

Influence of Organisational Strategy on Digital Transformation at Kenya Airways

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ABSTRACT

The study investigates how organisational strategy influences digital transformation of Kenya Airways. The study was guided by the Unified Theory of Acceptance and Use of Technology (UTAUT) and the Digital Maturity Model. The study employed the convergent parallel mixed methods design. The study targeted 410 management staff holding positions designated Grade H11 to H15 across the departments. A sample size of 157 respondents was selected. Questionnaires and interview guides were used to collect data. Data was analysed using both descriptive and inferential statistics. Findings also indicated that digitization of customer touch points and processes, developing a strategic plan that supports digital transformation initiatives, communication of Strategic plan targets to all departments and staff, and providing budgetary flexibilities that accommodate shifting IT priorities impacted most on digital transformation. The study recommends that Kenya Airways should ensure there is a department dedicated to support the staff on the digital transformation initiatives.

Key words: Digital transformation, Organisational strategy, Kenya Airways, Digital technologies, Culture

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I. INTRODUCTION

Rapid advancement in digital technology has created an increasingly unstable environment for airlines. To fully leverage the opportunities opened by new technologies, airlines need to transform their businesses. Although digital transformation initiatives are prevalent throughout organizations, they often experience failure (Hartl & Hess, 2017). Ahlemann (2016) contends that digital transformation is a major challenge for many organizations.

Airlines are entering a period of significant disruption as rising costs and competition force airlines to identify new ways of saving costs and change the way they interact with their customers. In order to survive and prosper in these conditions, airlines must rationalize their processes and increase asset utilization through adoption of technology to a greater degree than ever before. Most airlines have adopted digital transformation strategies yet the effect of digital transformation on Kenyan airlines has received little attention in academic inquiry. It is critical to study how the aviation industry in Kenya is responding to the global trend of digital transformation.

One of the major airlines in Kenya is Kenya Airways, which is the national carrier. It was founded in 1977 following the break-up of the East African Community and subsequently resulting in the demise of the jointly owned East African Airways. In 1996 Kenya Airways became the first African flag carrier to become privatized and is currently a public-private partnership. The aviation industry is highly competitive, and it is bound to become worse with converging global markets. To survive, the airline industry needs to create strategies that would help them navigate the changing business environment.

Bharadwaj *et al.* (2013) posits that organisational strategy fuses IT and business strategy together. Digital transformation that is driven by organisational strategy is usually induced by top management as opposed to being pushed from the bottom up. A good vision by the management is necessary to drive the process of digital transformation. Kane *et al.*, (2015) agree that the vision of the top management is crucial in driving digital transformation in an organisation.

Scholars contend that digital strategy ought to be developed and adopted at a corporate level and not merely viewed as a strategy of the IT department (Hess *et al.* 2016; Matt *et al.* 2015; McDonald, 2012; Westerman *et al.* 2011). It is not enough for organisations to merely invest in digital technologies and implement modern IT systems, they need to have a broad based outlook of digital transformation at the management level (Manyika, Ramaswamy, Khanna, Sarrazin, Pinkus, Sethupathy & Yaffe, 2015).

To effectively set the digital strategy, the management should adopt a create transformation objectives which focus on customer centricism. A good digital strategy creates a link between the structures of an

organization, its processes and resources and puts them in sync with the business strategy (Westerman *et al.*, 2012). A good digital strategy creates gains in operational efficiency and in turn it helps the company to achieve its strategic goals (DLA, 2017). In view of this, it is important to understand how Kenya Airways adapted its organisational strategy to achieve digital transformation.

II. THEORETICAL REVIEW

The theory that guided the study was the Unified Theory of Acceptance and Use of Technology (UTAUT). The Unified Theory of Acceptance and Use of Technology (UTAUT) was developed by Venkatesh *et al.* (2003). The framework incorporated Technology Acceptance Model (TAM), innovation diffusion theory (IDT), Theory of planned behaviour (TPB), motivation model, social cognitive theory to develop a unified theory for technology acceptance (Negahban & Chung, 2014). The four constructs put forward by the model include effort expectancy, performance expectancy, social influence and facilitating conditions (Venkatesh *et al.*, 2003). The theory views environmental, economic and social factors as leading to behavioural change of an organisation. The model proposes that an organisation is likely to adopt, accept and use technology when these three factors environmental, economic and social are present.

