate the data gathered from various sources.

In accordance with the objectives of the study, this chapter also covers the analysis and interpretation of the numerous data that were gathered through the use of data collection tools. The main objective of the study was to evaluate the effectiveness of Strategy 2030 and its impact on the change management procedures of Hibret Bank S.C. Primary data was collected through a questionnaire administered to the bank's managerial employees, while secondary data was obtained by reviewing academic journals, papers, books, strategic department policies, practices, and annual management reports. The chapter is divided into three sections: demographics, descriptive analysis, and inferential analysis, which includes correlation and regression. Descriptive and inferential statistics, including linear regressions, were used to summarize and analyze the collected data in accordance with the study's theme using SPSS version 26.

Out of the 103 questionnaires distributed, a response rate of 93.2% was achieved, resulting in 96 completed questionnaires. The section comprised a total of 35 questions, including those for each variable and two binary questions with "yes" or "no" responses.

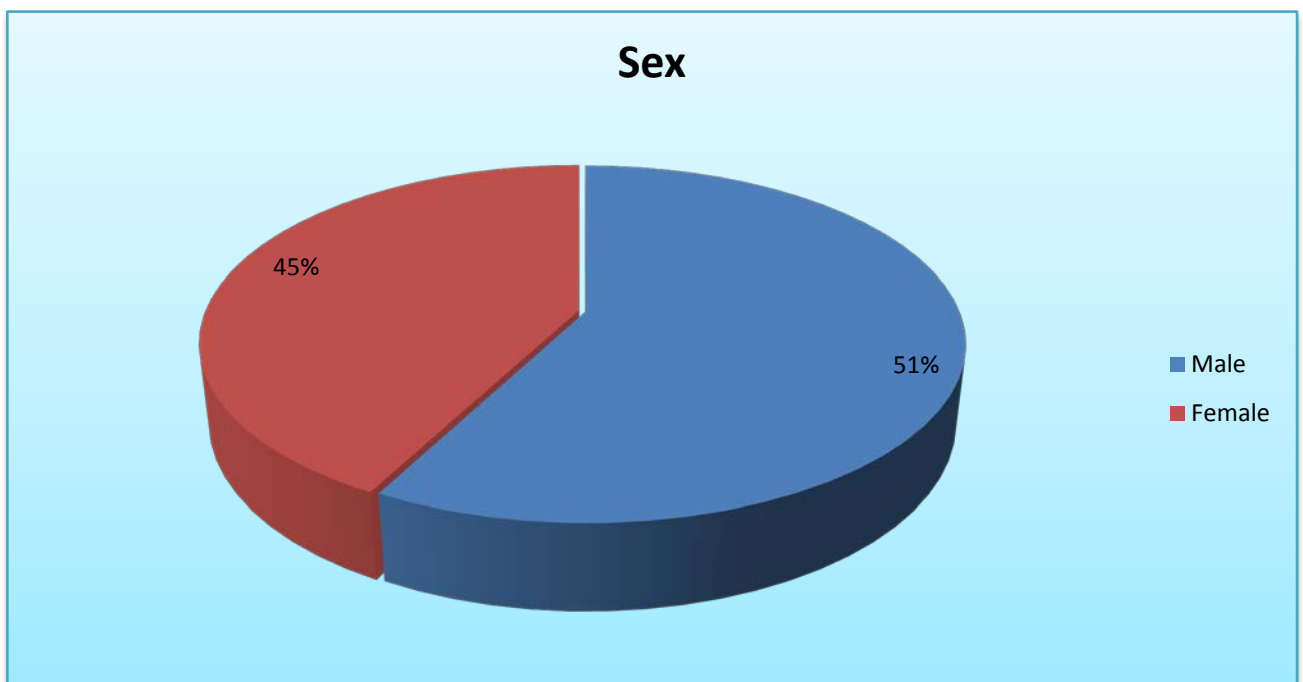
4.2 Demographic Analysis

As is well known, demographic analysis is a tool for evaluating the accuracy of the census. Based on sex, age, educational attainment, current position in the bank, years of bank experience, and cause of change in the bank, demographic estimates were made for this study.

4.2.1 Sex Distribution

In order to respond to the questions, the sex distribution of the respondents was researched. Figure 4.1 shows the participants in terms of gender. Of the 96 responders, 51 (53.12%) were men and 45 (46.88%) were women. This implies that the gender distribution of HibretBank employees is generally balanced. As a result, Hibret Bank's male and female populations can jointly participate in all decisions.

