NEED FOR STRATEGIC AGILITY IN ORGANIZATIONS: A CASE STUDY ON ADOPTION OF STRATEGIC AGILITY IN THE DATA AND INTERNET SERVICE INDUSTRY IN KENYA

BY

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UNITED STATES INTERNATIONAL UNIVERSITY AFRICA

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A Research Project Report Submitted to the Chandaria School of Business in Partial Fulfillment of the Requirement for the Degree of Masters of Business Administration (MBA)

UNITED STATES INTERNATIONAL UNIVERSITY AFRICA

SUMMER 2016
STUDENT’S DECLARATION

I, the undersigned, declare that this is my original work and has not been submitted to any other college, institution or university other than United States International University.

Signed: ___________________________  Date: ___________________________
Salma Jeneby (ID No. 640898)

This research report has been presented for examination with our approval as the appointed supervisors.

Signed: ___________________________  Date: ___________________________
Fred O. Newa

Signed: ___________________________  Date: ___________________________
Dean Chandaria School of Business
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ABSTRACT

The purpose of this study was to investigate the need for the adoption of Strategic Agility in the ICT Industry in Nairobi, Kenya, specifically in the Data and Internet service industry in Nairobi. The study was guided by the following research objectives: to determine how Strategic Sensitivity affects adoption of Strategic Agility in the Organizations; to determine how Resource Fluidity affects adoption of Strategic Agility in the Organizations; to determine role played by Leadership in the adoption of Strategic Agility in Organizations.

This research adopted a descriptive research design. Stratified random sampling techniques were used. Structured Interviews and questionnaires were used as the data collection tool. In this study, the descriptive statistics such as percentages and frequency distribution were used to analyze the demographic profile of the participants. The demographic data was tabulated using frequency and percentages. In order to describe the data, the study used various means to interpret data on the key research objectives.

The study revealed that there was a positive relationship between strategic sensitivity and the adoption of strategic agility. The study further revealed that majority of the respondents agreed that their organization identifies opportunities and threats in new insightful ways as they emerge, maintain strategic advantage through anticipation and foresight, the organization has resilient capacity that is aware and has the ability to create new options, people work creatively to continuously improve inefficient and ineffective processes, rather than working around them, the business has the ability to continuously evolve as and when the need arises and finally communication is a key driver in the organization’s strategy.

The study further revealed that there was a positive significant relationship between resource fluidity and the adoption of strategic agility. The study further revealed that majority of the respondents agreed that teams seem able to find effective solutions even when the problem is completely new and there is no direct experience or ‘rule book’ to guide them, there is a strong sense of ‘we win together and we lose together’ that pervades the organization, different voices and perspectives are actively encouraged when key organizational decisions are made, resources can be quickly moved in a fluid and flexible way across/around the organization in response to need, maintain strategic advantage through anticipation and foresight and finally the Organization has parallel business model where it can switch from one to another when the need arises.
Finally the study revealed that there was a positive significant relationship between leadership unity and the adoption of strategic agility. It was also revealed that majority of the respondents agreed that leaders rarely micro-manage the Teams, leaders allow teams and individuals to deliver worthwhile outcomes, even if they achieve these in ways that the leader would not have initially recommended, leaders resist the temptation to be decisive in every situation and balance swift action with appropriate reflection, depending on the nature and complexity of the presenting issue, the leaders in the organization have mutual dependency on each other, leaders create and reinforce a culture that promotes speed, entrepreneurship, diversity, innovation and risk taking, leaders are always ready to make the necessary changes as and when change is needed and finally the leaders never rest even when the organization is ahead in the market.

The study concludes that strategic sensitivity influences the adoption of strategic agility. The study further concludes organizations identify opportunities and threats in new insightful ways as they emerge, maintain strategic advantage through anticipation and foresight, the organization has resilient capacity that is aware and has the ability to create new options, people work creatively to continuously improve inefficient and ineffective processes, rather than working around them, the business has the ability to continuously evolve as and when the need arises and finally communication is a key driver in the organization’s strategy. The study further concludes that resource fluidity influences the adoption of strategic agility in Kenya. The study further concludes that teams seem able to find effective solutions even when the problem is completely new and there is no direct experience or ‘rule book’ to guide them.

The study recommends that ICT firms need to build agility in their strategic planning process. An agile strategic planning process includes constant identification and resolution of the main strategic issues that lead to rapid allocation of resources. This gives room for continuous modification and adaptation of the strategic direction in the core business. The study recommends the need to have resource fluidity among ICT firms in Kenya as it to allow firms to redeploy and reallocate their resources, particularly people, to new opportunities or new activities in a transformed activity system. Additionally the study recommends the need for companies to establish more strategic and dynamic resource allocation processes. The study recommends the need for organization leaders to have a sense of unity.
ACKNOWLEDGEMENT

I would like to take this opportunity to give thanks all the people who assisted in putting a foundation for this research report.

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DEDICATION

I would like to dedicate this project to my family, my mum Fauziya Sketty, my dad Aish Jeneby, my siblings Fathiya, Zuweina, Mohamed, Rashid, Rukiya, Salim Jeneby and Fahima Zein for their support and encouragement as I worked on my project and throughout my studies at USIU.
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<tr>
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<td>Communication Authority of Kenya</td>
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<tr>
<td>ICT</td>
<td>Information and Communications Technology</td>
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<tr>
<td>KENET</td>
<td>Kenya Education Network</td>
</tr>
<tr>
<td>NOFBI</td>
<td>National Optic Fibre Backbone</td>
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<td>SPSS</td>
<td>Statistical Package for Social Science</td>
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CHAPTER ONE

1.0 INTRODUCTION

1.1 Background of the Problem

In today’s fast-changing business environment, both managers and individual contributors alike need to have a broad perspective and awareness of the cultural trends and business developments shaping the world (Kanyi, 2011). Leading corporations worldwide are now facing faster systemic complex changes. Traditional ways of developing and implementing strategy will not work in the future. Operations optimized on 20th century models of excellence will soon be obsolete. The new century has called for adaptability and agility in an emergent strategic context (Doz, 2012). The integration of the key elements, that is, organization, people and technology, is the foundation for agility (Adeleye and Yusuf, 1999; Yusuf and Adeleye, 2002). Agility is a concept integrating organizations, people and technology into a significant unit by using innovative information technologies and flexible and nimble organization structures to support highly skilled, knowledgeable and motivated people (Overby, Haradwaj, and Sambammurthy, 2006).

Agility is the dynamic capability to anticipate and respond to challenges and opportunities with focused, fast and flexible people, processes and technology. The successful leader, team or organization will evolve, not through random mutation, but through purposeful and agile strategies that influence and respond effectively to unpredictable and shifting marketplace demands and world events (Horney, 2013). Organizational agility is said to be the ability to deal with rapidly changing circumstances while out-executing the competition and stakeholder expectations is the core differentiator of businesses these days, whether they are competitors or not; the capacity to identify and capture opportunities more quickly than rivals do. It differentiates the winners from the losers, the victors from the victims and the first from the worst, and determines which organizations survive and thrive, and which don’t (Richardson, 2012).

Today’s chaotic environment, where markets emerge, collide, split, evolve, and die; one of the main elements of a firm's success is strategic agility, the ability to remain flexible in facing new developments, to continuously adjust the company's strategic direction, and to develop innovative ways to create value. There is an agreement on the importance of strategic agility in light of complex managerial challenges such as dynamic environment,
globalization, accelerating rate of innovation, and mergers and acquisitions (Weber and Tarba, 2014). In our uncertain markets, agility is an exceptionally powerful competitive weapon that can be wielded with considerable effect by enterprises of all types and sizes (Shill, Engel, Mann and Schatteman, 2012). Companies can become more agile by designing their organizations both to drive speed and create stability (Aghina, Smet, and Werda, 2015).

Strategic Agility is the ability to continuously adjust and adapt strategic direction in core business, as a function of strategic ambitions and changing circumstances, and create not just new products and services, but also new business models and innovative ways of creating value for a company. Goldman, Nagel and Preiss (1995) defined Strategic Agility as being capable of operating profitably in a competitive environment of continually, and unpredictably, changing customer opportunities. Agility refers largely to the firm’s ability to constantly adapt to changing and indeterminate environments (Goldman et al., 1995; Lin, Chiu and Chu, 2006), where competitive advantage is often temporary and frequent strategic moves are required (Chen, Katila, McDonald and Eisenhardt, 2010). Agility is particularly important in environments characterized by high competitive intensity (Grewal and Tansuhaj, 2001). Thus, from the dynamic capability perspective, agility can be understood as a key capability of the firm in dynamic environments (Fourné, Jansen and Mom, 2014; Weber and Tarba, 2014). Agile firms are able to create dynamic portfolios of products, services or business models in order to out maneuver competitors (Dyer and Ericksen, 2005).

Truly agile organizations, paradoxically, learn to be both stable (resilient, reliable, and efficient) and dynamic (fast, nimble, and adaptive). To master this paradox, companies must design structures, governance arrangements, and processes with a relatively unchanging set of core elements; a fixed backbone. At the same time, they must also create looser and more dynamic elements that can be adapted quickly to new challenges and opportunities (Aghina et al., 2015).

Strategic discontinuities and disruptions usually call for changes in business models. But, over time, efficient firms naturally evolve business models of increasing stability, and therefore, rigidity. Resolving this contradiction can be made easier by developing three
core meta-capabilities to make an organization more agile: strategic sensitivity, leadership unity and resource fluidity (Doz and Kosonen, 2009). Gehani (1995) asserts that “an agile organization can quickly satisfy customer orders, introduce new products frequently in a timely manner...get in and out of its strategic alliances speedily”. Successful business model renewal and transformation is one of the main outcomes of strategic agility.

The past 15 years have brought an unprecedented increase in access to ICT services worldwide. This growth has been primarily driven by wireless technologies (Qiang, 2009). Information and Communications Technology (ICT) has become a catchword with different interpretations and viewpoints even among experts. ICT encompasses all the technology that facilitates the processing, transfer and exchange of information and communication services. New information and communications technologies, in particular high-speed internet, are changing the way companies do business, transforming public service delivery and democratizing innovation (Adu, 2002). With 10 percent increase in high speed Internet connections, economic growth increases by 1.3 percent (Doz and Kosonen, 2010). Despite the continued slowness of economies across the globe, digitization boosted world economic output by nearly US$200 billion and created 6 million jobs in 2011 (Mainardi, 2013).

Technological advances have changed business operations and the way people communicate all over the world. They have also introduced new efficiencies in old services as well as numerous new ones (Kaplan, 2001). Recent developments in wireless local area network technologies in Africa are raising new hopes for internet diffusion in parts of the developing world (Heeks, R, Liang, G and Feller, G, 2006). The ICT industry is ever changing and is radically affecting the way we access and share information (Khor, 2003). Connectivity, whether Internet or mobile phone, is increasingly bringing market information, financial services, health services, to remote areas, and is helping to change people’s lives in unprecedented ways. There are about 530 featured IT, ICT, Technology and Computer Companies in Kenya (Qiang, 2009).

The telecommunication industry has experienced tremendous changes in recent years. The liberalization and de-regulation of the nation’s telecommunication industry and the economy as a whole has prompted the entry of many new players into this sector. The level
of activities in this sector has increased significantly over the past ten years and it is envisaged that this will not abate soon (CAK, 2014).

Kenya Vision 2030 has identified Information and Communication Technology (ICT) as a key engine of growth, as it is a key investor in people services and networks (KENET, 2013). There has been tremendous growth in the ICT sector particularly in the mobile sector, which by September 2013, had 31.3 million subscribers and a penetration of 76.9 per cent. At the same time, there were 25.1 million mobile money subscribers and an estimated 19.1 million Internet users with 47.1 per 100 inhabitants having access to Internet services (CAK, 2014). In the last decade, the key developments in the ICT sector in Kenya include the increased convergence of broadcasting and telecommunications; increased bandwidth via access to new undersea cables; and implementation of the National Optic Fibre Backbone Infrastructure (NOFBI) project. The landing of the undersea cables brought high consumer expectations, but retail broadband costs have not been significantly reduced, albeit with improved quality (Waema and Ndung’u, 2012).

The data market in Kenya has continued to register growth following the increased use of data/internet enabled mobile devices and the increased connection of last mile fibre optic network (CAK, 2015). The internet subscribers/users have grown from 2.2m in 2007 to 29.6m in June 2015, and the investments on the internet and bandwidth capacity has grown from Kes416m in 2007 to 3,440m in 2014. The top 5 players (with market shares) in the Data/Internet market include Wananchi Group (46.8%), Liquid Telecom (15.3%), Telkom Kenya (10.1%), Access Kenya (9.6%) and Safaricom (6.9%) (CAK, 2015).

According to the CAK reports, 2014/2015, the telecommunication sector has continued on a positive growth path mainly boosted by the mobile telephony subsector. Data/Internet sub-sector has sustained steady growth over the period with increase in subscriptions recorded during the quarter. The growth in data/internet subscriptions pushed the demand for bandwidth further with the quarter under review registering an increase in both international available capacity and the used capacity in the country. The evolution of advanced services on e-platforms such as e-government, e-commerce, e-learning and
IPTV/Triple Play could be attributed to the demand and thus the need for growth in bandwidth capacity (CAK, 2015).