The study was also guided by The Digital Maturity Model (DMM) developed by Forrester also guided the study. The model is built upon four dimensions: culture, technology, organization, and customer insights (see Figure 2.1). Further a set of questions are designed for each dimension in order to assess the dimension's readiness. The questions aim to evaluate a company's core capabilities and attitudes as well as the competencies that define a mature digital operation of a company (Forrester, 2016).

The Digital Maturity Model was relevant to this study because it provides the variables that have been used to frame the study. These include digital technologies, organisation culture, organisational strategies and customer insights. These variables were identified as the key variables in the study.

III. METHODOLOGY

The study employed quantitative research design. The population study targeted the Kenya Airways employees. The organisation has an estimated total number of 4763 employees. However, the study sampled the Management position from Grade H11 to H15 drawn from different departments which comprises 410 employees. This is because the management level is well vast in terms of adoption of digital transformation, technologies and related initiatives and therefore are best placed for the study as well, they best understood the questionnaire for this study. Quantitative research was administered to employees in Kenya offices because of its proximity to the researcher, budgetary concerns and availability of time for the researcher. The study population contained employees in Finance, Commercial, Information Technology, Managing Directors Office, Technical and Operations. Using the Taro Yamane formula: The total population size (N) is 410 employees and the total sample size (n) is 157 employees, the sample sizes for each level was determined proportionately. The study utilized a standardized questionnaire and an interview guide for purposes of data collection in the field. During the first phase, the researcher implemented the quantitative strand that included collecting quantitative data. Questionnaires were issued to Kenya Airways employees. The researcher administered the questionnaires. The administration of the questionnaires for the various levels were conducted within a period of one month.

Quantitative data was analysed using descriptive and inferential statistics. Means and percentages were used for descriptive analysis while the chi-square (χ^2) and Scheffe post hoc test was used for inferential analysis. The Software Package for Social Sciences (SPSS) (v26) was used to conduct the statistical analysis. The qualitative data from the interview transcripts and notes was organized according to the contents (theme) in relation to the questions provided for the interview. Then, the key points were identified and summarized. Finally, the data was objectively interpreted with close reference to study objectives.

IV. RESULTS

4.1 Customer processes

We asked respondents whether all the business customer touch points and processes in the organisation had been digitized. Findings indicate that all the customer touch points and processes in the organisation had not been digitized as confirmed by 53.3% of the respondents who disagreed and a further 6.7% who strongly disagreed (Table 1). However, a proportion of 40% of the respondents agreed that all the customer touch points and processes in the organisation had not been digitized. The mean statistic for the perception was 2.33 which rounds off to 2 on the pointer scale translating to "disagree" and leading to the finding that all the customer touch points and processes in the organisation had not been digitized.

Table 1 Digitisation of customer touch points and processes

Statement	Response	Frequency	Percent	Mean
All our business customer touch points and processes in our organisation have been digitized	Strongly Disagree	8	6.7	2.33
	Disagree	64	53.3	
	Agree	48	40	
Total		120	100	

Further ANOVA techniques were employed to determine whether the perceptions on the promotion of the organisational vision and Mission to all levels of staff through the digital platforms varied across the respective departments within the organization. Results indicate an F distribution statistic of 3.925 which was associated with a significance of less than 0.05 (Sig.> 0.05) implying that there were variations in perceptions across the various departments of the organisation on the on digitisation of customer touch points and processes (Table 2).

Table 2 ANOVA on digitisation of customer touch points and processes

Statement		Sum of Squares	df	Mean Square	F	Sig.
All our business customer touch points and processes in our organisation have been digitized	Between Groups	6.267	5	1.253	3.9	0.003
	Within Groups	36.4	114	0.319		
Total		42.667	119			

4.2 Strategic planning

We asked respondents whether the strategic plan supported the digital transformation initiatives undertaken at the organisation. Findings indicate that the organizational strategic plans supported the digital transformation initiatives undertaken at Kenya Airways as confirmed by 73.3% of the respondents (Table 3).