Fig 4.1 Genders Distribution of Respondents



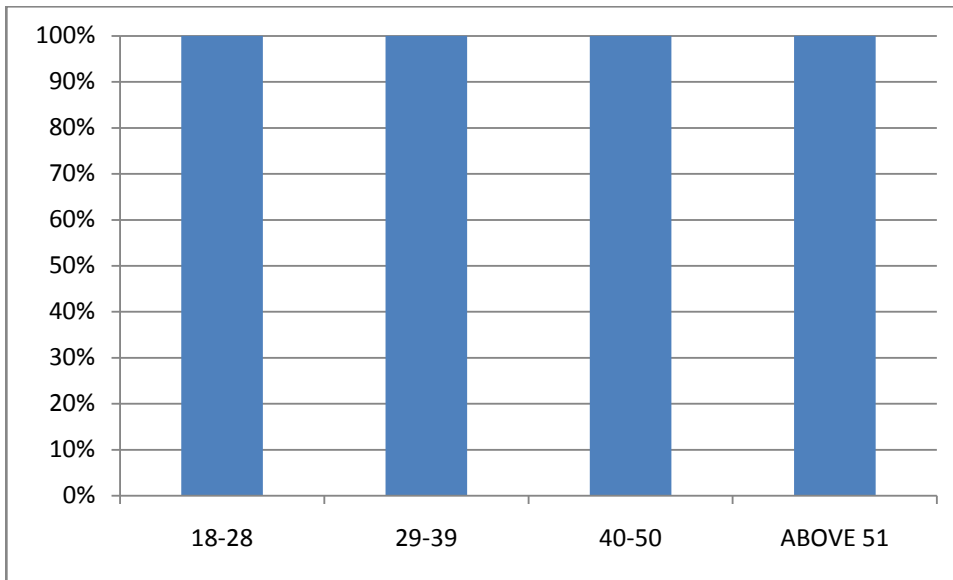
Source: Survey Result, 2023

4.2.2 Respondents' Age Distribution

The age distribution of the study area was observed in addition to the demographic factors already described. The majority of employees, or 52 respondents, or 54.17% of the total, are between the ages of 29 and 39. The second largest age group, comprising 28.13% of all responders, is 40 to 50 years old. The remaining 2 respondents make up 2.08% of the population, while 15 respondents, or 15.63%, are between the ages of 18 and 28. This

indicates that the majority of the workforce of Hibret Bank S.C. is in the productive age range.

Fig 4.2 Age Distribution of Respondents

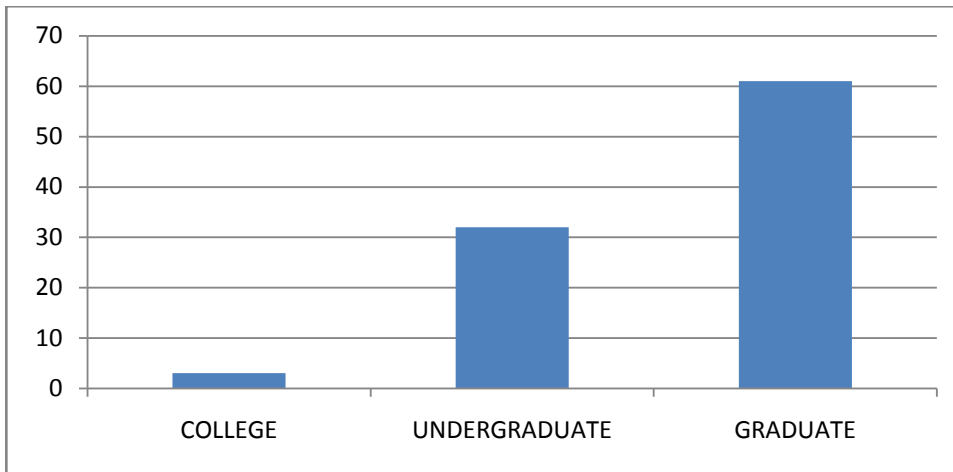


Source: Survey Results, 2023

4.2.3 Educational Qualification of Respondents

The study examined the factors of gender, age, and educational background of the participants. The information on educational requirements was provided, which showed that 33.33% of employees held a master's degree, while 63.54% held a BA/BSc degree. The remaining 19.6% of employees had a college degree. It was inferred that the bank's entire banking process was straightforward to understand and implement, given that 99% of the workforce was well qualified. It was also inferred that staff members could readily comprehend the overall strategy implementation and evaluation activities.

Fig 4.3 Educational Background of Respondents



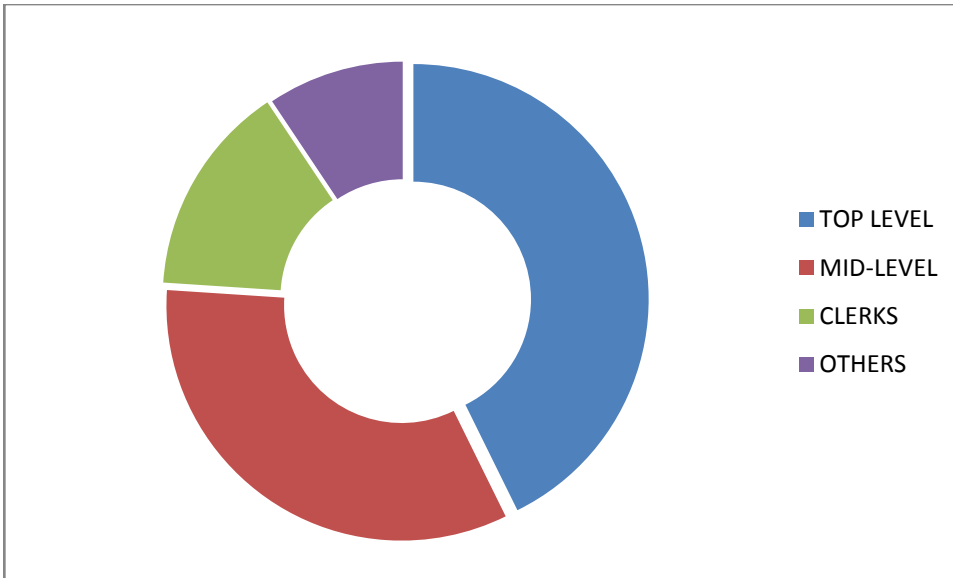
Source: Survey Result, 2023

All employees of Hibret Bank S.Co. are eligible for a benefit package that covers their tuition costs if they pursue a BA degree in a field connected to the bank's line of business. However, the bundle does not include a master's class. Additionally, the bank offers a variety of training tailored to the workers' jobs as well as self-help courses that are useful in day-to-day life. Additionally, top management today who received training abroad is imparting their knowledge and experience to the bank's employees. This is a very promising start and should be supported because it provides the staff with useful information and fosters good communication between top management and other staff members.