1.2 Statement of the Problem

The competitive landscape has been shifting due to the fast changing and ever evolving technology. Globalization and rapid technological change require the organizations to adapt to this environmental turbulence. Strategic planning is no longer enough (Weber and Tarba, 2008). The Information Communication Technology (ICT) industry is characterized by fast change and complex systemic interactions. It has been facing the twin challenges of speed of emergence as well as erosion of industry boundaries (Doz and Kosonen, 2008). Given the current markets discontinuities and the rapidly increasing pace of change, companies need new and agile paradigms (Oyedijo, 2012). Managers in the ICT industry need to find new ways to integrate and develop resources at their disposal in a way that they can keep up with the environmental changes (Weber and Tarba, 2014). It is important for a company to establish a competitive advantage that is sustainable, and is not easily eroded by environmental changes or limited by potential and existing competitors (Porter, 2008).

There is a contradiction to Strategic Agility. On the one hand it enables firms to be flexible enough to respond to complex and dynamic environments. On the other hand it requires strategic commitments to build core competencies and provide a base that a firm can follow and adapt. Survival of organizations in this day and age depends on strategic agility (Miles and Snow, 2009). Although quality management practices have been implemented by many organizations all over the world, such implementations have often failed. This failure rate is largely attributed to the lack of integration between quality management practices, business strategy, and environmental uncertainty (Naceur, Azaddin, and Attahir, 2003).

How to succeed in today’s rapidly changing competitive environment is a question weighing heavily on the minds of many managers. Everything seems to be changing; markets, customer demands, technology, global boundaries, products, and processes. Managers are realizing that the old rules no longer apply, and that to compete in today’s rapidly changing competitive environment, they must come up with new strategic responses, and at the same time adopt innovative management (Boyton, Victor and Pine, 1993).
Even though there has been research on the topic of agility, they are not unified regarding their conceptualizations of agility and tend to assume fairly incomplete views of agility dimensionality (Horney, 2013). Given the complex nature of agility and the weak theoretical and conceptual grounding in much of the existing agile method literature, this research made a necessary first step, providing an overarching definition and formative taxonomy of agility upon which much more can be done. It is hoped that this study will inspire others to investigate further into this important area. There are many fruitful directions future researchers could take (Conboy, 2009).

There was need to redefine the spectrum of means and processes available to create and use strategic agility in the organizations. It helped create a framework that managers can use to develop, integrate and reconfigure the resources and skills required to deal with competitive markets. This study explored the relevance of strategic agility in the telecommunication industry, particularly Data/Internet Services in Kenya. Based on the research available, the study has given an insight on the ICT industry in Kenya, how they have adopted Strategic Agility, the challenges faced and the resolutions to the challenges.

1.3 General Objectives
The general objective of this study was to determine factors that influence the adoption of Strategic Agility in Organizations in the ICT industry in Kenya and the challenges they face in adoption of Strategic Agility.

1.4 Specific Objectives
1.4.1 To determine the influence of Strategic Sensitivity on the adoption of Strategic Agility in Organizations
1.4.2 To determine the influence of Resource Fluidity in the adoption of Strategic Agility in Organizations
1.4.3 To determine the influence of Leadership Unity in the adoption of Strategic Agility in Organizations

1.5 Importance of the Study
This study is of high importance to the following groups:
1.5.1 Management
Management is the one that makes the final decisions. It is important for them to understand Strategic Agility and its advantage to the organization. Strategic agility demands proactive leadership. It demands that leaders throughout the organization are cognizant of both hazards and opportunities and within the context of this understanding are capable of executing quickly and still attain the goals set by the organization.

1.5.2 Shareholders
Shareholders would like to ensure that they make maximum Return on Investment. When major decisions are to be made, the shareholders must be informed. Awareness of the agility in an organization with regards to decisions making that determines win or lose outcome is important to shareholders.

1.5.3 Employees
The employees must always be ready to make the necessary changes as and when required by Management. They will make an effort to ensure that they are up to date with regards to the business and its environment, the new skills available in the market and the organization’s competition. This way they can alert management on changes in the market, and at the same time secure their jobs.

1.5.4 ICT Industry
The study will provide valuable information that would assist the ICT providers in understanding the constraints that affect growth and expansion in the industry as well as in the individual organizations. It will also enlighten the organizations of the benefits of being agile in a fast growing and ever changing environment.

1.5.5 Policy Makers
The study would be beneficial to the Government at all levels, from the President to the county representatives, as it would help them adopt strategic agility in the ICT sector in order to make changes fast as and when they were required to, keep up with the technological changes, improve the systems and learn how to be prepared for any changes in the environment.
1.5.6 **Academics and Researchers**
The study will help fill in some of the gaps around Strategic Agility in Kenyan Organizations. It will also help answer questions as to why the adoption of Strategic agility in organizations is a slow process, and how the issues can be overcome.

1.6 **Scope of the Study**
This study focused on organizations in the ICT industry, specifically the Data/Internet service providers, based in Nairobi, Kenya. The data collection was done in the period between March and May 2016 based on interviews with key executives and questionnaires to senior management.

Limitations to the study were getting responses to questionnaires sent out, validation of responses to the questionnaires, willingness and availability of senior management for interviews. As the study was sensitive and required the interviewee to divulge company strategies, some were reluctant to give full disclosure. Level of quality of the responses received may also questionable. The study mitigate the above by triangulation that is, handing out questionnaires, conducting interviews and through observation. This helped the study confirm that the responses given in the questionnaire were the truth. Before commencing the research, introductory letters were sent to the respective people informing them of the study we were conducting, the timelines and the purpose for the study.

1.7 **Definition of Terms**
1.7.1 **Strategy**
According to George Steiner (Nickols, 2012), Strategy is that which top management does that is of great importance to the organization. It refers to the basic directional decisions, that is, purpose and mission, and the important actions necessary to realize directions.

1.7.2 **Strategic Agility**
Strategic agility means learning to make fast turns and being able to transform and renew the company without losing momentum (Hamel and Välikangas, 2003).
1.7.3 Strategic Planning
Strategic planning: it refers to the attempt to prepare for all eventualities by abstraction and thus to account for the complexity and the dynamics of the environment and entails the need to build alternative future scenarios and configurations (Kraus, Reiche and Reschke, 2008)

1.7.4 Competitive advantage
According to Michael Porter (1985), when a firm sustains profits that exceed the average for its industry, the firm is said to possess a competitive advantage over its rivals.

1.7.5 Strategic sensitivity
Doz and Kosonen (2008) defined Strategic sensitivity as the sharpness of perception and the intensity of awareness and attention.

1.7.6 Resource Fluidity
Resource fluidity is the internal capability to reconfigure business systems and redeploy resources rapidly (Doz and Kosonen, 2008).

1.7.7 Leadership Unity
Doz and Kosonen (2008) defined Collective commitment as the ability of the top team to make bold decisions fast, without being bogged down in "win-lose" politics at the top.

1.7.8 Organizational Intelligence
Organizational intelligence is the capacity of an organization to mobilize all of its brain power, and focus that brain power on achieving the mission (Albrecht, 2003).

1.7.9 IT agility
IT agility is the ability of a firm to adapt its IT capabilities to market changes is increasingly suggested as an important organizational capability (Sull and Turconi, 2008).
1.8 Chapter Summary

Chapter one gives a general overview of the topic. It looks at the definition of, and analyses the need for strategic agility in today’s complex and fast moving environment. It also looks at the problem statement, objectives of the study, importance and the scope and limitations.

Chapter Two of the study will review in detail the literature related to Strategic Agility. Chapter Three will focus on the research methodologies to be used, that is, research design, population and sampling, the data collection methods. Chapter Four will give an analysis as well as a summary of the findings Chapter Five will discuss the findings; give the conclusion and recommendations based on the findings.
CHAPTER TWO

2.0 LITERATURE REVIEW

2.1 Introduction

In this chapter, the study reviewed the literature on strategic agility in the Data and Internet sector of the ICT industry and looked at each of the objectives mentioned in chapter 1 in detail. The first section explored Strategic Sensitivity and its role in the adoption of Strategic Agility in the Organizations ICT industry in Kenya. The next section determined the role of Resource Fluidity in the adoption of Strategic Agility in the Organizations. The last section in this chapter examined the role played by Leadership in the adoption of Strategic Agility in Organizations.

2.2 The influence of Strategic Sensitivity on the adoption of Strategic Sensitivity on Strategic Agility

2.2.1 Strategic Agility in Organizations

Strategic Agility has been defined as “moving quickly, decisively, and effectively in anticipating, initiating and taking advantage of change” (Jamrog, McCann, Lee, Morrisson, Selsky and Vickers 2006). Strategic agility involves tactfully detecting and responding to business environment with ease, speed, and dexterity (Tallon and Pinsonneault, 2011).

Strategically agile companies not only learn to make fast turns and transform themselves without losing momentum, but CEOs and top management also have higher ambitions; to make their companies permanently, regularly able to take advantage of change and disruption (Doz and Kosonen, 2010). Traditional economic theory predicts that competitive advantage is short lived especially in highly competitive markets as the one we are in today (Barney and Hesterly, 2008). Agility has emerged as the leading competitive vehicle for organizations operating in uncertain and ever-changing business environments, and has been signaled as the business model of the 21st century (Tseng and Lin 2011).

Strategic agility evokes contradictions, such as stability with flexibility, commitment with change, and established routines with novel approaches. Being strategic depends on a stable, unwavering commitment to a future vision, and involves formal planning processes and established routines. Five to ten years ago, a firm could set its vision and strategy and
follow it. That does not work anymore. Now firms have to be alert every day, week and month to renew their strategies as and when the need arises in order to keep up with the competition (Pietilä, 2006). As companies grow, they fall prey to the toxic side-effects of growth, success and industry leadership, finding it impossible to renew and change, thus losing some of the adaptive and flexible characteristics. They begin to have a tunnel vision and strategic myopia sets in. In order to regain and maintain growth they need to learn to thrive on change and disruption (Doz and Kosonen, 2008).

The dynamism of national and international economies is reflected in such key strategic management concepts as sustainability; competitive core competencies; organizational resilience; flexibility and adaptability; dynamic capabilities; and strategic agility, among many others (Ananthram and Nankervis, 2013). Over the past 15 years IBM has used a variety of approaches to involve its customers more intimately in its strategy development. It started with regular meetings with CEOs of client companies and then started working directly with its clients’ researchers to help them develop IT-based solutions for complex and specific innovation problem (Doz and Kosonen, 2010).

Strategic discontinuities and disruptions usually call for changes in business models. But, over time, efficient firms naturally evolve business models of increasing stability and therefore rigidity. Resolving this contradiction can be made easier by developing three core meta-capabilities to make an organization more agile: strategic sensitivity, leadership unity and resource fluidity (Snart, 2010).

2.2.2 Strategic Sensitivity
In hypercompetitive environments, organizational survival depends on flexible, mindful responses to changing conditions. This responsiveness is known as strategic agility, and it is inherently contradictory. Being strategic depends on a stable, unwavering commitment to a future vision, and involves formal planning processes and established routines. Yet agile organizations are adaptable and nimble, moving quickly to capitalize on new opportunities (Lewis, Andriopoulos, and Smith, 2014). Strategic sensitivity is defined as consistently identifying and seizing opportunities quicker than one’s competitors (Sull, 2009).
Strategic Sensitivity is identifying and framing opportunities and threats in new insightful ways as they emerge (Doz and Kosonen, 2008). Drivers of strategic sensitivity include an open, participative strategy process; heightened strategic awareness; and high-quality internal dialogue (Hamalainen, Kosonen and Doz, 2012). In today’s environment, firms need to build agility in their strategic planning process. An agile strategic planning process includes constant identification and resolution of the main strategic issues that lead to rapid allocation of resources. This gives room for continuous modification and adaptation of the strategic direction in the core business (Schoen and Hansle, 2012).

Setting business strategy used to be as simple as defining what the organization wanted to achieve and then laying out the steps to get there. Management used this plan, to set priorities, allocate resources, assess operations, align employees, and satisfy stakeholders. Today things are different. Executives face a complex and competitive world that defies all forecasts. According to Pedro Videla, a professor of economics, the fast-paced, continual challenges interfere with the ability of a firm to formulate clear strategies or know if those strategies are being executed well, because they are often too busy reacting (DuMoulin, 2015).

With strategic responsiveness and organizational flexibility, you can move quickly when your industry changes (Shahabi, Cusumano, Sohonie, 2015). Turbulence is here to stay and any effort to ignore it will be futile. The only thing to do is to embrace the opportunities in a turbulent environment in order to build an agile organization. Turbulence indicates a disturbance in our environment, reducing predictability and heightening future uncertainty. The challenge at hand is that we organize our commercial activities on the assumption of continuing stability and the creation of predictable environments that we can control (Implement Group, 2012).

In modern companies decisions of major importance are usually stuck in individual hesitancy and fear, mixed with bureaucratic politics, where speed and complexity have become a challenge for most companies (Doz and Kosonen, 2008). The competitive landscape has been shifting in recent years more than ever. Globalization, rapid technological change, codification of knowledge, the internet, talent and employee mobility, increased rates of knowledge transfer, imitation, changes in customer tastes, and
the obsolescence of products and business models have all caused a turbulent environment and accelerated changes and disruptions. These trends are expected to continue, producing ever more rapid and unpredictable changes (Weber and Tarba, 2014).

Heightened strategic sensitivity allows firms to identify opportunities for new business models and also to be sensitive to the timely need for the renewal and transformation of their existing business models. Excessive strategic planning increases the danger of inertia, as competitive advantages become entrenched and inhibit organizational responsiveness. Likewise, single-minded attention to change can undermine the development of core capabilities that provide the foundation for adaptation and learning (Lewis et al, 2014).