Table 3 Linkages between strategic plan and digital transformation initiatives

Statement	Response	Frequency	Percent	Mean
Our organization strategic plan supports digital transformation initiatives	Disagree	32	26.7	
	Agree	88	73.3	2.73
Total		120	100	

We conducted an ANOVA to determine whether the perceptions on the linkages between strategic plan and digital transformation initiatives varied across the respective departments within the organization. Findings indicate an F statistic of 16.541 which was associated with a significance of less than 0.05 (Sig.> 0.05) implying that there were variations in perceptions across the various departments of the organisation on the strategic plan’s support of the digital transformation initiatives (Table 4).

Table 4 ANOVA on strategic planning and digital transformation initiatives

Statement		Sum of Squares	df	Mean Square	F	Sig.
Our organization strategic plan supports digital transformation initiatives	Between Groups	9.867	5	1.973	17	.000
	Within Groups	13.6	114	0.119		
Total		23.467	119			

4.3 Communication of strategic targets

We asked respondents whether strategic plans and targets for each department were communicated to all levels of staff appropriately. Findings indicate that strategic plans and targets for each department were not communicated to all staff appropriately as confirmed by 53.3% of the respondents who disagreed. This finding implied that there were differences in perceptions regarding communication of strategic plans across the departments of the organisation (Table 5).

Table 5 Communication of strategic targets to departments

Statement		Frequency	Percent	Mean
Strategic plans and targets for each department are communicated to all staff appropriately	Disagree	64	53.3	
	Agree	40	33.3	2.6
	Strongly Agree	16	13.3	
Total	Total	120	100	

ANOVA techniques were employed to determine whether the perceptions on the linkages between communication of strategic plan targets and digital transformation initiatives varied across the respective departments within the organization. The results indicate an F statistic of 7.600 which was associated with a significance of less than 0.05 (Sig.> 0.05) implying that there were variations in perceptions across the various departments on the strategic plan’s support for the digital transformation initiatives (Table 6).

Table 6 ANOVA on communication of strategic targets to departments

Statement		Sum of Squares	df	Mean Square	F	Sig.
Strategic plans and targets for each department are communicated to all staff appropriately	Between Groups	15.2	5	3.04	7.6	.000
	Within Groups	45.6	114	0.4		
Total		60.8	119			

4.4 Organisational budgeting

We asked respondents on the adequacy of resources and funding allocated to the digital processes in every financial year. Findings indicate that adequate resources and funding were not allocated to the digital processes every financial year as confirmed by 73.3% of the respondents. The finding implied that there were differences in perceptions regarding the funding of the digitisation programmes within the organisation. Further, the annual allocation of funds for the digitization processes were inadequate (Table 7).

Table 7 Organisational budgeting for digital programmes

Statement		Frequency	Percent	Mean
Adequate resources and funding are allocated to the digital processes in every financial year	Disagree	88	73.3	
	Agree	32	26.7	2.27
Total		120	100	

We used ANOVA techniques to determine whether the perceptions on the linkages between organisational budgeting and digital transformation initiatives varied across the respective departments within the organization. Results show an F statistic of 6.278 which was associated with a significance of less than 0.05 (Sig.> 0.05) implying that there were variations in perceptions across the various departments on organisation budgeting for digital programmes (Table 8).

Table 8 ANOVA on organisational budgeting for digital programmes

Statement		Sum of Squares	df	Mean Square	F	Sig.
Adequate resources and funding are allocated to the digital processes in every financial year	Between Groups	5.067	5	1.013	6.3	.000
	Within Groups	18.4	114	0.161		
Total		23.467	119			

4.5 Digital transformation support

We asked respondents whether a dedicated department has been mobilised and resourced to support staff and departments with the digital transformation. Findings show that a dedicated department has been identified, mobilised and resourced to support the staff with the digital transformation as confirmed by 66.7% of the respondents who agreed. The finding implied that a dedicated department has been identified, mobilised and resourced to support the staff with the digital transformation (Table 9).

Table 9 Digital transformation support

Statement	Response	Frequency	Percent
A dedicated department has been identified and resourced to support all the staff and departments with the digital transformation	Strongly Disagree	8	6.7
	Disagree	32	26.7
	Agree	72	60
	Strongly Agree	8	6.7
Total		120	100

ANOVA techniques were employed to determine the variation across the respective departments within the organization. Results show that there was no statistically significant variation in perceptions amongst staff, leading to the finding that a dedicated department had been mobilised and resourced to support the staff with the digital transformation (Table 10).