4.2.4 Source of Change in the Bank

The study investigated the Bank's source of change and found that top-level management contributed the most to the change ideas, accounting for 42.71%, while mid-level management contributed 33.33%. Bank personnel in various roles and clerks contributed 14.58% and 9.38%, respectively. Overall, high-level and mid-level management contributed 76% of the innovative ideas. This suggests that employees in other roles have limited influence in generating fresh ideas and providing feedback on how to improve the bank. comments about what needs to be done to improve the bank.

Fig 4.4 Source of Change in the Bank



Source: Survey Result, 2023

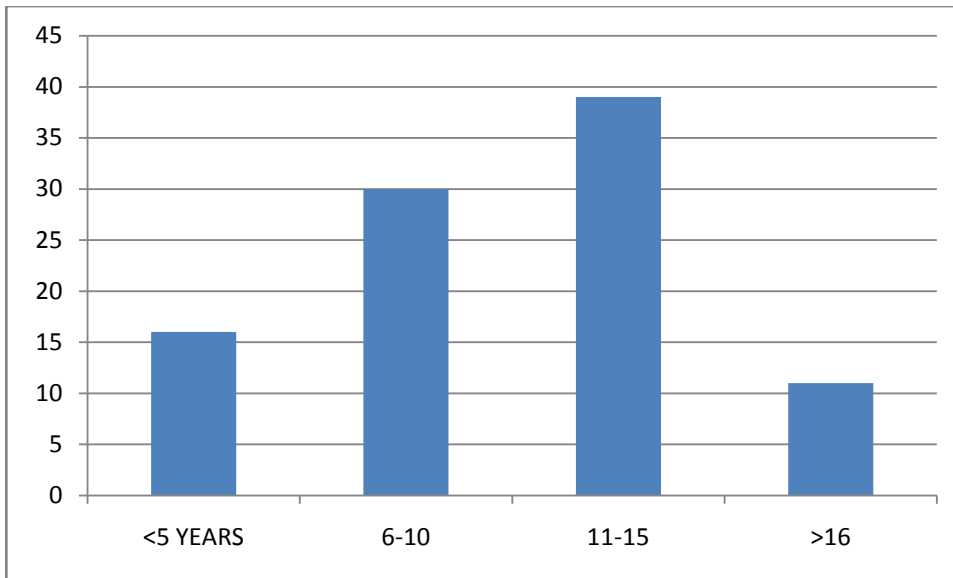
In this regard, the majority of participants think they lost faith in the strategy's applicability in our nation's environment because of the management team's lack of understanding and efforts to make it so.

4.2.5 Years of Experience

According to the graph that follows, the majority of participants worked for the bank for between 11 and 15 years, while the second-largest group did so for between 6 and 10 years. The participants typically have enough knowledge of the research topic to understand it.

The distribution of experience in Hibret Bank is depicted in the following graph.

Figure 4.5 Years of Experience



Sources: Survey Result, 2023

4.3 Descriptive Analysis

One of the most crucial elements in the success of the banking industry is effective plan implementation. This section's main objective is to establish the effect of change management practices on the implementation of strategy 2030.

SPSS version 26 was used to analyse and present the collected data. The mean value and standard deviation for each process approach are investigated and displayed. The centre value of a discrete set of numbers is the mean of a data set, which is the sum of all the values divided by the total number of values.

A measure of how far an observation for a group deviates from the mean or expected value is called the standard deviation. The majority of the data points are likely towards the mean if the standard deviation is low. The data is more erratic if the standard deviation is high. This part revealed the mean and standard deviation of the assessment of strategy implementation.

4.3.1 Effects of Strategy Implementation on Bringing Change

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
Effects of Strategy Implementation on Bringing Change	96	1	4	1.89	.724
Aggregate mean and Standard Deviation				2.16	0.77677

Source: Survey Result, 2023

Table 4.1 Mean and Standard Deviation of Effects of Strategy Implementation on Bringing Change

The aforementioned table demonstrated that the Hibret Bank's mean and standard deviation for the effects of strategy implementation in bringing about change were 2.16 and 0.78, respectively. The following facts in the bank were indicated by this data.

Because the total mean value is 2.16, either the bank's plan has low acceptance, or the approach is not well communicated. This suggested that bank staff may not be fully aware of the strategy's goal.

The aforementioned table also showed that Hibret Bank's strategy implementation process is ineffective because the bank failed to inform all employees of the strategy it had developed using the available information technology-supported communication channels like a portal, internal outlook, group mail, etc. This indicates that the employees were unaware of the company's overall goals and instead only carried out the tasks specified in their job descriptions.

Additionally, Hibret Bank did not make an effort to regularly collect and analyse data about the market and other external factors that have an impact on the business. Instead, the bank prepares its annual plan using a section of its poorly communicated strategy document. Even the organizational culture was not in line with the bank's strategy, and the

organizational structure of the bank supports the development of ineffective strategies. According to the report, the bank generally did not identify significant risks and opportunities during market analysis. Simple SWOT analysis identification is done by the consultant.

According to a study by Wubshet (2018), strategic goals are usually enormous and complex undertakings that almost always need a sizable investment of resources dispersed over numerous locations and departments. By creating defined goals across teams, there will be more clarity on tasks and obligations. Teams and individuals may encounter difficulties even with proper goal-setting because of a lack of alignment, which can lead to prioritization issues and collaboration conflict, delaying day-to-day work toward the strategic goal. The main factor for strategic misalignment is the non-strategic labour that people are used to doing. Non-strategic objectives are frequently given priority since they are ordinary and usually the most doable.