Remaining strategically alert while successful is perhaps one of the most challenging capabilities required for strategic agility. When Intel CEO, Andy Grove’s call to ‘be paranoid’, and staying so in the face of success is well known. Some companies, such as SAP or Cisco, have CEOs who keep making public promises about new products and functionalities that they know will stretch their organization to the limit (and occasionally beyond). Beyond stretch goals, creative tension through contradictory goals helps to keep people attentive, intellectually mindful and intensely preoccupied. (Doz and Kosonen, 2008).

Organizational agility is the ability to recognize and seize opportunities available more efficiently than your rivals, how to continuously steer through turbulence, and not response to a once off crisis. Strategic agility requires superior information, real-time understanding and good judgement. Active and purposeful dialogues with key stakeholders allow companies to borrow their insights. The more the parties are involved in such strategic dialogues, the more opportunities there will be for breakthrough ideas and well informed judgements (Horney, 2013).

2.2.2.1 Anticipation - Sharpening foresight

This is perhaps the most classic approach and the hallmark focus of the field of strategy. Superior anticipation and greater foresight allow deliberate reforms of business models to be undertaken in time for firms to maintain strategic advantage and value creation. The heightened strategic sensitivity allows firms to identify opportunities for new business models and also to be sensitive to the timely needs for the renewal and transformation of
their existing business models (Doz and Kosonen, 2008). An anticipatory workforce, one that thrives on innovation, is an essential determinant of future success.

An Agile Organization is one that has the ability to anticipate and respond fast to changes in its environment to recognize and take full advantage of the return from an opportunity or avoid the costs of a threat. It demonstrates fast response based on trust. Quick decisions are made at all levels. Lengthy, centralized, long-winded review and approval processes are avoided at all costs (Have, 2011). Organizational agility is a firm’s ability to adapt continuously to a complex, turbulent and uncertain environment. Many corporations are now considering organizational agility as an essential for their survival and competitiveness. It enables them to develop a set of distinctive capacities giving the opportunity to the firm to react in the face of rapid and continuous change and to seize new opportunities (Weber and Tarba, 2014).

Systemic alertness is positively correlated with value evaluation, because systemic insight enables an appreciation of the feasibility of seizing opportunities and treating competitive risks (Sambamurthy, Bharadwaj, and Grover, 2003). By their very nature, gathering storms and emerging opportunities generate consequences that cannot at all be anticipated hence the need of business model with strategic agility is not simply to increase the lead times available for transformation through better forecasting, but to anticipate (Inkinen and Kaivo-oja, 2009). Strategic agility includes both the ability to recognize and sense opportunities and threats and at the same time respond as required to such environmental surprises (Franklin, 2009).

2.2.2.2 Resilience Capacity
An organization’s resilience capacity captures its ability to take situation-specific, robust, and transformative actions when confronted with unexpected and powerful events that have the potential to jeopardize an organization’s long-term survival. Resilient organizations thrive despite experiencing conditions that are surprising, uncertain, often adverse, and usually unstable (Lengnick-Hall, Beck and Lengnick-Hall, 2010). Strategic agility is a complex, varied construct that can take multiple forms but captures an organization’s ability to develop and quickly apply flexible, nimble and dynamic capabilities. Together strategic agility and resilience capacity enable firms to prepare for changing conditions,
restore their vitality after traumatic jolts, and become even more proficient as a result of the experience. Resilience capacity helps firms navigate among different forms of strategic agility and respond effectively to changing conditions. In this chapter, we explain why organizational resilience capacity can be viewed as an antecedent to strategic agility, and as a moderator of the relationship between a firm’s dynamic activities and subsequent performance (Lengnick-Hall and Beck, 2009).

2.2.2.3 The Cognitive Challenge
A company must become deeply conscious of what is changing, and perpetually consider how those changes are likely to affect its current success. Business models stand as cognitive structures providing a theory of how to set boundaries to the firm, how to create value, and how to organize its internal structure and governance. Chief Information Officers (CIOs) are uniquely positioned to drive value creation by using IT to increase agility. They increasingly have the opportunity to participate in corporate and business strategy planning and work across business units in identifying opportunities to improve value via IT (Kim and Mauborgne, 2004).

Getting structured for agility is a higher order trial, for which we need to develop higher order executive strengths reflecting an understanding of the composition of dynamic complexity (Sengupta and Masini, 2008).

2.2.2.4 Strategic Challenge
Resilience requires alternatives and awareness and the ability to create new options that provide compelling alternatives to dying strategies. When companies are exposed to competition, the search for efficiency leads to further success trap. Companies become internally focused and rigid (Sigglekow, 2002). Incumbent companies become victims of their own momentum, the insight with which they perceive changing circumstances and resource fluidity declines. Collective commitment by management decreases (Doz and Kosonen, 2005).

A war chest of cash is one of several structural attributes that allow a company to endure changes in the market and live to fight another day. Other aspects include sheer size of the firm; diversification of cash flows; customer lock-in; low fixed costs; rare resources, such
as brands, skill, or hard assets that customers will pay for; and a powerful supporter, such as a regulator, investor, or customer with a vested interest in a firm’s achievement (Chui, Löffler, Roberts, 2010).

2.2.2.5 Reframing the Business Model
The ability to continuously renew itself requires that an organization must be able to concentrate its efforts much more widely than on mere operational performance. We can't govern agile projects like Waterfall projects, where there are the gates and decision points? Managers tend to use excuses to cover failure of agility (Lester, 2013). Agility evokes nimbleness, reactivity, changing course easily and quickly without losing speed. It means that one has to be fast, flexible, highly mobile, and light-footed. It needs quick perception, instinctive response, rapid action, optimism and improvisation. Momentum evokes strength, energy, resource mobilization and commitment to organizational goals. Momentum on the other hand causes inertia along existing course, making its redirection difficult (Doz and Kosonen, 2010).

IT leaders across the industry should share a common vision, portfolio priorities and agree on how they collectively best leverage technology resources and data to achieve business objectives (DuMoulin, 2015). The first role of a manager is to strive for the best possible economic results from the resources available or employed (Drucker, 1963:53). Without the buy-in and backing from the top, an organization is unlikely to succeed (Lester, 2013). ICT has been faced with dual challenges of the rise and collapse of industry boundaries. Characteristic of this industry is fast change and also complex systemic interactions (Doz and Kosonen, 2008).

2.3 The influence of Resource Fluidity on adoption of Strategic Agility
2.3.1 Resource Fluidity
Coined by Doz and Kosonen, resource fluidity refers to an organization’s ability to reconfigure internal operations so as to channel resources across business units for productive use (Doz and Kosonen 2008; Doz and Kosonen 2010). Strategic sensitivity and collective commitment are insufficient for strategic agility without resource fluidity (Doz and Kosonen, 2008). It is the mobilization and redeployment of resources rapidly and efficiently. It is a feature of resources available for the enterprise, extending the repertoire
of the tasks that can be executed by using these company functions and finding intentional reactions in these situations; intelligence is the ability to understand the situations in which the company functions and find intentional reactions in these situations; and shrewdness is the ability of enterprise to quickly use the opportunities in a beneficial way (Trzcielinski, 2009). Resource fluidity is called for to allow firms to redeploy and reallocate their resources, particularly people, to new opportunities or new activities in a transformed activity system.

Without resource fluidity, strategic sensitivity and leadership unity are useless. Intelligence and commitment without rapid resource deployment in fast-developing strategic situations bring no advantage. Yet in many companies both capital and human resources are often locked in support of existing activity systems, leaving little leeway for redeployment. Companies need to establish more strategic and dynamic resource allocation processes. Organizations aspire to achieve strategic flexibility, most often defined as the ability to identify revolution opportunities, commit resources to new courses of action, or reverse fruitless resource allocation (Bock, Opsahl, George, Gann, 2012).

![Figure 2.1 The Vectors of Strategic Agility](source: Doz and Kosonen (2008))
2.3.2 Organizational Flexibility

Organizational flexibility is the ability to shift implementation rapidly. In many companies, such functional skills as product development, manufacturing, marketing and sales, and customer intimacy are deeply entrenched, reinforced by IT systems and ingrained practice. When there is a change in strategic direction, the company needs to be able to retool and rework the most necessary activities, within a few weeks or months. Doing so requires capacity and the willingness to innovate in every aspect of the enterprise, not just developing new products in response to perceived consumer needs and market trends, but putting in place new organizational structures, business processes, and technologies (Bester, 2012)

An organizational design consisting of modular business processes and IT systems enables greater agility in establishing and scaling up (and down) new businesses. This offers higher and faster redeployment potential, in the same way as products. In practice this means that business process modules originally designed for a specific activity, but with flexibility in mind, can be reused in another business configuration with the same activity. Modularity enhances innovation and adaptability at both the subsystem and system levels. At HP, for example, corporate wide councils for balancing resources allow the company to differentiate ‘horizontal’ corporate-wide and ‘vertical’ business specific activities (Essays UK, 2013).

2.3.3 Political Challenge

An organization must be able to divert resources from yesterday’s products and programs to tomorrow. The real challenge facing the IT industry is to define what is actually meant by the concept of governance. While governance model can be argued to promote creativity, flexibility and innovation, it also suffers from fragmentation, redundancy, waste, and issues of flow and velocity. Simply put, the price of silo-based governance is unnecessary complexity, low throughput, increased risk, exposure to liability, and issues with quality and higher costs. The reality is that the current approach to silo/task specialization-based governance comes with the price tag of lack of scalability. The great majority of IT organizations today operate within a politically entrenched, silo-based model where GEIT is a myth and enterprise strategies are nonexistent (DuMoulin, 2015).
The state of today's silo-based IT organizations is similar to the warring city-state analogy where each city looks to its own best interests and priorities. While there is often a central, shared IT services function, the use of this organization's services is seen as optional. Frequently the chief information officers (CIO's) practical influence does not extend into many areas of the enterprise where IT assets are managed and third-party suppliers are engaged directly through traditional IT or cloud-based services (DuMoulin, 2015). Encouraging and appropriately rewarding innovation creates individuals that are willing to test the status quo and take the risks that go hand in hand with defining new products and services (PWC, 2008). Agility is embodied in the ability to scan the external environment and anticipate change, making informed decisions about markets, economic trends, product opportunities and social changes (Chandler Macleod Group, 2013).

2.3.4 Decoupling: Gaining flexibility
Doz and Kosonen (2008) defined Strategic Agility as the ability to continuously adjust and adapt strategic direction in core business, as a function of strategic ambitions and changing circumstances, and create not just new products and services, but also new business models and innovative ways to create value for a company. Having different business model infrastructures in parallel and aligning them helps acquire flexibility within the organizations. Organize by customer/segmentation-based value domains. Strategic flexibility is a set of capabilities used to respond to various demands and opportunities in an uncertain and dynamic competitive environment. It involves coping with the environmental uncertainty and its accompanying risks (Weber and Tarba, 2014).

2.3.5 Understanding the Strategy and the Organization
Brennan and Johnson (2004) are of the opinion that anti-sharing cultures hamper the growth of the business. In this day and age information is power and anyone who gets the information first has a significant advantage over their competitors. In the same breadth however they believe that this same information is regarded to be very sensitive and it is in this respect that it has to be protected at all costs. However, in order to succeed, the business has to have this information accessible to the right people at the right time so that the right decisions can be made for positive results to be achieved in the business (Brennan and Johnson, 2004). This hurdle has proved to be difficult and at times disastrous to a business if not properly effected.
2.3.6 Modularizing - Assembling and disassembling business systems.

This is the developing of a ‘plug and play’ functionality for business systems and processes. Business risk can be mitigated by strategically allocating resources and facilitating the mobility of people. The risk associated with business entry or exit is reduced by redeploying resources with little conflict or trauma (Hamel, 2007). Modularity of resources is important because one-size does not fit all, and modularity of resources can increase speed and efficiency in implementation. The roles and tasks can also be dissociated from people. This will enable the people to contribute effectively in various roles and tasks independent of time and place (Doz and Kosonen, 2008).

In order to achieve a less risky and more affordable means of changing a business model is by modularizing the underlying business system (processes and IT systems). This can be achieved by assembling a particular combination of business system elements and utilizing them to assist the implementation of a new business model (Doz and Kosonen, 2010).

Modularizing business systems, is however limited to only a range of activities and across a restricted business portfolio (Doz and Hunter, 2005). Unlike the historical product business, the service industry/business is limited such that only a small number of business systems modules can be reused for a different business environment (Sull, 2009). This is a short-lived limitation as the ‘process and system library’ expands, and thus will be available to be recombined to support a greater variety of service business model innovations in the future (Sull, 2009).

2.3.7 Dissociating – Separation of Resource Use from Ownership

Dissociating is the separation of resource use from resource ownership and negotiating resource access and allocation. Agile organizations have the ability to initiate continuous relocation that includes adapting and shifting existing competencies to an ever-changing environment and simultaneously reconfiguring themselves in order to survive and thrive for the long term (Weber and Tarba, 2014). Agility must be adopted not just in strategy and leadership, but in all parts of the organization, that is, Human Resource, Marketing, Operations, Finance and Administration (Shill, Engel, Mann, Schatteman, 2012).
In most companies there is a tight alignment between responsibility of a senior executive, the scope of a business and its corresponding business model. This alignment can be broken (Doz and Kosonen, 2008; Hamel, 2007). Companies can dissociate their organizational structure from the backend/back-office business processes and IT systems, and from their strategy, allowing for better structural flexibility within a given business model (Doz and Kosonen, 2010).