Table 10 ANOVA on digital transformation support

Statement		Sum of Squares	df	Mean Square	F	Sig.
A dedicated department has been identified and resourced to support all the staff and departments with the digital transformation	Between Groups	7.067	5	1.413	3.1	0.071
	Within Groups	51.6	114	0.453		
Total		58.667	119			

4.6 Digital transformation road map

We asked respondents on whether the senior management had set a roadmap for the organisational digital transformation. Findings indicate that senior management had set up a digital transformation roadmap for the organisation as confirmed by 53.3% of the respondents who agreed. On the other hand, 40% of the respondents disagreed and 6.7% strongly disagreed. This finding implied that there were differences in perceptions regarding the digital transformation roadmap. The mean statistic for the perception was 2.47 which was on the borderline (2.5) of the pointer scale translating suggesting that there was staff indifference regarding the digital transformation roadmap (Table 11).

Table 11 digital transformation roadmap

Statement	Response	Frequency	Percent	Mean
The senior management has set a roadmap for digital transformation of the organisation	Strongly Disagree	8	6.7	
	Disagree	48	40	2.47
	Agree	64	53.3	
Total		120	100	

ANOVA techniques were employed to determine the variation across the respective departments within the organization. Findings indicate an F statistic of 14.023 which was associated with a significance of less than 0.05 (Sig.> 0.05) implying that there were variations in perceptions across the various departments regarding the digital transformation roadmap (Table 12).

Table 12 ANOVA on digital transformation roadmap

Statement		Sum of Squares	df	Mean Square	F	Sig.
The senior management has set a roadmap for digital transformation of the organisation	Between Groups	17.467	5	3.493	14	.000
	Within Groups	28.4	114	0.249		
Total		45.867	119			

4.7 Staff training on digital technologies

We asked respondents whether the employees are constantly trained on the utilisation of digital technology and systems. Findings indicate that employees are constantly trained on the utilisation of digital technology and systems as confirmed by 73.3% of the respondents who agreed. On the other hand, 26.7% of the respondents disagreed. The mean statistic for the perception was 2.73 which rounds off to 3 on the pointer scale translating to “agree” suggesting that there was staff indifference regarding the digital transformation roadmap (Table 13).

Table 13 Staff training on staff training on digital technologies

Statement	Response	Frequency	Percent	Mean
The employees are constantly trained on the utilisation of digital technology and systems	Disagree	32	26.7	
	Agree	88	73.3	2.73
Total		120	100	

ANOVA techniques were employed to determine the variation across the respective departments within the organization. Findings indicate an F statistic of 9.824 which was associated with a significance of less than 0.05 (Sig.> 0.05) implying that there were variations in perceptions across the various departments regarding the digital transformation roadmap. This finding implied that there were differences in perceptions regarding the provision of training on the utilisation of digital technology and system among the employees (Table 14).

Table 14 ANOVA on staff training on digital technologies

Statement		Sum of Squares	df	Mean Square	F	Sig.
The employees are constantly trained on the utilisation of digital technology and systems	Between Groups	7.067	5	1.413	9.8	.000
	Within Groups	16.4	114	0.144		
Total		23.467	119			

4.8 Staff utilisation of digital technology systems

We asked the respondents on whether the employees were fully utilizing the digital technology systems installed within the organisation. Findings indicate that while 46.7% of the employees agreed that staff were fully utilizing the digital technology systems installed within the organisation. However, 53.3% of the staff disagreed (Table 15). The finding suggests that there was staff indifference regarding the digital utilisation with the organisation.

Table 15 Staff utilization of digital technology systems

Statement	Response	Frequency	Percent	Mean
Employees are fully utilizing the digital technology systems installed within the organisation	Disagree	64	53.3	
	Agree	48	40	2.53
	Strongly Agree	8	6.7	
Total		120	100	

ANOVA techniques were employed to determine the variation across the respective departments within the organization. The results show an F statistic of 14.549 which was associated with a significance of less than 0.05 (Sig.> 0.05) implying that there were variations in perceptions on digital utilisation among staff (Table 16).