The participants responded that Hibret Bank's issues with strategy formulation. They emphasized specifically that the bank still employs spreadsheets to monitor its objectives. Although this can work between a manager and an employee, these methods make it challenging to aggregate results or give all employees access to transparency. As a result, supervisors and middle-level managers become less adept at using strategic goals in the present. Participants also reported that the bank's strategic goals are not easily understood; in other words, the bank did not integrate professional aims with personal interests. Bringing people closer to a plan is the greatest way to help them comprehend it, participants said. Most personnel at Hibret Bank are generally ignorant of the plan because it is kept a secret from them. Even the tools for measuring the strategic objectives were not apparent. In other words, there aren't any predetermined, definable goals for managing them.

4.3.2 Means Employed by the Bank in Managing Change

The process of directing organizational changes from its earliest stages of conception and planning, through implementation, and ultimately to resolution is known as change

management. To guarantee that firms successfully transition and adapt to any changes that may occur, a strong management strategy is essential.

Consequently, the methods used by Hibret Bank to Manage Change are listed below;

Table 4.2 Mean and Standard Deviation of Means Employed by the Bank in Managing Change

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
Means Employed by the Bank in Managing Change	96	1	4	2.49	.906
Aggregate mean & Standard deviation				2.3553	0.7849

Source: Survey Result, 2023

The bank's mean score for means used in managing change is 2.36 with a standard deviation of 0.78. This demonstrated that the bank has attempted to manage change by utilizing various techniques, even though it has not been as successful as anticipated.

Implementing tactics for bringing about change, regulating change, and assisting people in adapting to change is the goal of change management. Effective strategy communication and employee agreement are required to accomplish it. Additionally, all of the tools required to make the change should be available.

According to this research, the strategy is not effectively conveyed, and the majority of employees are unclear about its goals. Additionally, the activities that must be completed for implementation are not clearly defined; as a result, the concerned department's methods for managing the change are unclear, making it challenging to achieve the objectives of the plan.

Managing change entails controlling the dialogue between the change agents and the people tasked with putting the new plans into practice, controlling the organizational

environment in which change may take place, and controlling the emotional bonds that are crucial to any transformation.

Although Hibert Bank has a monitoring and evaluation system in place to track the implementation of its strategies, workers are not a part of this activity. Although resources are allocated at the highest management level for the strategy's implementation, which attempts to bring about improvements, bank employees lack a clear knowledge of the strategy of the bank. Even though the bank's organizational structure did not greatly support the implementation of an effective strategy, research participants reported informally to the researcher that some operational tasks, such as credit management and import and export, that were formerly performed in branch and district offices were all moved to the head office for centralized execution, making it difficult for them to closely monitor their branch customers. In addition, they did not know whether this centring was part of the bank's overall strategy. While top management is aware of the bank's well-established key performance indicators for each anticipated performance, employees are not.

The act of developing a vision and goal, analyzing an organization's environment, creating objectives, producing alternative strategies, and choosing certain techniques to pursue accomplishment are all parts of strategy formulation, according to research by Nguyen (2016). The results show that effective strategy execution can help a business obtain a competitive edge, define its business, and discover the right path. According to the study, senior managers, middle-level managers, and all other employees were found to be actively involved in the organization's strategy implementation process. Additionally, it was found that effective communication is essential to the success of any strategy.

4.3.3 Role of Management in Creating Change

During a transition, a manager is expected to: Manage opposition, including identifying potential hot spots for resistance. assisting staff members with change adaptation through coaching, planning, and direction. addressing queries and ensuring a smooth transition. The management's involvement in bringing about change at Hibert Bank is described below.

Table 4.3 Mean and Standard Deviation of the Role of Management in Creating Change

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
Role of Management in Creating Change	96	1	4	2.06	.831
Aggregate mean & Standard deviation				2.2972	0.7834

Source: Survey Result, 2023

The mean score of the role of management in creating change is 2.29 with a standard deviation is 0.78 this relatively indicted that the Hibret Bank management team didn't pass through the objective and outcome of the strategy implementation to employees successfully.

Executives must lead, support, follow up, and live the results of the strategic planning implementation process, according to Heathfield (2009), who also cites Rap (2004) as saying that without the commitment of senior executives, participants feel fooled and misled. Therefore, planning requirements that may be carried out even at departmental levels require executive support. Senior executives must avoid assuming that lower-level managers share their perspectives on the strategic plan, its implementation, its underlying rationale, and its urgency to properly implement the strategy. Executives must persuade staff members of the truth of their arguments because they must instead assume they don't. Despite what Chris Ahoy (1998) contends, leaders should make an upfront commitment to follow the complete and thorough process of strategic planning, which must conclude with the implementation of programs and services and the commitment of resources to meet the strategic plan's objectives to a level that is feasible for the organization and the level of activity.

4.4 Correlation and Regression Analysis

4.4.1 Correlation Analysis

Correlation analysis is a statistical method used in research to determine the relationship between two variables and gauge how strong their linear association is. Correlation analysis, in its simplest form, measures how much one variable changes as a result of the change in another.

The nonparametric equivalent of the Pearson product-moment correlation is Spearman's rank-order correlation. The strength and direction of the relationship between two ranked variables are measured by Spearman's correlation coefficient.

The study is shown below. Analysing correlations utilizing the relationship (association) between variables in a study can be accomplished using Spearman's Correlation Analysis. The coefficient's value lies between -1 and +1.

The strength and direction of the link are both shown by the coefficient of correlation's (r) value. There is a wholly negative correlation between the two variables if $r = -1$. A complete positive association between the variables exists when $r = 1$, and there is no relationship between the variables when $r = 0$.

Various academics have put forth slightly different interpretations of the values of r. The Bartz (1999) decision rule was applied to this study to describe the degree of relationship between the variables.