2.3.8 Use of multiple Business models
This is where an organization has different business model infrastructures in parallel and aligned in such a way that the organization can shift from one to the other without much effort, having competitive advantage over the competition. By strategic agility we mean the ability to develop strategic alternatives and make well grounded, thoughtful decisions in a timely fashion as required by rapidly changing competitive circumstances rather than remain caught in rigid strategic planning processes often accompanied by obsolete perceptions and priorities (Brannen and Doz, 2010).

2.3.9 Mobility of people in the organization
Mobility of people improves resource fluidity (Podolny and Baron, 1997), and can be fostered through job rotation; open job market in order to identify talents; individual career development potential and opportunities; moving teams not just individuals; paying attention to fairness and track record in personnel evaluation because people do not want to take personal risks (by applying for a new job inside the same organization) if they cannot be sure that they will be fairly and transparently evaluated; and 6) having a pool of senior managers as corporate resources (Podolny and Baron, 1997).

2.4 The influence of Leadership Unity on Strategic Agility
2.4.1 Leadership Unity
Leadership unity is making tough collective decisions that stick and get implemented in the organization (Doz and Kosonen, 2010). Enhancing strategic sensitivity is of little use if top management cannot agree on critical strategic redirections and make strong, unified commitments. SAP’s top team members now have 100% common incentives, and senior managers of less fully integrated companies have around 50%. This fosters a sense of ‘cabinet responsibility’. There are a lot of business leaders who are excellent in running the
day to day operations, but are significantly challenged when faced with environmental turbulence, and have to make quick decisions that are not within the boundaries of the strategic plans. The ability to bring the external chaos into the organization and view it as positive is a challenge to most leaders. (Doz and Kosonen, 2008).

Leadership unity hinges on the ability of members of the top team to understand and trust each other (Doz and Kosonen, 2010). Styles and skills of agile leadership and communication set the attitude for the firm’s agile culture, creating resonance or dissonance with the team-work we desire. Leaders are the role model that the teams emulate, founded on our intellect, resilience, emotional intelligence and intuition. Without the proper leadership, there can be no agility (Business Strategy Review, 2012).

Leadership success depends on agile development and the ability to be future oriented, seize external opportunities and bounce back from unforeseen changes, particularly with market uncertainty at record-breaking levels. One must not only have a strategic plan but must capitalize on market trends, anticipate and respond to change more rapidly (Tichy and Charan, 1989). Formal processes in the organization help enable disciplined resource commitments; whereas fast-paced and decisive efforts help leaders anticipate the change in the environment. When there is excessive strategic planning there is a danger of inertia (Lewis et al., 2014).

It is not easy for large, complex organizations to be nimble. Most executives have low confidence in their organization’s ability to move swiftly when the time came to make decisions and implement (Shill et al., 2012). Strategic agility is a conundrum to Senior Management. Being strategic means looking far into the future, making choices and holding firm commitments, unwaveringly deploying resources to implement them, and having every senior executive single-mindedly and individually dedicated to achieving them. Being strategically agile means staying flexible, nimble, open to new evidence, always ready to reassess past choices made, changing direction in light of new developments, and willing and able to turn at a flash (Doz and Kosonen, 2008).
2.4.2 Strategic Responsiveness

Successful leaders aim to shape their organizations to be more nimble and flexible, less hierarchical, and more networked. In short, companies should be better organized in order to deliver value (PWC, 2008). Strategic responsiveness is the ability to sense new risks and new opportunities in the business environment and to craft a response to those pressures quickly. Consider the disruptive effect of new technologies, such as the Internet’s impact on prerecorded music and publishing or digital fabrication’s effect on conventional inventory management. The challenge is not just to change quickly, but to change profitably: to know which products and services should be switched out and which should remain intact. To exercise this judgment, your top executives must have a thorough understanding of the industry and markets, and there must be mechanisms in place, not just traditional strategic planning and market research, but social media and even customer usage data collected through the internet, to be informed about trends. Their decisions made must be quick, and communicated rapidly to every function in the company. (Shahabi et al., 2015).

The leaders accept the certainty of change. They have mechanisms in place for sensing potentially disruptive forces and taking advantage of them before the competition. The rest of the organization understands the value of rapid action; people are practiced and confident, with the skills and infrastructure support they need. Although the company encourages experimentation, it also resists unnecessary complexity: At any time, there are just a few new initiatives, backed by everyone in the company. There is also a strong network effect where people share the insights from experiments and customer engagement up and down the hierarchy (Kotter, 2014). A manager needs to spot the warning signs early. An organization looking for agile project managers is probably running projects and may have heard that agile is the way to "do more for less" (Lester, 2013).

2.4.3 Mutual Dependency

Strong leadership is required to manage the inherent tensions underlying strategic agility. Leadership can be seen as both a dynamic competence and a relational process. It requires the ability to identify and leverage opportunities while relying on internal and external competencies (Lewis et al., 2014). Business model changes often involve gut wrenching decisions for executives, calling for difficult and risky personal adjustments and collective
commitments. New adaptive leadership work and leadership team unity are essential to enable shifts in business models. Strategic awareness would remain ‘lettre morte’ in accelerating business model change and renewal without a top management team willing to consider business model redefinition, and, more importantly, able to achieve collective commitment to taking the risks necessary to venture into new business models and (more difficult) to abandon old ones.

Without buy-in and support from the top, an organization is unlikely to succeed. The manager is there to support and coach the organization at all levels. Sometimes there's good news and sometimes it's bad. It's important that everyone is involved and appreciates the need for change and how it would be realized (Lester, 2013). It is difficult to get executive managers with the right blend of personal qualities. Leaders, who demonstrate a range of skills, are at ease with uncertainty and are respectful of but not slaves to process; Leaders who understand the difference between influence and authority (Thomas and Silverstone, 2012).

Companies also enhance mutual dependency by distributing corporate roles among key line executives. This helps shift the criteria for team participation away from the size of the units a person represents to the quality of that person’s contribution. The key principle in designing these roles is to make a clear distinction between a person’s unit responsibility and corporate-wide responsibility. Adoption of a true corporate perspective is not possible if the corporate role is subordinate to the ‘primary’ line role. Organizational interdependency gives substance to a shared strategic agenda: all top team members become deeply dependent on each other in practically all matters. They become interdependent contributors to an integrated corporate strategy, instead of independent subunit ‘barons’ pursuing separate business strategies and agendas (Doz and Kosonen, 2008).

2.4.4 Switching – Use of Multiple Models
Organizations need to prevent stagnation and painful transformations, so that companies do not become elephants that need to learn how to dance, and at the same time maintain flexibility. This right here is the strategic agility conundrum (Doz and Kosonen, 2008). CEOs in Africa are confident of growth prospects, specifically growth related to new
products and services, and focused on targeted efforts to reach more customers and clients on the continent. The PWC 2014 survey shows that CEOs in Africa are optimistic about the prospects for revenue growth over the next 12 months - CEOs in Ghana (94%), South Africa (90%), Zimbabwe (90%) and Rwanda (87%), show the highest level of optimism, while CEOs in Gabon (30%), Tunisia (20%) and Côte d’Ivoire (17%) were the least confident (PWC, 2014). In Africa, agility in response to change, challenge and opportunity, is the deciding factor between companies that thrive and those that are merely doing business (Kana, 2014).

2.4.5 Strategic Thinking

Strategic thinking would include evaluating the organization, looking at the competition, devising strategy for execution, communication your views with the rest of the team, allocating resources and delegating responsibility (Kotter, 2014). The strategic agility conundrum cannot be eliminated; agility and strategic commitments remain inescapably contradictory. Despite this, organizations can groom themselves to both make strong strategic commitments and also have the awareness, the will, and the flexibility to change these commitments as needed. Pushing the efficiency frontier between the strategic commitment to operational excellence and the agility that strategic renewal calls for must be a leadership (Doz and Kosonen, 2008).

Drucker established that confusion reigns between effectiveness and efficiency, even existing accounting concepts and data focus only on efficiency. This confusion, Drucker said, stands between doing the right thing and doing things right. He exclaimed that it is of no use to be doing, with great efficiency, something that should not be done at all. He felt that managers should find ways to identify areas of effectiveness and ways of focusing on these areas (Drucker, 1963:54). Ecosystems and alliances must be part of the strategies to put some thought into. The ecosystem perspective comes in handy to resource-poor entrepreneur who is aware of his flaws, and the strengths of others (Christensen, 2003).

Analytical skills, including intellectual curiosity, strategic insight, decision making, and problem solving, relates not only to the concept of intelligence, which is commonly considered one of the best predictors of future performance as a leader (Schmidt and Hunter, 2004), but it also includes the transformation of information into action (i.e.,
decision making and problem solving) and describes how information, decisions, and problems become increasingly complex at higher levels in the organizational hierarchy. Being able to deal with increasing complexities is commonly acknowledged as a crucial indicator of leadership potential (Silzer and Church, 2010).

2.4.6 Never Relax on Success
A leader never rests even when his company is ahead in the market. Success is never eternal, it remains profoundly fragile. Complacency can easily set in and the processes and procedures that led to the success become empirical routine in the organization. Rituals replace reflections and success breeds failure (Doz and Kosonen, 2008). Porter stated “competitive strategy is about being different, deliberately choosing a different set of activities to deliver a unique mix of values” (Porter, 1996:64). Business decisions are only strategic if they involve organizations consciously doing something different from competitors and as a result obtaining a sustainable advantage. To be sustainable, the difference must be hard to imitate (Bester, 2012).

Companies must always be wary of their competition and ensure that they are always a step ahead. New ideas and competitive threats often attack from the sidelines. Challenges come in all forms and shapes and from any direction. Leaders must always be ready for a new challenge (Doz and Kosonen, 2010). Agility is said to be the dynamic competency to anticipate and respond to challenges and prospects with focused, fast and flexible available resources (Horney, 2013). The successful leader, team or organization will evolve, not through random mutation, but through purposeful and agile strategies that influence and respond effectively to unpredictable and shifting marketplace demands and world events (Fourne, Jansen and Mom, 2014).

2.4.7 Adaptive and Innovative Leadership
It’s very unlikely that a company can escape and weave around the environment’s hurdles, much less capitalize on them if its decision-making team is less than dexterous. Today, top executives must be capable of active, inclusive, engaged decision making that happens swiftly (Thomas and Silverstone, 2012). Organizations continue to progress as managers reconfigure their resources and capabilities to chase new prospects and overcome existing hurdles. Revolutionary leaders will develop new organizational designs that fit specific
circumstances in their sectors, and the new designs will verbose as managers in other sectors adapt the designs to their own organizations. Organizations will be more complex but also of greater speed and capability (Snow, 2015).

The shared agenda may be fully operational, strategic or centered on learning and experience. The main way to contain the risk of public agreement and private dissent is to embrace conflicts and address them via substantial dialogue in the top team. Senior executives in integrated companies need to become comfortable with direct, informal dialogue. Like instinctive team behavior, ‘adaptive leadership’ skills are rare among typical top team members. Senior executives are used to ‘knowing better’ and thus when approached for advice they make decisions using their wide experience and expert judgement. This works when operating within a known and stable market, but not when the company faces increasing ambiguity and needs to choose a new course, or perhaps even construct a new business model, in the face of unforeseen discontinuities (Shahabi et al., 2015). Taking into consideration the unpredictable nature and irregular distribution of golden opportunities, a combination of both characteristics patience and audaciousness is crucial in a leader. It is easy to recognize in hindsight the above characteristics. Pulling it off in the heat of battle is never easy (Chui, Löffler, Roberts, 2010).

**Figure 2.2 "The Core" Framework**

Source: Regaining Strategic Agility (2008)
2.5 Chapter Summary

This chapter has looked at the literature review in detail. It has looked at the objectives of strategic agility in detail. The first section has looked at Strategic Agility in the broad sense and its Capabilities. The second section looked at the challenges faced in the implementation of strategic agility in the organization, the third section looked at the benefits of adopting strategic agility and the last section looked at the role played by leadership in the implementation of strategic agility in the organizations.

Chapter Three of this study focuses on the research methodologies to be used, that is, research design, population and sampling, the data collection methods.
CHAPTER THREE

3.0 RESEARCH METHODOLOGY

3.1 Introduction
In this chapter the study looks at the general structure of research methodology conducted. The chapter details the research design, target population as well as the sampling techniques used in the study. In addition, data type and data collection process and instruments used are explained. It also details the research procedures for the study.

3.2 Research Design
The study is descriptive in nature. A descriptive study is one in which information is collected without changing the environment. This implies that nothing is manipulated. These are sometimes referred to as correlational or observational studies (Coopers and Schindler, 2014). A descriptive research design is a scientific method which involves observing and describing the behavior of a subject without influencing it in any way (Malhotra, 2007). According to Mugenda and Mugenda (1999) the research design attempts to describe such things as possible behavior, attitudes, values and characteristics. In this study, a descriptive research design was used. According to Mugenda and Mugenda (2003), a descriptive survey design enables a researcher to gather, summarize, present and interpret information for purposes of clarification.

The purpose of adopting a descriptive research design was to specifically obtain an in-depth response in order to achieve a better understanding of the phenomenon under study and the relationship between the study variables. A case study design is an attempt to collect data from an identified group of persons with the objective of determining the strategies that have been put in place to enhance strategic agility in the ICT industry in Kenya (Mugenda and Mugenda, 2003).