Table 16 ANOVA on staff utilization of digital technology systems

Statement		Sum of Squares	df	Mean Square	F	Sig.
Employees are fully utilizing the digital technology systems installed within the organisation	Between Groups	17.867	5	3.573	15	.000
	Within Groups	28	114	0.246		
Total		45.867	119			

4.9 Organisation budget allows for shifting IT priorities

We asked the respondents on whether the organisation budget allows for shifting IT priorities. Findings indicate that while 53.3% of the employees agreed that staff were fully utilizing the digital technology systems installed within the organisation. However, 53.3% of organisation budget allows for shifting IT priorities (Table 17).

Table 17 Organisation budget allows for shifting IT priorities

Statement	Response	Frequency	Percent	Mean
Our organisation budget allows for shifting IT priorities	Disagree	64	53.3	
	Agree	40	33.3	
	Strongly Agree	8	6.7	2.5
	Non-Response	8	6.7	
Total		120	100	

ANOVA techniques were employed to determine the variation across the respective departments within the organization. The results show an F statistic of 7.590 which was associated with a significance of less than 0.05 (Sig.> 0.05) implying that there were variations in perceptions on digital utilisation among staff (Table 18).

Table 18 ANOVA on organisation budget allows shifting IT priorities

Statement		Sum of Squares	df	Mean Square	F	Sig.
Our organisation budget allows for shifting IT priorities	Between Groups	11.6	5	2.32	7.6	0
	Within Groups	32.4	106	0.306		
Total		44	111			

4.10 Digital technology systems are used to promote collaboration among the

We asked the respondents on whether the organisation budget allows for shifting IT priorities. Findings indicate that while 53.3% of the employees agreed that staff were fully utilizing the digital technology systems installed within the organisation. However, 53.3% of organisation budget allows for shifting IT priorities (Table 19).

Table 19 Digital technology systems promote collaboration among the employees

Statement	Response	Frequency	Percent	Mean
Digital technology systems are used to promote collaboration among the employees	Disagree	16	13.3	

	Agree	88	73.3	3
	Strongly Agree	16	13.3	
Total		120	100	

ANOVA techniques were employed to determine the variation across the respective departments within the organization. The results show an F statistic of 30.84 which was associated with a significance of less than 0.05 (Sig.> 0.05) implying that there were variations in perceptions on digital utilisation among staff (Table 20).

Table 20 ANOVA on employees' collaboration

Statement		Sum of Squares	df	Mean Square	F	Sig.
Digital technology systems are used to promote collaboration among the employees	Between Groups	18.4	5	3.68	31	0
	Within Groups	13.6	114	0.119		
Total		32	119			

V. INFLUENCE OF ORGANISATION STRATEGY ON DIGITAL TRANSFORMATION AT KENYA AIRWAYS

To determine how organisation strategy influences digital transformation of Kenya Airways, Correlation analysis was conducted between the various components of organisational strategy studied in this section and digital transformation. The Correlation statistics generated were as summarised in (Table 21).

Table 21 Correlation between organisation strategy on and digital transformation

Variable	Correlation Coefficient	Sig. (2-tailed)
Digitization of customer touch points and processes	.222*	.015
strategic plan that supports digital transformation initiatives	.603**	.000
Communication of Strategic plan targets to departments and staff	.454**	.000
Adequate funding of digital processes each year	.603**	.000
Budgetary flexibilities that accommodate shifting IT priorities	.518**	.000
Dedicated a department to support all the staff with the digital transformation	.625**	.000
Roadmap for digital transformation of the organisation	.700**	.000
Constantly training on digital technology utilisation	.377**	.000
Use of Digital technology for staff collaboration	.516**	.000
Full utilization of digital technology installed by the staff	.365**	.000

*. Correlation is significant at the 0.05 level

Findings show a positive correlation between the ten components organisational strategy studied under this section and digital transformation which was statistically significant. The components are digitization of customer touch points and processes (Sig.<0.05), strategic plan that supports digital transformation initiatives (Sig.<0.05), Communication of Strategic plan targets to departments and staff (Sig.<0.05), Adequate funding of digital processes (Sig.<0.05), Budgetary flexibilities that accommodate shifting IT priorities (Sig.<0.05), Dedication of a department to support all staff with the digital transformation (Sig.<0.05), digital transformation

Roadmap (Sig.<0.05), Constant training on digital technology utilisation (Sig.<0.05), Use of Digital technology for staff collaboration (Sig.<0.05) and Full utilization of digital technology installed (Sig.<0.05). The findings imply that the implementation of organisational strategies that are consumed and are supportive of digital technologies at Kenya Airways had led to a digital transformation at the organisation.