Measure of Association	Descriptive Adjectives
>0.00 to 0.20; <-0.00 to -0.20	Very weak or very low
>0.20 to 0.40; <-0.20 to -0.40	Weak or low
>0.40 to 0.60; <-0.40 to -0.60	Moderate
>0.60 to 0.80; <-0.60 to -0.80	Strong or High
>0.80 to 1.0; <-0.80 to -1.0	Very high or Very Strong

Source: Bartz (1999)

Table 4.5 Correlation Result

Variables		Change Management Practices	Implementation of Strategy 2030
Change Management Practices	Pearson Correlation	.286**	0.307 **
	Sig. (2-tailed)	.005	.002
	N	96	96
Implementation of Strategy 2030	Pearson Correlation	0.307 **	.286**
	Sig. (2-tailed)	.002	.005
	N	96	96

** Correlation is significant at the 0.01 level (2-tailed)

Source: Survey Result, 2023

The table demonstrated a positive correlation between the independent variables of strategy implementation and change management practices.

More particular, there is a moderately substantial link between Change management practice ($r=.307^{**}$) and Strategy implementation.

4.5 Regression Analysis

Regression analysis is a group of statistical techniques for evaluating relationships between a dependent variable and one or more independent variables. It can be applied to gauge the significance of a link between variables and forecast future interactions between them.

You can draw conclusions or inferences from data using inferential analysis. Typically, this means extrapolating conclusions about a population from data from a sample. To draw conclusions ("inferences") about a population or the possibility that a result was obtained by chance, statisticians use probability and sample data.

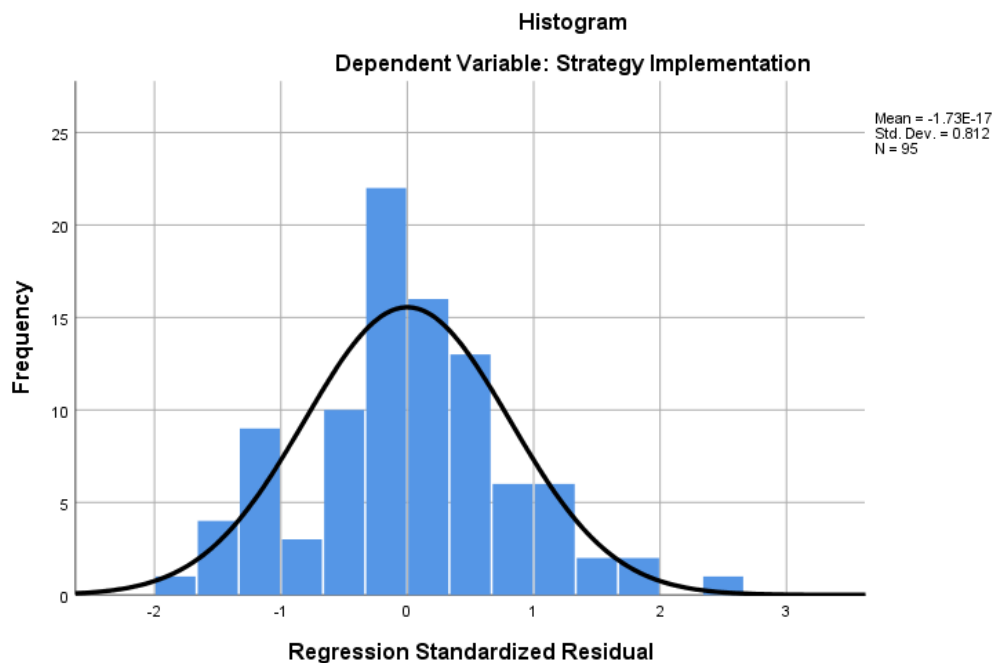
Table 4.6 Regression Result

Residuals Statistics					
	Minimum	Maximum	Mean	Std. Deviation	N
Predicted Value	1.17	2.57	1.89	.247	96
Residual	-1.416	2.178	.000	.680	96
Std. Predicted Value	-2.909	2.782	.000	1.000	96
Std. Residual	-1.981	3.047	.000	.951	96

a. Dependent Variable: Strategic implementation
 Source: Survey Result, 2023

4.5.1 Linearity Test

For linear regression to be effective, the relationship between the independent and dependent variables must be linear. It's also crucial to watch out for them because outlier effects can occur with linear regression. The best way to confirm the linearity assumption is via scatter plots, and the graphic that follows demonstrates a linear connection between the dependent and independent variables.



4.5.2 Testing the Skewness and Kurtosis of the Data

Kothari (2004) asserts that skewness is an indicator of symmetry, or more accurately, its absence. If a distribution or data set appears the same to the left and right of the center point, it is said to be symmetric. An indicator of how densely or thinly the data are

distributed in comparison to a normal distribution is kurtosis. Data sets with a high kurtosis are more likely to contain heavy tails or outliers. Data sets with low kurtosis usually have weak tails or no outliers. The worst-case scenario would be a uniform distribution.

Source: Survey Result, 2023

Table 4.6 Skewness and Kurtosis

Descriptive Statistics									
	N	Minimum	Maximum	Mean	Std.	Skewness		Kurtosis	
	Statistic	Statistic	Statistic	Statistic	Deviation	Statistic	Std.	Statistic	Std. Error
							Error		
Change management practices	96	1	4	2.11	.694	.809	.246	1.346	.488
Strategy implementation	96	1	4	1.84	.686	.610	.246	.751	.488
Valid N (listwise)	96								

According to Hair (2010), values between -1.96 and +1.96 are thought to be acceptable. Data can be considered skewed if it exceeds these limits, but some have argued that normal data is characterized as having Skewness values between -2 and +2, and Kurtosis values between -7 and +7. The researcher's data is typically distributed, generally speaking.

The distributions of both variables are significantly more peaked than those of a normal distribution and exhibit a modest positive skewness and kurtosis. Indicators of the central tendency and variability of the responses are the mean and standard deviation.