The study adopted a mixed methodology, that is, a qualitative as well as quantitative approach, examining the influence of the adoption of strategic agility in the ICT industry, its effects and benefits to the organizations. It also looked at the influence of the factors of strategic agility in the organizations. The characteristics of groups of numbers representing information or data are called descriptive statistics (Kay, 1997).
A survey is defined by Malhotra and Birks (2007) as a method of collecting data from people, about who they are, how they think and what they do. The independent variables in this study is organization structure, leadership and environment whereas the dependent variable is effects derived from adoption of strategic agility.

3.3 Population and Sampling Design

3.3.1 Population
A population is the total collection of elements on which the study would like to infer. A population element is the individual from which measurement is taken (Cooper and Schindler, 2014). A population is defined as the units to be studied in terms of time as well as the boundaries of territory (Yang and Miller, 2008). The target population of the study is made up of 357 managers from 7 organizations in the ICT industry. The selection was made based on the Communications Authority of Kenya’s (CAK) top list of companies in the ICT industry. This population is characterized by managers with senior positions in the organizations. The selected population is representative enough to respond to the research objectives.

Table 3.1: Population Distribution

<table>
<thead>
<tr>
<th>Organization</th>
<th>Population (Managers)</th>
<th>Percentages</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wananchi Group</td>
<td>48</td>
<td>13.5%</td>
</tr>
<tr>
<td>Safaricom Limited</td>
<td>70</td>
<td>19.6%</td>
</tr>
<tr>
<td>Liquid Telkom</td>
<td>51</td>
<td>14.3%</td>
</tr>
<tr>
<td>Orange Telkom</td>
<td>62</td>
<td>17.4%</td>
</tr>
<tr>
<td>Access Kenya Limited</td>
<td>38</td>
<td>10.6%</td>
</tr>
<tr>
<td>Jamii Telkom</td>
<td>33</td>
<td>9.2%</td>
</tr>
<tr>
<td>Airtel</td>
<td>55</td>
<td>15.4%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>357</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

Source: CAK (2014)

3.3.2 Sampling Design

3.3.2.1 Sampling Frame
A sampling frame is a list of elements from which the sample is actually drawn and closely related to the population (Cooper and Schindler, 2006). It can also be defined as the
complete list of all the cases in a population from which the sample is drawn (Saunders, Lewis and Thornhill, 2007). The idea of sampling is to select some elements in the population that may draw conclusions on the entire population (Cooper and Schindler, 2014). In this study, the criterion for selecting the companies was obtained from Communications Authority of Kenya (CAK) report. The population frames were accessed from the human resource offices of the respective organizations. This ensured that the sampling frame is current, complete and relevant to the study.

3.3.2.2 Sampling Technique
The study obtained the information from a sample of the population and not the whole population. Stratified random sampling as well as purposive sampling techniques were used in selecting the participants from the whole population. The sample was based on the companies that take up the largest market share within the ICT industry as per the list given by CAK (CAK, 2014). The samples were further divided into senior managers and the middle managers. Each of them constituted a stratum. To ensure that the population was well represented, the researcher interviewed 2 executive managers from the 2 organizations that represent the whole, and adopted proportional allocation procedure for the questionnaire.

3.3.2.3 Sample Size
The sample size is a smaller set of the larger population (Cooper and Schindler, 2006). Determining sample size is a very important issue for collecting an accurate result within a quantitative survey design. It may be argued that the sample must be carefully selected to be representative of the population and the need for the researcher to ensure that the sections in the analysis are accurately catered for (Mugenda and Mugenda, 2003). In this case, the sample size was selected through stratified random sampling for the questionnaires and purposive sampling for the interviews, as the study was aware of the information required and who are the most ideal source.

No survey can be free from error or provide 100% surety. Error limits of less than 5% and confidence levels of above 95% can be regarded as acceptable (Hussey and Hussey, 1997. Taking that into consideration, the study has a confidence level of 95%, and an error margin of 0.5%. For this particular study, a 10% selection from each company was selected to be
the true representative of the population. This is sufficient and representative of the whole population, as the responses from the various organizations were homogeneous. With 10%, the study was able to get the information that was both conclusive and unbiased.

Table 3.2: Sample Size Distribution

<table>
<thead>
<tr>
<th>Organization</th>
<th>Population</th>
<th>%</th>
<th>Sample Size</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wananchi Group</td>
<td>48</td>
<td>10</td>
<td>6</td>
</tr>
<tr>
<td>Safaricom Limited</td>
<td>70</td>
<td>10</td>
<td>7</td>
</tr>
<tr>
<td>Liquid Telkom</td>
<td>51</td>
<td>10</td>
<td>5</td>
</tr>
<tr>
<td>Orange Telkom</td>
<td>62</td>
<td>10</td>
<td>5</td>
</tr>
<tr>
<td>Access Kenya Limited</td>
<td>38</td>
<td>10</td>
<td>5</td>
</tr>
<tr>
<td>Jamii Telkom</td>
<td>33</td>
<td>10</td>
<td>4</td>
</tr>
<tr>
<td>Airtel</td>
<td>55</td>
<td>10</td>
<td>6</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>357</strong></td>
<td><strong>10</strong></td>
<td><strong>40</strong></td>
</tr>
</tbody>
</table>

The selected organizations were divided into 2 broad categories, that is, Telco (Safaricom, Orange Telkom and Airtel) and ICT (Wananchi Group, Liquid Telkom, Access Kenya and Jamii Telkom). A key informant was selected from each category (2 interviewees). The study used purposive sampling to select a key informant from each category.

3.4 Data Collection Methods

The research relied on primary data only. The data was collected in two ways. Preliminary personal interviews were conducted with the executives as per the sample selection, and structured questionnaires were sent out to the senior managers of the firms. The researcher designed and developed the instruments, that is, the questionnaire and the interview guide, in a way that is relevant to the research study.

A questionnaire is an instrument used to collect answers to questions collect factual data. It gathers information or measures. It is a series of written questions / items in a fixed, rational order a self-report data collection instrument that is filled out by research participants. The structured questionnaire contained close ended questions. A well designed questionnaire would give appropriate data which answers your research question. It minimizes potential sources of bias and will more likely be completed.
The questionnaire had a section of close ended questions, as well as a section of questions with a 5 point Likert scale rating, and was coded in accordance with each variable of the study. A Likert scale is the sum of responses to several Likert items. These items are usually displayed with a visual aid, such as a series of radio buttons or a horizontal bar representing a simple scale. A Likert item is a statement that the respondent is asked to evaluate in a survey.

Interviews are a one on one questions with the selected persons from whom you intend to gather information. The questions were carefully designed and posed in a language readily understood by the people being interviewed. That way one ensures correct and to the point responses from the one answering the questions. The interview questions were open ended and specific to the study in order to collect relevant information that will assist the researcher answer the questions raised in the study. The interviews also helps in confirming that the answers in the questionnaire are accurate.

The interviews were conducted on separate days for each. The researcher used the mobile phone to record the interviews that lasted 30 minutes each. The interviews are later transferred on to paper by typing out the interviews. Interviews are more objective than subjective as they are opinions of the interviewee. They help in confirming that the answers to the questionnaire are accurate.

3.5 Research Procedures

The researcher involved pre-contact with the respondents in order to inform them about the study and reasons for conducting it. A pilot of the questionnaires was conducted, to ensure that the questions were clear, understandable and relevant to the study. The pilot picked 5% of the total sample size in order to test the completeness, accuracy, reliability and validity of the instrument. The questionnaires were administered by “drop and pick” method. The questionnaires were delivered physically to the respondent with a letter of introduction, attached to each questionnaire explaining the purpose of the study. This was done for ease of reference for each respondent.

Most respondents were reluctant to fill in the questionnaires. They needed to be reminded twice and in some cases thrice before filling. Some managers wanted the researcher to sit
with them and go through each question as they filled the questionnaires. The researcher needed a lot of patience in collecting the questionnaires. Delivery of the questionnaires was the easy part; collection of the same was more difficult and took longer than had been planned for.

The interviews were face to face sessions with the more senior managers, that lasted 30 minutes long per respondent. Getting appointments with the interviewees was done at least a month in advance. The interviews were recorded on the mobile phone. That way nothing was left out of misunderstood by the researcher. The interviews were then transcribed word for word and later analysed. The research was conducted within 10 weeks.

3.6 Data Analysis Methods

Data analysis is the process whereby data collected is reduced to a more controllable and convenient size whereby the researcher can identify trends or patterns, apply statistical techniques and summarize the data (Cooper and Schindler, 2014). The interviews were transcribed, analyzed and the results were reported. The analysis of the data was done using the Statistical Package for the Social Sciences (or SPSS).

This study used both descriptive and inferential analysis. Descriptive analysis involves a process of transforming a mass of raw data into tables, charts, with frequency distribution and percentages, which are a vital part of making sense of the data (McDaniel and Gates, 2001). In this study, descriptive indexes such as a mean and percentage distribution were used to compute the data. Inferential statistics such as regression and correlation analysis were used to analyze the data. A correlation between values is the degree to which the values of two variables differ collectively in a consistent manner, according to Rubin (2007).

Information about correlations provides more details on how variables are related to each other (Wagner, 2007). Correlation analysis was utilized to study the nature and strength of relationship among study variables. Multiple regression analysis was utilized to assess the effect of the adoption of Strategic Agility in the organizations. The data was presented using tables, and figures to give a clear picture of the research findings at a glance.
3.7 Chapter Summary
Chapter three has been more concerned with the research methodology to be used in the study. It explains the research design and the population framework and the sample designs to be used. Additionally, the research instruments used have been highlighted. The research procedure, as well as the analysis methods used have been discussed in detail. Chapter Four will give an analysis as well as a summary of the findings of the research.
CHAPTER FOUR

4.0 RESULTS AND FINDINGS

4.1 Introduction

This chapter presents the results and findings of the study on the research questions with regards to the data collected from the respondents. The first section covers the general information with regards to the respondents. The second, third and fourth sections cover the aspects with respect to the research objectives of the study. A total of 40 questionnaires were issued out of which all the 40 were returned indicating 100% response rate.

Table 4.1: Sample Response Table

<table>
<thead>
<tr>
<th>Organization</th>
<th>Sample Size</th>
<th>Response</th>
<th>Response Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wananchi Group</td>
<td>6</td>
<td>6</td>
<td>100%</td>
</tr>
<tr>
<td>Safaricom Limited</td>
<td>7</td>
<td>7</td>
<td>100%</td>
</tr>
<tr>
<td>Liquid Telkom</td>
<td>5</td>
<td>5</td>
<td>100%</td>
</tr>
<tr>
<td>Orange Telkom</td>
<td>7</td>
<td>7</td>
<td>100%</td>
</tr>
<tr>
<td>Access Kenya Limited</td>
<td>5</td>
<td>5</td>
<td>100%</td>
</tr>
<tr>
<td>Jamii Telkom</td>
<td>4</td>
<td>4</td>
<td>100%</td>
</tr>
<tr>
<td>Airtel</td>
<td>6</td>
<td>6</td>
<td>100%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>40</strong></td>
<td><strong>40</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

4.2 Background Information

4.2.1 Age of Respondents

Table 4.2 reveals that majority of the respondents (42.5%), were of the age 35-44 years, 40% were 25-34 years, 12.5% were of the age 45-55 years and the remaining 5% were below 25 years.
Table 4.2: Age of the Respondents

<table>
<thead>
<tr>
<th>Age</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Below 25 years</td>
<td>2</td>
<td>5</td>
</tr>
<tr>
<td>25-34 years</td>
<td>16</td>
<td>40</td>
</tr>
<tr>
<td>35-44 years</td>
<td>17</td>
<td>42.5</td>
</tr>
<tr>
<td>45-55 years</td>
<td>5</td>
<td>12.5</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>40</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

4.2.2 Position in the Organization

Table 4.3 shows that 50% of the respondents had other positions including Marketing and communications, head of customer experience, analysts, customer care managers, research managers, production managers, sales managers as well as legal counsel. On the other hand 35% of the respondents were business development managers, the remaining 15% were finance managers (5%), HR Managers (5%) or strategy development managers (5%) respectively.

Table 4.3: Position in the Organization

<table>
<thead>
<tr>
<th>Position in the Organization</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Finance Manager</td>
<td>2</td>
<td>5</td>
</tr>
<tr>
<td>Business Development Manager</td>
<td>14</td>
<td>35</td>
</tr>
<tr>
<td>HR Manager</td>
<td>2</td>
<td>5</td>
</tr>
<tr>
<td>Strategy Development Manager</td>
<td>2</td>
<td>5</td>
</tr>
<tr>
<td>Other</td>
<td>20</td>
<td>50</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>40</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

4.2.3 Level of Responsibility

Table 4.4 shows that majority of the respondents had partial responsibility (57.5%), while 32.5% had fully responsibility as 10% had no responsibility at their place of work. This implies that most of the respondents having responsibility at their place of work were in a better position to understand the concept of strategic agility.
Table 4.4: Level of Responsibility

<table>
<thead>
<tr>
<th>Level of Responsibility</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>No Responsibility</td>
<td>4</td>
<td>10</td>
</tr>
<tr>
<td>Partial Responsibility</td>
<td>23</td>
<td>57.5</td>
</tr>
<tr>
<td>Full Responsibility</td>
<td>13</td>
<td>32.5</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>40</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

4.2.4 Number of Years Worked in the Organization

Table 4.5 shows that majority of the respondents (67.5%) had worked for 2-5 years in their company, 20% had worked for 6-10 years while 7.5% had worked for less than 1 year, 2.5% had worked for 11-15 years and above 15 years respectively. This implies that majority of the respondents had worked for their organizations long enough to comprehend how strategic agility has been adopted in their organizations.