5.1 Regression Analysis on organisational strategy and digital transformation at Kenya Airways

Further analysis was conducted to determine the extent to which the adoption of the various components of the organisational strategies had influenced digital transformation at the organisation. Regression modelling techniques were adopted to identify variables responsible for the causal effect and the following regression model developed:

$$Y = B_0 + B_1X_1 + B_2X_2 + B_3X_3 + B_4X_4 + B_5X_5 + \epsilon$$

Where:

Y= Digital transformation (Dependent Variable)

B₀ = Constant of Regression

X₁ = customer processes

X₂ = Strategic planning

X₃ = Communication of Strategic plan targets

X₄= Adequate funding of digital processes

X₅= Budgetary flexibilities that accommodate shifting IT priorities

X₆= Dedicated a department to support all the staff with the digital transformation

X₇= Roadmap for digital transformation

X₈= Constant training on digital technology utilisation

X₉= staff collaboration

X₁₀= Full utilization of digital technology installed by the staff

é. = Error term

The SPSS software was used to generate the multiple regression statistics at 0.05 level of significance. Step wise method was adopted due to the high number of independent variables considered for the model. The SPSS software was used to generate the regression statistics at 0.05 level of significance. The results were as shown in Table 22.

Table 22 Organisational strategy and digital transformation at Kenya Airways

Model Fitting Information				
Model	Model Fitting Criteria		Likelihood Ratio Tests	
	-2 Log Likelihood	Chi-Square	df	Sig.
Intercept Only	231.576			
Final	3.255	228.321	16	.000
Pseudo R-Square				
Cox and Snell		.751		
Nagelkerke		.771		
McFadden		.711		
Likelihood Ratio Tests				
Effect	Model Fitting Criteria		Likelihood Ratio Tests	
	-2 Log Likelihood of Reduced Model	Chi-Square	df	Sig.
Intercept	3.255 ^a	.000	0	.000
Strategic planning	33.808 ^b	30.553	2	.000
Communication of Strategic plan targets	25.436 ^b	22.181	4	.000
Adequate funding of digital processes	3.255 ^b	.	2	.000
Department for digital transformation support	37.414	34.159	4	.000
Parameter Estimates				
	B	Std. Error	Wald	
Intercept	-51.199	4828.952	.000	
Strategic planning	31.627	1398.732	.001	
Communication of Strategic plan targets	30.732	3257.000	.000	
Adequate funding of digital processes	31.372	3065.913	.000	

Department for digital transformation support	48.080	4508.017	.000
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The Model Fitting Information of the Regression results show a chi square value of 228.321 which was associated with $p < 0.05$ implying that statistically significant causal effect existed between the dependent variable and at least one of the independent variables in model.

The Pseudo R-Square section of Table 18 that the Coefficient of Determinant R^2 of the model as 0.771 (Nagelkerke) suggesting that the explanatory power of the independent variables over the dependent variable was 77.1% implying that the remaining 22.9% of the variations in the model were taken care of by the error term. This led to the finding that the ten components of organisational strategy studied, were responsible for up to 77.1% of the variations in digital transformation at Kenya Airways.

The Likelihood Ratio Tests section of Table 18 shows that four of the eleven independent variables were selected through the step wise method as being responsible for the statistically significant variations in the dependent variable because they were associated with (Sig.<0.05). These are organization strategic plan that supports digital transformation initiatives, Strategic plans and targets for each department that are communicated to all staff appropriately, Adequate resources and funding being allocated to the digital processes every financial year, and a dedicated department identified and resourced to support all the staff and departments with the digital transformation. Their respective beta coefficients were therefore used to extract the regression model.