4.5.3 Multi collinearity Test

Multi collinearity, as defined by Kothari (2004), is a condition of extremely high inter-correlation or inter-associations among the independent variables. It is thus a sort of data disturbance, and if it is present in the data, any statistical conclusions regarding the data may not be valid. Additionally, he made note of the fact that multicollinearity typically happens when there are strong correlations between two or more predictor variables. In other words, duplicate information is produced when one predictor variable can be used to

predict another. Strong relationship between explanatory variables is a problem of multi collinearity and not acceptable for ordinary list square regression analyses.

Table 4.7 Multi collinearity Test

Model		Coefficients ^a				Collinearity Statistics		
		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Tolerance	VIF
		B	Std. Error	Beta				
1	(Constant)	1.117	.213		5.256	.000		
	Change management practices	.344	.096	.348	3.597	.001	1.000	1.000

a. Dependent Variable: Strategy Implementation
Source: Survey Result, 2023

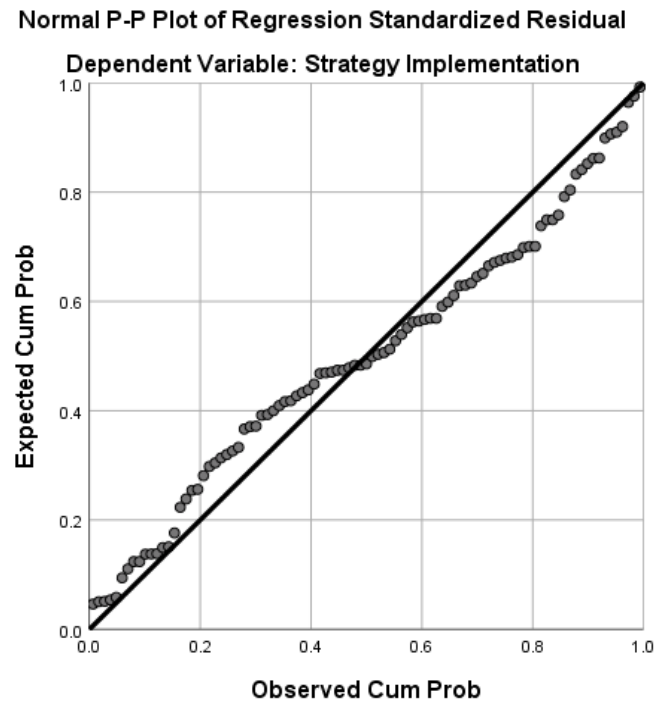
The statistics for multicollinearity between the independent variable and other independent variables show that there is none. The tolerance and VIF values are both 1.000, indicating that multicollinearity is not a problem.

4.5.4 Homoscedasticity Test

Homoscedasticity, also known as homogeneity of variances, is the presumption that variations in various groups being compared are equivalent or comparable. Because parametric statistical tests are sensitive to any dissimilarity, this is a crucial presumption. Results from tests are skewed and biased when sample variances are uneven.

This presumption demands that the residual terms or error term homogeneity be distributed equally across the data. It is possible to visually check for homoscedasticity by looking at a plot of the standardized residuals against the regression's standardized predicted value (Osborn & Waters, 2002). If the incorrect phrases are randomly distributed without any obvious pattern, the issue is not detrimental to analysis. The standardized residuals in this study are distributed uniformly, which suggests that heteroscedasticity is not a significant issue for this data, as seen in the following Figures.

Fig 4.7 Homoscedasticity Result



4.5.5 Autocorrelation Test

Autocorrelation is a mathematical representation of the degree of resemblance between a given time series and a lagged version of itself over succeeding time periods. The same time series is utilized twice for computing autocorrelation: once in its original form and once that has been delayed by one or more periods (Kothari, 2004). This is the sole change.

Table 4.8 Autocorrelation

Model Summary^b					
Model	R	R Square	Adjusted R Square	Std. The error in the Estimate	Durbin-Watson
1	.342 ^a	.117	.024	.715	1.956

a. Predictors: (Constant), Change Management Practices

b. Dependent Variable: Strategy Implementation

Source: survey result, 2023

The degree of similarity between a particular time series and a lagged version of itself over subsequent time periods is represented mathematically by autocorrelation. When

computing autocorrelation, the same time series is used twice: the first time in its original form, and the second time with one or more periods added or subtracted (Kothari, 2004). Only this has changed. The data gathered for the process of implementing a plan is subjected to a regression analysis here.

The relationship between the independent variable and the change management strategy was investigated using multiple regression analysis to determine whether it was statistically significant. It also assisted in the creation of a formula that illustrates the relationship between the dependent variable (change management technique) and the independent variables' execution of the plan.

The dependent variable was significantly correlated with the linear combination of the independent variables, as shown by the model summary table, where $R=.342a$, $R\text{ square}=.117$, and $\text{adjusted } R\text{ square}=.024$ R -values indicate.

In conclusion, low R -squared values and low correlation coefficients indicate that there is little to no linear relationship between the variables being examined in a regression model. It is crucial to keep in mind that a weak or non-existent linear relationship between the variables does not always imply that there is no relationship at all, as there may be a nonlinear or complex relationship that the linear regression model does not account for.

Table 4.9 ANOVA Table

		ANOVA ^a				
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	50.757	5	10.151	140.238	.000 ^b
	Residual	11.510	159	.072		
	Total	62.267	164			

a. Dependent Variable: strategy implementation

b. Predictors: (Constant), Change management practices

Source: Survey Result, 2023

According to the aforementioned ANOVA table, "strategy implementation" is significantly influenced by "change management practices". It is significant to remember that this is only one component of the research and that more data is required before any conclusions about the correlation between these variables can be made. Because the p -value is less than

0.05, the regression model in this instance correctly fits the data and statistically substantially predicts the result variable.