Table 4.5: Number of Years Worked in the Organization

<table>
<thead>
<tr>
<th>Number of Years Worked</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 1 Year</td>
<td>3</td>
<td>7.5</td>
</tr>
<tr>
<td>2-5 years</td>
<td>27</td>
<td>67.5</td>
</tr>
<tr>
<td>6-10 years</td>
<td>8</td>
<td>20</td>
</tr>
<tr>
<td>11-15 years</td>
<td>1</td>
<td>2.5</td>
</tr>
<tr>
<td>Above 15 Years</td>
<td>1</td>
<td>2.5</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>40</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

4.2.5 Number of Years in the Current Position

Table 4.6 shows that 67.5% of the respondents have been in their current position for 2-5 years, 20% have been in their current position for less than 1 year, 10% for 6-10 years while 2.5% for 11-15 years. This implies that most of the respondents have enough experience of what their current position entails.
Table 4.6: Number of Years in the Current Position

<table>
<thead>
<tr>
<th>Number of Years in the Current Position</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 1 Year</td>
<td>8</td>
<td>20</td>
</tr>
<tr>
<td>2-5 years</td>
<td>27</td>
<td>67.5</td>
</tr>
<tr>
<td>6-10 years</td>
<td>4</td>
<td>10</td>
</tr>
<tr>
<td>11-15 years</td>
<td>1</td>
<td>2.5</td>
</tr>
<tr>
<td>Total</td>
<td>40</td>
<td>100</td>
</tr>
</tbody>
</table>

4.2.6 Level of Education

Table 4.7 further shows that majority of the respondents (42.5%) had graduate qualifications as their highest level of education, 40% had masters, and 10% were undergraduates while 7.5% had college level education. This implies that most respondents were well equipped with requisite knowledge to clearly understand strategic agility in their organizations.

Table 4.7: Level of Education

<table>
<thead>
<tr>
<th>Level of Education</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>College</td>
<td>3</td>
<td>7.5</td>
</tr>
<tr>
<td>Undergraduate</td>
<td>4</td>
<td>10</td>
</tr>
<tr>
<td>Graduate</td>
<td>17</td>
<td>42.5</td>
</tr>
<tr>
<td>Masters Level</td>
<td>16</td>
<td>40</td>
</tr>
<tr>
<td>Total</td>
<td>40</td>
<td>100</td>
</tr>
</tbody>
</table>

4.3 Influence of Strategic Sensitivity in the Adoption of Strategic Agility

The first objective of the study was to examine influence of strategic sensitivity in the adoption of strategic agility. This subsection presents findings with regards to the various aspects of strategic sensitivity and how they each influence strategic agility.

4.3.1 Opportunities and Threats Identification

Figure 4.1 reveals that 23% of the respondents strongly agree 65% agree, 10% were neutral as 3% disagree that their organization identifies opportunities and threats in new insightful ways as they emerge.
4.3.2 Strategic Advantage

Figure 4.2 reveals that 21 percent of the respondents strongly agreed, 55 percent agreed, 3 percent were neutral, 9 percent disagreed and 12 percent strongly disagreed that their organization maintains strategic advantage through anticipation and foresight.

4.3.3 Resilient Capacity

Figure 4.3 reveals that 29 percent of the respondents strongly agreed, 58 percent agreed, 5 percent were neutral, 3 percent disagreed and 5 percent strongly disagreed that their organization has resilient capacity that is aware of environment changes.
4.3.4 Capacity to Create New Options

Figure 4.4 reveals that 33 percent of the respondents strongly agreed, 57 percent agreed, 2 percent were neutral, 6 percent disagreed and 2 percent strongly disagreed that their organization has capacity to create new options.

4.3.5 People Working Creatively

Figure 4.5 reveals that 29 percent of the respondents strongly agreed, 62 percent agreed, 4 percent were neutral, 2 percent disagreed and 3 percent strongly disagreed that people work creatively to continuously improve inefficient rather than work around them.
Figure 4.5: People Working Creatively

4.3.6 Ability to Continuously Evolve
Figure 4.6 reveals that 25 percent of the respondents strongly agreed, 49 percent agreed, 5 percent were neutral, 9 percent disagreed and 12 percent strongly disagreed that the business has continuously evolve.

Figure 4.6: Ability to Continuously Evolve

4.3.7 Communication is a Key Driver in the Organization Strategy
Figure 4.7 reveals that 33 percent of the respondents strongly agreed, 47 percent agreed, 12 percent were neutral, 0 percent disagreed and 3 percent strongly disagreed that communication is a key driver in the organization strategy.
Table 4.8 reveals that the Pearson Correlation coefficient for strategic agility and strategic sensitivity was 0.143.

Table 4.8: Correlation Analysis for Strategic Sensitivity and Strategic Agility

<table>
<thead>
<tr>
<th>Strategy Sensitivity</th>
<th>Strategic Agility</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson Correlation</td>
<td>.143</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>.379</td>
</tr>
<tr>
<td>N</td>
<td>40</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td></td>
</tr>
</tbody>
</table>

Table 4.9 presents regression results on the relationship between strategic sensitivity and strategic agility. As seen in table 4.9 the model summary shows that the R square value was 0.129 indicating that 12.9% of strategic agility adoption is influenced by strategic sensitivity.

Table 4.9: Model Summary for Strategic Sensitivity on Strategic Agility

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.360a</td>
<td>.129</td>
<td>.107</td>
<td>.22932</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Sensitivity
Table 4.10 further reveals that the beta value was 0.293 which shows that there was positive relationship between strategic sensitivity and strategic agility.

Table 4.10: Coefficients Table for Strategic Sensitivity on Strategic Agility

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>(Constant)</td>
<td>2.400</td>
<td>.469</td>
<td>5.113</td>
</tr>
<tr>
<td></td>
<td>Sensitivity</td>
<td>.293</td>
<td>.123</td>
<td>.360</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Strategic_Agility

4.4 The Influence of Resource Fluidity in the adoption of Strategic Agility

The second objective of the study was to establish how resource fluidity influences adoption of strategic agility. The following subsection presents findings with regards to this element under study.

4.4.1 Effective Solutions

Figure 4.8 reveals that 15 percent of the respondents strongly agreed, 62 percent agreed, 3 percent were neutral, 14 percent disagreed and 6 percent strongly disagreed that teams seem able to find effective solutions even when the problem is completely new and there is no direct experience or ‘rule book’ to guide them.

![Figure 4.8: Effective Solutions](image-url)
4.4.2 Strong Sense of Winning Together

Figure 4.9 reveals that 18 percent of the respondents strongly agreed, 65 percent agreed, 4 percent were neutral, 11 percent disagreed and 2 percent strongly disagreed that there is a strong sense of ‘we win together’.

![Figure 4.9: Strong Sense of Winning Together](image)

4.4.3 Different Perspectives Actively Encouraged

Figure 4.10 reveals that 27 percent of the respondents strongly agreed, 55 percent agreed, 4 percent were neutral, 4 percent disagreed and 10 percent strongly disagreed that different voices and perspectives are actively encouraged when key organization decisions are made.

![Figure 4.10: Different Perspectives Actively Encouraged](image)

4.4.4 Resources can be Quickly Moved

Figure 4.11 reveals that 31 percent of the respondents strongly agreed, 62 percent agreed, 3 percent were neutral, 4 percent disagreed and 2 percent strongly disagreed that resources
can be quickly moved in a fluid and flexible way across/around the organization in response to need.

![Figure 4.11: Resources can be Quickly Moved](image1)

4.4.5 Maintaining Strategic Advantage

Figure 4.12 reveals that 66 percent of the respondents strongly agreed, 12 percent agreed, 4 percent were neutral, 9 percent disagreed and 9 percent strongly disagreed that the organization maintains strategic advantage through anticipation and foresight.

![Figure 4.12: Maintaining Strategic Advantage](image2)

4.4.6 Parallel Business Model

Figure 4.13 reveals that 54 percent of the respondents strongly agreed, 32 percent agreed, 3 percent were neutral, 6 percent disagreed and 5 percent strongly disagreed that the organization has parallel business model where it can switch from one another when need arises.
Table 4.11 presents the correlation analysis which shows that the Pearson correlation coefficient for resource fluidity and strategic agility was 0.813.

Table 4.11: Correlation for Strategic Agility and Resource Fluidity

<table>
<thead>
<tr>
<th>Resource Fluidity</th>
<th>Strategic Agility</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson Correlation</td>
<td>0.813</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td></td>
</tr>
<tr>
<td>N</td>
<td>40</td>
</tr>
</tbody>
</table>

Table 4.12 presents regression results on the relationship between resource fluidity and strategic agility. As seen in table 4.10 the model summary shows that the R square value was 0.614 indicating that 61.4% of strategic agility adoption is influenced by resource fluidity.

Table 4.12: Model Summary for Resource Fluidity on Strategic Agility

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.783&lt;sup&gt;a&lt;/sup&gt;</td>
<td>.614</td>
<td>.604</td>
<td>.15275</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Resource_Fluidity

Table 4.13 further reveals that the beta value was 0.447 which shows that there was positive relationship between resource fluidity and strategic agility.
Table 4.13: Coefficients Table for Resource Fluidity on Strategic Agility

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Constant)</td>
<td>2.063</td>
<td>.188</td>
<td>10.959</td>
<td>.000</td>
</tr>
<tr>
<td>Resource_Fluidity</td>
<td>.447</td>
<td>.058</td>
<td>.783</td>
<td>7.770</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Strategic_Agility

4.5 The Influence of Leadership Unity in the adoption of Strategic Agility

The third objective of the study was to establish how leadership unity influences adoption of strategic agility. The following subsection presents findings with regards to this element under study.

4.5.1 Team Micro-Management

Figure 4.14 reveals that 51 percent of the respondents strongly agreed, 40 percent agreed, 4 percent were neutral, 2 percent disagreed and 3 percent strongly disagreed that leaders rarely micro-manage the teams.

![Figure 4.14: Team Micro-Management](image)

4.5.2 Deliverance of Worthwhile Outcomes

Figure 4.15 reveals that 60 percent of the respondents strongly agreed, 26 percent agreed, 1 percent were neutral, 8 percent disagreed and 5 percent strongly disagreed that leaders allow teams and individual to deliver worthwhile outcomes, even if they achieve in ways that the leader would not have initially recommended.
4.5.3 Leaders Resistance to Temptation

Figure 4.16 reveals that 57 percent of the respondents strongly agreed, 31 percent agreed, 2 percent were neutral, 6 percent disagreed and 4 percent strongly disagreed that leaders resist the temptation to be decisive in every situation.

4.5.4 Mutual Dependency

Figure 4.17 reveals that 69 percent of the respondents strongly agreed, 15 percent agreed, 5 percent were neutral, 7 percent disagreed and 4 percent strongly disagreed that the leaders in the organization have mutually dependency on each other.
4.5.5 Leaders Create and Reinforce Culture

Figure 4.18 reveals that 46 percent of the respondents strongly agreed, 41 percent agreed, 6 percent were neutral, 5 percent disagreed and 2 percent strongly disagreed that leaders create and reinforce a culture that promotes speed, entrepreneurship, diversity, innovation and risk taking.

4.5.6 Leaders Ready to Make Necessary Changes

Figure 4.19 reveals that 42 percent of the respondents strongly agreed, 37 percent agreed, 9 percent were neutral, 6 percent disagreed and 6 percent strongly disagreed that leaders are always ready to make the necessary changes as and when the change is needed.
Figure 4.19: Leaders Ready to Make Necessary Changes

4.5.7 Leaders Never Rest

Figure 4.20 reveals that 35 percent of the respondents strongly agreed, 26 percent agreed, 11 percent were neutral, 23 percent disagreed and 5 percent strongly disagreed that leaders never rest even when the organization is ahead in the market.

Table 4.14: Correlation for Leadership Unity and Strategic Agility

<table>
<thead>
<tr>
<th>Leadership Unity</th>
<th>Pearson Correlation</th>
<th>Sig. (2-tailed)</th>
<th>N</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>0.614</td>
<td></td>
<td>40</td>
</tr>
</tbody>
</table>
Table 4.15 presents regression results on the relationship between leadership unity and strategic agility. As seen in table 4.13 the model summary shows that the R square value was 0.670 indicating that 67.0% of strategic agility adoption is influenced by leadership unity.

Table 4.15: Model Summary for Leadership Unity on Strategic Agility

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.819a</td>
<td>.670</td>
<td>.661</td>
<td>.14120</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Leadership_Unity

Table 4.16 further reveals that the beta value was 0.565 which shows that there was positive relationship between leadership unity and strategic agility.