The model was therefore summarized as:

$$Y = -51.199 + 31.627X_2 + 30.732X_3 + 31.372 X_4 + 48.080X_6$$

Where:

Y= Digital transformation (Dependent Variable)

X_2 = Strategic planning

X_3 = Communication of Strategic plan targets

X_4 = Adequate funding of digital processes

X_5 = Budgetary flexibilities that accommodate shifting IT priorities

X_6 = Dedicated a department to support all the staff with the digital transformation

$\hat{\epsilon}$. = Error term

Dedicated a department to support all the staff with the digital transformation had a beta coefficient of 35.964 while strategic plan that supports digital transformation initiatives, Communication of Strategic plan targets to departments and staff, and Budgetary flexibilities that accommodate shifting IT priorities had coefficients of 31.627, 30.732 and 31.372 respectively. The coefficients implied that dedicating a department to support all the staff impacted the most on the dependent variable when compared to strategic plan that supports digital transformation initiatives, Communication of Strategic plan targets to departments and staff, Budgetary flexibilities that accommodate shifting IT priorities. Kenya Airways could therefore pay more attention to these four aspects of corporate culture in order to realise digital transformation within the organisation efficiently.

VI. DISCUSSION

We found that the organizational strategic plans at Kenya Airways support digital transformation initiatives. Kane et al. (2015) propose that the success of a digital transformation initiative is dependent upon having a clear and effective digital strategy endorsed by leaders. To navigate the complexity associated with an organisation's digital transformation, many leaders find themselves overwhelmed as to how they should orient their digital transformation strategy prior to embarking on such an initiative (Kane et al. 2015, 2016). Unpacking the key underlying factors affecting the organisational digital transformation can greatly assist the leaders to streamline their investments, develop a comprehensive digitisation roadmap and explore new digitalisation opportunities (Abolhassan 2017; Matt, Hess & Benlian 2015; Westerman et al. 2011).

However, the strategic plans and targets for each department were not communicated to all staff uniformly. Hoafu (2016) observes that effective communication guarantees organizational success. Further, effective communication is largely dependent on the methods of communication, effectiveness and suitability of the channel selected and how receptive or accessible are the superiors to the subordinates, among other factors. Effective communication is the lifeblood of organizations, and that efficient and effective communication influences the positivity bottom line of our organizations in achieving organizational strategic goals.

In addition, the annual allocation of funds for the digitization processes at Kenya Airways was inadequate. Matt *et al.*, (2015) state that strategic planning for digital processes involves allocating appropriate resources to drive the digital strategy. Having a broad view that puts into consideration financial allocations, technology and business processes of a company is critical to the effective implementation of a digital strategy (McDonald, 2012).

Findings from regression analysis indicate that the factors that affected digital transformation the most were dedicating a department to support all the staff on digital transformation initiatives, strategic plans that support digital transformation, communicating strategic plans effectively and budgeting for digital transformation. Kenya Airways could therefore pay more attention to these four aspects of organisational strategy in order to realise digital transformation within the organisation efficiently. Bharadwaj *et al.* (2013) posit that an efficient strategy can potentially promote organizational development and its surrounding environment affecting its operations, products and value creation models.

In conclusion, digital strategy ought to be developed and adopted at a corporate level and not merely viewed as a strategy of the IT department (Hess *et al.* 2016; Matt *et al.* 2015; McDonald, 2012; Westerman *et al.* 2011). It is not enough for organisations to merely invest in digital technologies and implement modern IT systems, they need to have a broad based outlook of digital transformation at the management level (Manyika, Ramaswamy, Khanna, Sarrazin, Pinkus, Sethupathy & Yaffe, 2015).

VII. RECOMMENDATIONS

The study recommends that the management of Kenya airways should ensure that the department dedicated to support the staff and departments on the digital transformation be adequately equipped and resourced to enable it support and fast track all the departments and staff lagging behind the digital transformation process.

Further the management of Kenya airways should pay more attention to the four aspects of corporate strategy found to be the most impactful in realisation of digital transformation these are: digitization of customer touch points and processes, developing a strategic plan that supports digital transformation initiatives, communication of Strategic plan targets to all departments and staff, and providing budgetary flexibilities that accommodate shifting IT priorities.

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