In the regression model, the strategy implementation method is regarded as a dependent variable while the change management methods are handled as independent variables. When the independent variable shifts by one unit while the other explanatory variables stay the same, the dependent variable often shifts by a certain amount, which is described by the regression coefficients.

Table 4.10 Regression Coefficient

Model	Coefficients					
	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	
	B	Std. Error	Beta			
1	(Constant)	1.058	.391		2.708	.008
	Strategy implementation	.242	.119	.230	2.031	.045

a. Dependent Variable: Strategy Implementation

Source: Survey Result, 2023

The standardized coefficient (Beta) is 0.230, which indicates that, when all other variables are held constant, a one-unit increase in "strategy implementation" is correlated with an increase in the dependent variable's standard deviation of 0.230.

In conclusion, even after accounting for other factors in the model, the coefficients indicate that "strategy implementation" has a statistically significant positive impact on the dependent variable. However, it is challenging to completely evaluate the coefficients without additional details regarding the independent variable and the context of the research.

The following regression analysis was carried out to show strategy adoption and its influence on change management techniques. The analysis is predicated on;

1. Constant, Change management practices
2. Dependent Variable : Strategy implementation (Y)

To ascertain how change management procedures in Hibret bank effect strategy implementation, the regression model shown below is used. The multivariate regression model used for this association detection is as follows:

$$Y = a + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + e$$

Where a = the constant

β_1 = slope for variable X1

β_2 = slope for variable X2

β_3 = slope for variable X3

e = error value

As a result Y is the strategy implementation, a is the regression constant, β_1, β_2 , and β_3 are regression coefficients.

From the regression table, the beta value suggests that

- A unit change in change management practices creates a 23 percent improvement in strategy implementation at Hibret Bank.

CHAPTER FIVE

5. CONCLUSION AND RECOMMENDATION

5.1 Conclusion

The Hibret Bank's strategy implementation had an average effect size of 2.6 with a standard deviation of 0.78 in bringing about change. Due to the aggregate mean value of 2.16, the bank's plan either has poor acceptance or is not well articulated. This suggested that bank staff may not be fully aware of the strategy's goal. Additionally, it demonstrates the inefficiency of Hibret Bank's process for implementing strategy because the bank failed to use the existing communication channels to distribute the developed plan to all workers. Employees were only performing their duties in accordance with management's demands and their job descriptions, with little understanding of the strategy's overall goals.

The bank's means for managing change have an average score of 2.36 and a standard deviation of 0.78. This mean indicated that, despite its less-than-expected success, the bank has sought to manage change by employing various techniques.

Implementing tactics for bringing about change, regulating change, and assisting people in adapting to change is the goal of change management. Effective strategy communication and employee agreement are required in order to accomplish it. Additionally, all of the tools required to make the change should be available.

The average score for the management's contribution to change-making is 2.29, and the standard deviation is 0.78. This comparatively indicated that Hibret Bank's management team had not effectively communicated to its workforce the goal and results of the implementation of the plan.

Executives and senior managers must make a significant commitment to implement the strategic plan successfully. Thus, the demand for planning, which can be carried out even at the departmental level, needs executive backing. Executives are responsible for directing, assisting with, monitoring, and implementing the results of strategic planning.

In Hibret Bank, it might be challenging to remain objective when evaluating and measuring the success of strategic goals. Although bank strategists employ questionnaires and financial statements, some possibilities, such as manager opinions or contributions, are more challenging to assess.

Inferential formalism Strategy Implementation, one of the independent variables, has a positive correlation ($r=.286^{**}$) with change management technique. With $R=.342$, $R^2=.117$ adjusted $R^2=.024$, the linear combination of the independent variable was strongly correlated with the dependent variable. Implementing a strategy has a beta value $.230$ ($p>0.05$).

5.2 Recommendation

The following suggestions are offered to assist the bank in improving the successful implementation of the plan based on the analysis discussed.

- In general, the bank's strategy department should review its strategy document before 2030 and take some corrective actions in its strategy formulation, implementation, and evaluation tools by soliciting valuable input from all of its employees using a variety of techniques, such as setting up an online idea generating room where employees can voice their opinions and brainstorming using focus group discussions and the like. Additionally attempting to adjust the approach to the specifics of the bank to ensure successful application.
- The management team at Hibret Bank should explain the strategy to the staff in a way that makes it clear how their job contributes to the overall goals of the company. This may help people accept significant changes more readily and raise their level of engagement. Making sure that employees understand and support the company's high-level initiatives will help to ensure that they are in line with the company's objectives.
- The management team needs to involve the overall staff of the bank in the progressive implementation of the strategy to create awareness and belongingness.
- The management needs to walk the staff through how to complete the duties at hand. This entails dividing the vision into manageable actions. Explicitly stating

your desired outcome and the necessary inputs is another technique to deconstruct your plan. To better contextualize goals in routine activities, take into consideration using leading and lagging indicators.