Table 4.16: Coefficients Table for Leadership Unity on Strategic Agility

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>(Constant)</td>
<td>1.535</td>
<td>.226</td>
<td>6.779</td>
<td>.000</td>
</tr>
<tr>
<td>Leadership Unity</td>
<td>.565</td>
<td>.064</td>
<td>.819</td>
<td>8.783</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Strategic_Agility

Multiple regression was further done to examine the relationship as portrayed in the equation below:

**Strategic Agility = a + b1 Sensitivity + b2 Resource Fluidity + b3Leadership Unity.**

As seen in the model summary (table 4.17), the R square value was 0.50 indicating that 50 percent of strategic agility is as a result of strategic sensitivity, resource fluidity and leadership unity.
Table 4.17: Model Summary for Multiple Regression Analysis

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.222a</td>
<td>.500</td>
<td>-.030</td>
<td>.60307</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Leadership Unity, Strategy Sensitivity, Resource

Table 4.18 shows that there was a positive significant relationship between strategic agility and strategic sensitivity with a beta value of 0.175, resource fluidity (0.370) and finally leadership unity (0.155).

Table 4.18: Multiple Regression

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>(Constant)</td>
<td>2.038</td>
<td>1.190</td>
<td></td>
<td>1.712</td>
</tr>
<tr>
<td>Strategy</td>
<td>.175</td>
<td>.199</td>
<td>.144</td>
<td>.879</td>
</tr>
<tr>
<td>Sensitivity</td>
<td>.370</td>
<td>.135</td>
<td>.046</td>
<td>.277</td>
</tr>
<tr>
<td>Resource</td>
<td>.155</td>
<td>.156</td>
<td>.161</td>
<td>.988</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Strategic Agility

4.6 Chapter Summary

This chapter presented the results and findings of the study on the research questions with regards to the data collected from the respondents. The first section covered the general information with regards to the respondents. The second third and fourth section covered the aspects with respect to the research objectives of the study. Chapter Five will discuss the findings; give the conclusion and make recommendations based on the findings.
CHAPTER FIVE

5.0 DISCUSSION, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This chapter consists of four sections, namely summary, discussion, conclusions, and recommendations following that order. The first section provides a summary of the important elements of the study which includes the study objectives, methodology and the findings. The second section discusses the major findings of the study with regards to the specific objectives. The third section discusses the conclusions based on the specific objectives, while using the findings and results which are obtained in the fourth chapter.

5.2 Summary

The purpose of this study was to investigate the need for the adoption of Strategic Agility in the ICT Industry in Nairobi, Kenya, specifically in the Data and Internet service industry in Nairobi. The study was guided by the following research objectives: to determine how Strategic Sensitivity affects adoption of Strategic Agility in the Organizations; to determine how Resource Fluidity affects adoption of Strategic Agility in the Organizations; to determine role played by Leadership in the adoption of Strategic Agility in Organizations.

This research adopted a descriptive research design. Stratified random sampling techniques were used. Structured Interviews and questionnaires were used as the data collection tool. In this study, the descriptive statistics such as percentages and frequency distribution were used to analyze the demographic profile of the participants. The demographic data was tabulated using frequency and percentages. In order to describe the data, the study used various means to interpret data on the key research objectives.

The study revealed that there was a positive relationship between strategic sensitivity and the adoption of strategic agility. The study further revealed that majority of the respondents agreed that their organization identifies opportunities and threats in new insightful ways as they emerge, maintain strategic advantage through anticipation and foresight, the organization has resilient capacity that is aware and has the ability to create new options, people work creatively to continuously improve inefficient and ineffective processes, rather
than working around them, the business has the ability to continuously evolve as and when the need arises and finally communication is a key driver in the organization’s strategy.

The study further revealed that there was a positive significant relationship between resource fluidity and the adoption of strategic agility. The study further revealed that majority of the respondents agreed that teams seem able to find effective solutions even when the problem is completely new and there is no direct experience or ‘rule book’ to guide them, there is a strong sense of ‘we win together and we lose together’ that pervades the organization, different voices and perspectives are actively encouraged when key organizational decisions are made, resources can be quickly moved in a fluid and flexible way across/around the organization in response to need, maintain strategic advantage through anticipation and foresight and finally the Organization has parallel business model where it can switch from one to another when the need arises.

Finally the study revealed that there was a positive significant relationship between leadership unity and the adoption of strategic agility. It was also revealed that majority of the respondents agreed that leaders rarely micro-manage the Teams, leaders allow teams and individuals to deliver worthwhile outcomes, even if they achieve these in ways that the leader would not have initially recommended, leaders resist the temptation to be decisive in every situation and balance swift action with appropriate reflection, depending on the nature and complexity of the presenting issue, the leaders in the organization have mutual dependency on each other, leaders create and reinforce a culture that promotes speed, entrepreneurship, diversity, innovation and risk taking, leaders are always ready to make the necessary changes as and when change is needed and finally the leaders never rest even when the organization is ahead in the market.

5.3 Discussion
5.3.1 Influence of Strategic Sensitivity on the adoption of Strategic Agility
The study revealed that there was a positive relationship between strategic sensitivity and the adoption of strategic agility. In modern companies decisions of major importance are usually stuck in individual hesitancy and fear, mixed with bureaucratic politics, where speed and complexity have become a challenge for most companies (Doz and Kosonen, 2008). The competitive landscape has been shifting in recent years more than ever.
Globalization, rapid technological change, codification of knowledge, the internet, talent and employee mobility, increased rates of knowledge transfer, imitation, changes in customer tastes, and the obsolescence of products and business models have all caused a turbulent environment and accelerated changes and disruptions. These trends are expected to continue, producing ever more rapid and unpredictable changes (Weber and Tarba, 2014).

The study further revealed that majority of the respondents agreed that their organization identifies opportunities and threats in new insightful ways as they emerge, maintain strategic advantage through anticipation and foresight, the organization has resilient capacity that is aware and has the ability to create new options, people work creatively to continuously improve inefficient and ineffective processes, rather than working around them, the business has the ability to continuously evolve as and when the need arises and finally communication is a key driver in the organization’s strategy. The findings affirm that the ability to continuously renew itself requires that an organization must be able to concentrate its efforts much more widely than on mere operational performance. We can't govern agile projects like Waterfall projects, where there are the gates and decision points? Managers tend to use excuses to cover failure of agility (Lester, 2013). Agility evokes nimbleness, reactivity, changing course easily and quickly without losing speed. It means that one has to be fast, flexible, highly mobile, and light-footed. It needs quick perception, instinctive response, rapid action, optimism and improvisation. Momentum evokes strength, energy, resource mobilization and commitment to organizational goals. Momentum on the other hand causes inertia along existing course, making its redirection difficult (Doz and Kosonen, 2010).

The findings also agreed with previous studies that indeed an organization’s resilience capacity captures its ability to take situation-specific, robust, and transformative actions when confronted with unexpected and powerful events that have the potential to jeopardize an organization’s long-term survival. Resilient organizations thrive despite experiencing conditions that are surprising, uncertain, often adverse, and usually unstable (Lengnick-Hall, Beck and Lengnick-Hall, 2010). Strategic agility is a complex, varied construct that can take multiple forms but captures an organization’s ability to develop and quickly apply flexible, nimble and dynamic capabilities. Together strategic agility and resilience capacity
enable firms to prepare for changing conditions, restore their vitality after traumatic jolts, and become even more proficient as a result of the experience. Resilience capacity helps firms navigate among different forms of strategic agility and respond effectively to changing conditions.

5.3.2 Influence of Resource Fluidity on the adoption of Strategic Agility

The study further revealed that there was a positive significant relationship between resource fluidity and the adoption of strategic agility. Without resource fluidity, strategic sensitivity and leadership unity are useless. Intelligence and commitment without rapid resource deployment in fast-developing strategic situations bring no advantage. Yet in many companies both capital and human resources are often locked in support of existing activity systems, leaving little leeway for redeployment. Companies need to establish more strategic and dynamic resource allocation processes. Organizations aspire to achieve strategic flexibility, most often defined as the ability to identify revolution opportunities, commit resources to new courses of action, or reverse fruitless resource allocation (Bock, Opsahl, George, Gann, 2012).

The study further revealed that majority of the respondents agreed that teams seem able to find effective solutions even when the problem is completely new and there is no direct experience or ‘rule book’ to guide them, there is a strong sense of ‘we win together and we lose together’ that pervades the organization, different voices and perspectives are actively encouraged when key organizational decisions are made. Brennan and Johnson (2004) are of the opinion that anti-sharing cultures hamper the growth of the business. In this day and age information is power and anyone who gets the information first has a significant advantage over their competitors. In the same breadth however they believe that this same information is regarded to be very sensitive and it is in this respect that it has to be protected at all costs. However, in order to succeed, the business has to have this information accessible to the right people at the right time so that the right decisions can be made for positive results to be achieved in the business (Brennan and Johnson, 2004). This hurdle has proved to be difficult and at times disastrous to a business if not properly effected.

The study revealed that resources can be quickly moved in a fluid and flexible way across/around the organization in response to need, maintain strategic advantage through
anticipation and foresight and finally the organization has parallel business model where it can switch from one to another when the need arises. In order to achieve a less risky and more affordable means of changing a business model is by modularizing the underlying business system (processes and IT systems). This can be achieved by assembling a particular combination of business system elements and utilizing them to assist the implementation of a new business model (Doz and Kosonen, 2010). Modularizing business systems, is however limited to only a range of activities and across a restricted business portfolio (Doz and Hunter, 2005). Unlike the historical product business, the service industry/business is limited such that only a small number of business systems modules can be reused for a different business environment (Sull, 2009). This is a short-lived limitation as the ‘process and system library’ expands, and thus will be available to be recombined to support a greater variety of service business model innovations in the future (Sull, 2009). Finally the findings agree that mobility of people improves resource fluidity (Podolny and Baron, 1997), and can be fostered through job rotation; open job market in order to identify talents; individual career development potential and opportunities; moving teams not just individuals; paying attention to fairness and track record in personnel evaluation because people do not want to take personal risks (by e.g. applying for a new job inside the same organization) if they cannot be sure that they will be fairly and transparently evaluated; and 6) having a pool of senior managers as corporate resources (Podolny and Baron, 1997).

This implies that in most companies there is a tight alignment between responsibility of a senior executive, the scope of a business and its corresponding business model. This alignment can be broken (Doz and Kosonen, 2008; Hamel, 2007). Companies can dissociate their organizational structure from the backend/back-office business processes and IT systems, and from their strategy, allowing for better structural flexibility within a given business model (Doz and Kosonen, 2010).

5.3.3 Influence of Leadership Unity on the adoption of Strategic Agility

Finally the study revealed that there was a positive significant relationship between leadership unity and the adoption of strategic agility. Leadership unity is making tough collective decisions that stick and get implemented in the organization (Doz and Kosonen, 2010). Enhancing strategic sensitivity is of little use if top management cannot agree on critical strategic redirections and make strong, unified commitments. SAP’s top team
members now have 100% common incentives, and senior managers of less fully integrated companies have around 50%. This fosters a sense of ‘cabinet responsibility’. There are a lot of business leaders who are excellent in running the day to day operations, but are significantly challenged when faced with environmental turbulence, and have to make quick decisions that are not within the boundaries of the strategic plans. The ability to bring the external chaos into the organization and view it as positive is a challenge to most leaders. (Doz and Kosonen, 2008).

It was also revealed that majority of the respondents agreed that leaders rarely micro-manage the Teams, leaders allow teams and individuals to deliver worthwhile outcomes, even if they achieve these in ways that the leader would not have initially recommended, leaders resist the temptation to be decisive in every situation and balance swift action with appropriate reflection, depending on the nature and complexity of the presenting issue, the leaders in the organization have mutual dependency on each other. The findings affirm that indeed the leaders accept the certainty of change. They have mechanisms in place for sensing potentially disruptive forces and taking advantage of them before the competition. The rest of the organization understands the value of rapid action; people are practiced and confident, with the skills and infrastructure support they need. Although the company encourages experimentation, it also resists unnecessary complexity: At any time, there are just a few new initiatives, backed by everyone in the company. There is also a strong network effect where people share the insights from experiments and customer engagement up and down the hierarchy (Kotter, 2014).

The study further revealed that leaders create and reinforce a culture that promotes speed, entrepreneurship, diversity, innovation and risk taking, leaders are always ready to make the necessary changes as and when change is needed and finally the leaders never rest even when the organization is ahead in the market. Strong leadership is required to manage the inherent tensions underlying strategic agility. Leadership can be seen as both a dynamic competence and a relational process. It requires the ability to identify and leverage opportunities while relying on internal and external competencies (Lewis et al., 2014). Business model changes often involve gut wrenching decisions for executives, calling for difficult and risky personal adjustments and collective commitments. New adaptive leadership work and leadership team unity are essential to enable shifts in business models.
Strategic awareness would remain ‘lettre morte’ in accelerating business model change and renewal without a top management team willing to consider business model redefinition, and, more importantly, able to achieve collective commitment to taking the risks necessary to venture into new business models and (more difficult) to abandon old ones.

5.4 Conclusion

5.4.1 Influence of Strategic Sensitivity on the adoption of Strategic Agility
The study concludes that strategic sensitivity influences the adoption of strategic agility. The study further concludes organizations identify opportunities and threats in new insightful ways as they emerge, maintain strategic advantage through anticipation and foresight, the organization has resilient capacity that is aware and has the ability to create new options, people work creatively to continuously improve inefficient and ineffective processes, rather than working around them, the business has the ability to continuously evolve as and when the need arises and finally communication is a key driver in the organization’s strategy.

5.4.2 Influence of Resource Fluidity on the adoption of Strategic Agility
The study further concludes that resource fluidity influences the adoption of strategic agility in Kenya. The study further concludes that teams seem able to find effective solutions even when the problem is completely new and there is no direct experience or ‘rule book’ to guide them, there is a strong sense of ‘we win together and we lose together’ that pervades the organization, different voices and perspectives are actively encouraged when key organizational decisions are made, resources can be quickly moved in a fluid and flexible way across/around the organization in response to need, maintain strategic advantage through anticipation and foresight.