- Hibret Bank should make a complete list of all the resources available for the process of implementing and evaluating a strategy, including the personnel, groups, and departments that will be engaged. Establish a communication strategy that everyone should adhere to and establish a clear picture of what each resource is accountable for.
- It is important to put all aspects into the proper context to enable the bank's general workforce to comprehend the key goals and the tactical plans in place to help the bank meet its goals for each fiscal year. This will educate bank personnel and motivate them to provide high-quality services that will advance the bank's overall strategy and help it accomplish its objectives.
- Given that human capital is the most significant asset for a corporation, Hibret Bank should continue to make unreserved efforts to improve the expertise and dedication of the Bank's workforce.
- The management should provide updates that might encourage staff to keep pursuing ambitious objectives because they are aware of how their efforts help to achieve those milestones. Inform them of the status of larger initiatives and goals. For the workers to feel like a part of the organization and for management to earn their trust, it is crucial to remove any barriers between them. Additionally, you might let them know about initiatives that the bank has changed its mind about as well as successful and unsuccessful ones.
- In addition to the monthly team meetings, the management team of Hibret Bank should think about having regular one-on-one meetings with each team member. This way, you can keep tabs on each participant's development and see if they're open to giving and receiving comments in a private context. Additionally, it enables you to establish a personal connection with them and give them a sense of worth and appreciation.
- If management offers the assistance they require, employees can succeed in reaching their goals. When employees contact management with concerns, they

should be approachable and open to hearing them out. To promote and support the flow of information and feedback mechanisms, it is advised that lines of contact between managerial and non-managerial employees be improved.

5.3. Research Limitation and Areas of Further Research

5.3.1 Limitations of the Study

This study has a time limitation as well, as it must be submitted by the deadline, just like every other research project. It might not take into account all of the study's strategic areas, and the research only takes into account bank workers who work in managerial positions at the main office. This may limit the study's findings because not all branches in Addis Ababa, as well as outlying and district offices located in other regions of the nation, were included in the study.

5.3.2 Suggestion for further study

The researcher suggests additional research in this area by discovering additional variables, as well as research in the fields of organizational performance and strategic management throughout the entire industry because there are incoming newcomers who can learn from these studies. Additionally, it is advised that studies be conducted on each variable to have a comprehensive understanding of the strategy, strategy execution, and change management techniques.

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- Hibret Bank S.C Annual Report of 2019/20, July 2020
- Hibret Bank S.C Annual Report of 2020/21, July 2021

Annex I

QUESTIONNAIRE

The completion of this program is necessary to receive a Masters in Business Leadership (MBA) degree. The title of the project work is " **Assessment of Change Management Practices Effect on Strategy Implementation: the case of Hibret Bank S.C.**" Please be aware that any information you provide will be held in strict confidence and will never be used for anything other than it is intended for. It will be appreciated if you could help. I eagerly anticipate your speedy reply.

SECTION A: BIO-DATA

Kindly answer all the questions by ticking in the boxes or writing in the spaces provided.

1. What gender are

you: Male Female

2. What is your age range? 1

8-28 years

29-39 years

40-50 years

Above 51 years

3. For how long have you worked for Hibret Bank?

Less than 5 years

6-10 years

11-15 years

Above 16 years

4. Management Level

Managerial

Non-Managerial

5. Educational Level

Secondary school

Undergraduate level

College-level

Graduate level

6. The source of Change in your organization
 Top-Level Management Mid-
 Level Management Clerks Others_
7. Have you initiated any new ideas in your bank?
 Yes No
8. Do you think the strategy is applicable in our country's context?
 Yes No

SECTION B: EFFECT OF STRATEGY IMPLEMENTATION ON BRINGING CHANGE

9. Please mark (X) on your choice which best describes your opinion of the statement listed.

PRACTICES OF CHANGE MANAGEMENT ON BRINGING CHANGE	Strongly Disagree	Disagree	Agree	Strongly Agree
1. Hibret Bank currently operate in a rapidly changing environment as compared to the previous years.				
2. The rapidly changing environment motivates the bank to be more proactive in generating new ideas.				
3. Change in the bank is positive and acts as a leverage for success.				
4. Change management practices reduce the chances of resistance associated with the adoption of new ideas.				
5. Successful strategy implementation can be measured by the level of change in the bank.				
6. Informal strategy implementation translates in realizing change management practices.				
7. Formal strategy implementation translates in realizing change management practices.				
8. The rate and impact of change are uniform across all departments.				
9. Change influences the sense of belonging and commitment by employees to be more productive				

SECTION C: MEAN EMPLOYED BY THE BANK IN MANAGING CHANGE.

10. Please mark (X) on your choice which best describes your opinion of the statement listed.

Means Employed by the Bank In Managing Change	Strongly Disagree	Disagree	Agree	Strongly Agree
1. The bank has a clear plan for managing change.				
2. The change management plans are well-known to all employees.				
3. I clearly understand the objective of the strategy.				
4. I believe the strategy is implementable/achievable/.				
5. I clearly understand my role in the strategy implementation process.				
6. The job is aligned with the new strategy of the bank.				
7. Employees have a big role in meeting the bank's objectives.				
8. Every department's objectives are set out and aligned with the bank's overall strategy.				
9. Resources are allocated to support strategy implementation.				
10. There is a feedback process to help understand what's working and not working regarding the strategy.				
11. I understand the whole concept of the strategy thoroughly.				
12. Employees of the bank have been successful in implementing the strategic initiatives contained in Strategy 2030.				
13. The communication about change is honest and trustworthy.				

SECTION D: WHAT IS THE ROLE OF THE MANAGEMENT IN CREATING CHANGE?

11. Please mark (X) on your choice which best describes your opinion of the statement listed.

Role of Management in Creating Change	Strongly Disagree	Disagree	Agree	Strongly Agree
1. There is innovation and experimentation within Hibret Bank's product and service offerings to meet the changing customer needs.				
2. The management is always active and visible during Change.				
3. Risk of resistance to change is well managed through proper education rather than support for the change.				
4. Management is always united in their determination to implement change.				
5. Management communicates on the various phases of change				
6. Management communicates what is expected of all Employees.				
7. All levels of management are actively involved and participate in the change process.				
8. Business-changing ideas emanate from top-level management.				
9. Business-changing ideas emanate from middle level management.				
10. Management has formal training on how to recognize and manage the impact of change.				
11. Management is responsible and accountable in all change management practices.				

THANK YOU FOR YOUR RESPONSE