5.4.3 Influence of Leadership Unity on the adoption of Strategic Agility
Finally the study concludes that leadership unity influences the adoption of strategic agility in Kenya. It was also concluded that leaders rarely micro-manage the teams, leaders allow teams and individuals to deliver worthwhile outcomes, even if they achieve these in ways that the leader would not have initially recommended, leaders resist the temptation to be decisive in every situation and balance swift action with appropriate reflection, depending on the nature and complexity of the presenting issue, the leaders in the organization have
mutual dependency on each other, leaders create and reinforce a culture that promotes speed, entrepreneurship, diversity, innovation and risk taking, leaders are always ready to make the necessary changes as and when change is needed and finally the leaders never rest even when the organization is ahead in the market.

5.5 Recommendations

5.5.1 Recommendations for Improvement

5.5.1.1 Influence of Strategic Sensitivity on the adoption of Strategic Agility

The study recommends that ICT firms need to build agility in their strategic planning process. An agile strategic planning process includes constant identification and resolution of the main strategic issues that lead to rapid allocation of resources. This gives room for continuous modification and adaptation of the strategic direction in the core business.

5.5.1.2 Influence of Resource Fluidity on the adoption of Strategic Agility

The study recommends the need to have resource fluidity among ICT firms in Kenya as it allow firms to redeploy and reallocate their resources, particularly people, to new opportunities or new activities in a transformed activity system. Additionally the study recommends the need for companies to establish more strategic and dynamic resource allocation processes. Finally there is need to achieve strategic flexibility, most often defined as the ability to identify revolution opportunities, commit resources to new courses of action, or reverse fruitless resource allocation.

5.5.1.3 Influence of Leadership Unity on the adoption of Strategic Agility

The study recommends the need for organization leaders to have a sense of unity. This is because leadership success depends on agile development and the ability to be future oriented, seize external opportunities and bounce back from unforeseen changes, particularly with market uncertainty at record-breaking levels. ICT firms in Kenya must not only have a strategic plan but must capitalize on market trends, anticipate and respond to change more rapidly.

5.5.2 Recommendations for Further Studies

The study recommends the need for additional studies to be conducted on the various factors affecting adoption of strategic agility in other sectors and not just in the ICT sector.
in Kenya. The study also recommends for additional studies to be carried out to examine other factors that influence the adoption of strategic agility among ICT firms in Kenya.
REFERENCES


Shill, W., Engel, J.F., Mann, D. & Schatteman, O. (2012). High Performance Delivered. *Outlook, 12, 1*


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Sohrabi, R., Asari, M. & Hozoori, M. (2014). “Relationship between Workforce Agility and Organizational Intelligence (Case Study: The Companies of "Iran High Council of Informatics)", Asian Social Science; 10 (4)


APPENDIX I: INTRODUCTORY LETTER

Dear Sir/Madam,

RE: REQUEST TO PARTICIPATE IN A RESEARCH STUDY

I am a graduate student at the United States International University. I am carrying out a research as part of my degree program requirements. The aim of the study is to determine the adoption of Strategic Agility in the Data and Internet service industry in Kenya.

Given your unique position and experience in the ICT industry in Kenya, you have been selected as one of the respondents. Your role in this study will only involve an interview completing a questionnaire. The questions to be asked will relate to your experience and opinions in your area of specialization. This research is aimed at allowing you to provide details about your honestly opinion.

Kindly note that any information you give will be treated with confidentiality and shall, at no point, be used for any other purpose other than for this project. All responses shall be analyzed in an aggregate manner and no individual identification of responses shall be reported. Your assistance will be highly appreciated. I look forward to your prompt response.

Thank you for your support and participation.

SALMA JENEBY
APPENDIX II: QUESTIONNAIRE

The purpose of this research is to determine the adoption of Strategic Agility in the organization and to determine the influence of the 3 main factors in the adoption of strategic agility in organizations in the ICT Sector in Kenya. Please note that any information you give will be treated with confidentiality and at no instance will it be used for any other purpose other than for this project. This questionnaire is to be filled in its entirety and with as much details as possible. All responses will be analyzed in an aggregate manner and no individual identification of responses will be compiled or reported.

Section A: Bio-Data

(Please Tick appropriately for each question and specify where necessary).

1. Your age
   - Below 25 [ ]
   - 25 - 34 years [ ]
   - 35 - 44 years [ ]
   - 45 - 55 years [ ]
   - Over 55 years [ ]

2. Position in the Organization
   - Finance Manager [ ]
   - Business Dev. Manager [ ]
   - Human Resource Manager [ ]
   - Strategy Development Manager [ ]
   - Other (please specify) _____________________

3. Indicate to what extent you are responsible for your organization’s strategy:
   - No Responsibility [ ]
   - Partial Responsibility [ ]
   - Fully Responsibility [ ]

4. For how long have you worked for the Company?
   - Less than 1 year [ ]
   - 2 - 5 years [ ]
   - 6 - 10 years [ ]
   - 11 - 15 years [ ]
   - More than 15 years [ ]

5. For how long have you worked in your current position?
   - Less than 1 year [ ]
   - 2 - 5 years [ ]
   - 6 - 10 years [ ]
   - 11 - 15 years [ ]
   - More than 15 years [ ]

6. Educational Level
   - Secondary school [ ]
   - Undergraduate level [ ]
   - College level [ ]
   - Graduate level [ ]
   - Masters level [ ]

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Section B: Adoption of Strategic Agility in the Organization

Please indicate the extent to which you agree with the following statements:

(1 - Strongly Disagree; 2 – Disagree; Neutral – 3; 4 - Agree; 5 - Strongly Agree)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Different departments and professional groups collaborate</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>easily across organization boundaries</td>
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<tr>
<td>2</td>
<td>People have a strong sense of shared organizational purpose</td>
<td></td>
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<td></td>
<td>and associated organizational priorities</td>
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<td>3</td>
<td>People have a strong commitment to shared organizational</td>
<td></td>
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<td></td>
<td>purpose and associated organizational priorities</td>
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<tr>
<td>4</td>
<td>Resources can be quickly moved in a fluid and flexible way</td>
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<td>across/around the organization in response to need</td>
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<tr>
<td>5</td>
<td>The Organization has a systematic approach to addressing</td>
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<td>change in the market</td>
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<tr>
<td>6</td>
<td>The Organization has a systematic approach to gather key</td>
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<td></td>
<td>information for systematic sense making</td>
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<tr>
<td>7</td>
<td>Decision making in the organization, when it comes to new</td>
<td></td>
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<tr>
<td></td>
<td>opportunities in the market, is fast (agile and nimble)</td>
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<tr>
<td>8</td>
<td>The Organization is not myopic when it comes to Changes in</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>the strategic plan due to changes in the environment</td>
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</tbody>
</table>

Please rate the following section; 1 being the lowest and 5 being the highest:

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<thead>
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<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>The organization embraces opportunities that come up in</td>
<td></td>
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<td></td>
<td>response to the changes in the market environment</td>
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<tr>
<td>2</td>
<td>The Organization follows the strategic plan to the letter</td>
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<td></td>
<td>regardless of changes in the environment</td>
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</tr>
<tr>
<td>3</td>
<td>Blocks and barriers to strategic goals are quickly identified</td>
<td></td>
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<td>4</td>
<td>Blocks and barriers to strategic goals are effectively acted</td>
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<td></td>
<td>upon</td>
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</table>
Section C: Influence of Strategic Sensitivity in the adoption of Strategic Agility

*Please indicate the extent to which you agree with the following statements:*

(1 - Strongly Disagree; 2 – Disagree; Neutral – 3; 4 - Agree; 5 - Strongly Agree)

<table>
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<tr>
<th>1</th>
<th>2</th>
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<tbody>
<tr>
<td>1 Identifies opportunities and threats in new insightful ways as they emerge</td>
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<tr>
<td>2 Maintain strategic advantage through anticipation and foresight</td>
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<tr>
<td>3 The organization has resilient capacity that is aware of environmental changes</td>
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<tr>
<td>4 The organization has capacity to create new options</td>
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<tr>
<td>5 People work creatively to continuously improve inefficient, rather than working around them</td>
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<tr>
<td>6 People work creatively to continuously improve ineffective processes, rather than working around them</td>
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<tr>
<td>7 The business has the ability to continuously evolve</td>
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<tr>
<td>8 Communication is a key driver in the organization’s strategy</td>
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</table>

*Please rate the following section; 1 being the lowest and 5 being the highest:*

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</thead>
<tbody>
<tr>
<td>1 Challenges experienced due to sudden changes in the industry were quickly overcome</td>
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<tr>
<td>2 Changes in the strategy due to changes in the industry were accepted by all</td>
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</tr>
<tr>
<td>3 Challenges experienced due to changes in the industry created a rift in the organization</td>
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</tbody>
</table>
Section D: Influence of Resource Fluidity in the adoption of Strategic Agility

*Please indicate the extent to which you agree with the following statements:*

(1 - Strongly Disagree; 2 – Disagree; Neutral – 3; 4 - Agree; 5 - Strongly Agree)

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<tbody>
<tr>
<td>1</td>
<td>Teams seem able to find effective solutions even when the problem is completely new and there is no direct experience or ‘rule book’ to guide them</td>
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<td></td>
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</tr>
<tr>
<td>2</td>
<td>There is a strong sense of ‘we win together and we lose together’ that pervades the organization</td>
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<td></td>
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<tr>
<td>3</td>
<td>Different voices and perspectives are actively encouraged when key organizational decisions are made</td>
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<tr>
<td>4</td>
<td>Resources can be quickly moved in a fluid and flexible way across/around the organization in response to need</td>
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<td></td>
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<tr>
<td>5</td>
<td>Maintain strategic advantage through anticipation and foresight</td>
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<tr>
<td>6</td>
<td>The Organization has parallel business model where it can switch from one to another when the need arises</td>
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</table>

Please rate the following section; 1 being the lowest and 5 being the highest:

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</thead>
<tbody>
<tr>
<td>1</td>
<td>Flexibility of strategy in the Organization</td>
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<td></td>
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<tr>
<td>2</td>
<td>Flexibility of reallocation of resources</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Benefits of flexibility in Strategy Planning &amp; Implementation</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Benefits of flexibility in Processes and procedures</td>
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</table>

Section E: Influence of Leadership Unity in the adoption of Strategic Agility

*Please indicate the extent to which you agree with the following statements:*

(1 - Strongly Disagree; 2 – Disagree; Neutral – 3; 4 - Agree; 5 - Strongly Agree)

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<tbody>
<tr>
<td>1</td>
<td>Leaders rarely micro-manage the Teams</td>
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<tr>
<td>2</td>
<td>Leaders allow teams and individuals to deliver worthwhile outcomes, even if they achieve these in ways that the leader would not have initially recommended</td>
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<tr>
<td>3</td>
<td>Leaders resist the temptation to be decisive in every situation balancing swift action with appropriate reflection, depending on the nature and complexity of the presenting issue</td>
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<td>4</td>
<td>The leaders in the organization have mutual dependency on each other</td>
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<tr>
<td>5</td>
<td>Leaders create and reinforce a culture that promotes speed, entrepreneurship, diversity, innovation and risk taking</td>
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<tr>
<td>6</td>
<td>Leaders are always ready to make the necessary changes as and when change is needed</td>
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<tr>
<td>7</td>
<td>The leaders never rest even when the organization is ahead in the market.</td>
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Please rate the following section; 1 being the lowest and 5 being the highest:

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</thead>
<tbody>
<tr>
<td>1</td>
<td>Leadership style is Autocratic</td>
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<tr>
<td>2</td>
<td>Leadership style is Democratic</td>
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<td></td>
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<tr>
<td>3</td>
<td>Leadership Style is Transformational</td>
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</tr>
<tr>
<td>4</td>
<td>Leadership Style is Situational</td>
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APPENDIX III: INTERVIEW GUIDE

A) ORGANIZATION AGILITY

1. Does the organization have a systematic way of addressing change in the environment in terms of sense making and fast decision making? To what extent does your organization create and reinforce a culture that promotes, speed, entrepreneurship, innovation and diversity?

2. How often does the organization make changes on its long term Strategic Plan? How does this affect the operations? How often does the organization relocate resources to the projects with the most potential? What are the challenges of having to redirect resources in the organization?

3. What is your roadmap for adoption of agility in your organization for the next year? Do you have a plan on how the organization will have to make changes as regards resources and decision making in order to accommodate agility? How are you addressing agility as a competitive differentiator?

B) STRATEGIC SENSITIVITY

4. What degree of turbulence has your organization experienced in the last 3 years? And how did it react to it? How has agility in your organization affected strategic planning?

5. Tensions, like formal planning and responsiveness, are often considered to be problematic. Yet many high performers view tensions as opportunities. How have you dealt with tension at the organization?

C) RESOURCE FLUIDITY

5. When moving resources like talent, around, do you move them as a team or do you move individuals? How has that been working for the organization?

6. What part of your management practices embrace change successfully and what part blocks your ability to exploit opportunities quickly and effectively?

D) LEADERSHIP UNITY

7. How have departmental heads responded to moving resources to other departments based on the needs? Are they willing? Are they team players?

8. What kind of leadership would you say is practiced in your organization? Has it assisted in the ease of adopting strategic agility in the organization?