

**ORGANIZATIONAL CHANGE MANAGEMENT AND EMPLOYEE PERFORMANCE IN  
PUBLIC SECTOR ORGANIZATIONS IN KENYA:  
THE CASE OF PARLIAMENTARY SERVICE COMMISSION**

Andrew Shangarai Jumanne  
Kenyatta University Student  
Email address; kakaasjumanne@gmail.com

Dr. Jane Njoroge (PhD), Lecturer  
Department of Public Policy and Administration  
Kenyatta University  
Email address; strategicgakenia@gmail.com

**Abstract**

The study investigated the effect organizational change management on employee performance Public Sector Organizations in Kenya; Case of Parliamentary Service Commission (PARLSCOM). A descriptive research design was employed to describe the performance of employees in PSC after the change. The study was conducted through a descriptive research design. The target population was all the 914 employees of PARLSCOM on permanent and pensionable terms. The study used stratified and simple random sampling techniques to draw a sample of 91 employees from the target study population. Self-administered questionnaire and interview guides were used to collect primary. Secondary data was obtained from PARLSCOM's annual reports, government publications and earlier research. Reliability of the instruments was tested using Cronbach's alpha reliability where Cronbach's alpha of 0.94 was obtained which was greater than 0.7 which implied that the instrument had a high level of internal consistency. Data was analyzed using descriptive and inferential statistics. Descriptive statistics was used to summarize data while inferential statistics, specifically multiple linear regression was used to test hypotheses. The analysis was done using Microsoft Excel 2013 Analysis ToolPak. The results indicated that organizational change management had a positive significant effect on performance of employees in PARLSCOM. Cultural Change Management, Technological Change Management, Structural Change Management and Leadership Change Management were all found to be significant in explaining the variation of employee performance. The study recommends that Change Management is a critical factor in increasing employee performance therefore HR managers should ensure clarity and stability in the organization's structure to improve change management. Finally, the study recommends further research be done by replicating the same study in other organizations and also using other independent variables other than the ones used in this study.

**Key words:**

*Structural Change Management, Leadership Change Management, Cultural Change Management, Technological Change Management, and Employees' Performance* June 2018

## **Chapter One: Introduction**

### **1.1 Background of the study**

Wright and McMahan (2011), define Employee Performance as those job related activities expected of a worker and how well those activities are executed. McKinsey surveyed the USA federal employees from different agencies to determine the elements that contribute most to organizational performance and also compared the results to private-sector benchmarks. The study found that, the US federal government came after the private sector in a number of important organizational-performance measures, particularly in fostering employee engagement, talent management, and accountability

Madan, Jasleen and Bajwa (2016) in their study in India found that employees are the main component of an organization without which accomplishment of objectives is rarely possible. The study further found that organizational change management influences the performance level of employees. One of the main challenges facing implementation of result-based management in Tanzanian public sector is declining employee performance (Sulle, 2011). Public sector reform still remains a necessary and on-going policy objective for many developing countries. In Kenya, this is being done to overhaul its administrative system to better serve the needs of both government and the citizenry with improved delivery of public services to reduce poverty, improve livelihoods, and sustain good governance (Hope, 2012).

Organizational culture is the commonly held beliefs, attitudes and values that exist in an organization that influence how people behave and how things get done. It plays a large role in determining whether the organization is a happy and healthy environment for employees to work in (Tsai, 2011). According to Kopar (2015) culture represents the ‘social glue’ and generates a ‘we-feeling’, thus counteracting process of differentiations which are an unavoidable part of organizational life. Organizational culture offers a shared system of meanings which is the basis for communications and mutual understanding. If these functions are not fulfilled in a satisfactory way, culture may significantly reduce the performance of employees.

Leadership change management is the ability to influence others through personal advocacy, vision and drive, and to access resources to build a solid platform for change. Leadership is often viewed as key to successful change (Ganz, 2010). According to Schein (2010) Leadership change management works towards what is best for individuals and what is best for a group as a whole simultaneously. It is also an attitude and a work ethic that empowers an individual in any role to lead from the top, middle, or bottom of an organization. Shin, Taylor and Seo (2012) recommended that Managers and leaders should develop a strong culture in the organization to improve the overall performance of the employees and organization.

Antonelli (2012) defined Technological Change as the invention of technologies (including processes) and their commercialization via research and development (producing emerging technologies), the continual improvement of technologies (in which they often become less expensive), and the diffusion of technologies throughout industry. According to Dauda and Akingbade (2011), the state of technology in any organization has a significant influence on the

quality and quantity of production of its goods or services. But despite this, technology is prone to constant change which organizations have to monitor, manage and cope with.

According to Merker (2011), organizational structure is the hierarchical arrangement of lines of authority, communications, rights and duties of an organization. The structure of an organization determines how the roles, powers, and responsibilities are assigned, controlled and coordinated and how information flows between different levels of management. An organizations structure can be centralized or decentralized. In a centralized structure, decision making is a preserve of the top management who also have tight control over departments and divisions. Organizations may find it necessary to change their organization structures in order to remain competitive or adapt to changes that have happened or are anticipated to happen to the organization. Organizational structure defines the way employee's complete tasks and interact with each other in the organization. Organization structural changes can inhibit or promote employee performance, depending on how effectively the supervisory relationships and workflow influences productivity (Amed, Rehman, Asad & Bilal, 2013).

### **1.1.1 Parliamentary Service Commission**

The Parliamentary Service Commission (PSC) was established through an Act of Parliament in the year 2000. The mandate of the Commission is to facilitate the members of parliament to efficiently and effectively perform their roles of legislation, oversight, budget making and representation of the people of Kenya. The new constitutional dispensation had far reaching implications on the leadership, structure, roles and functions of Parliament. This entailed availing all the infrastructure including, offices and other amenities required for the two Houses of Parliament in time for the new Parliament (Constitution of Kenya, 2010). The study investigated the effect of management of these changes on performance of employees.

## **1.2 Problem Statement**

Declining employee performance is one of most widespread problems facing public sector organizations and a major cause of poor performance of the public sector organizations when compared to their private counterparts (Shah, Ali, Najabat & Zulfiqar, 2015). Public sector reforms have been advocated by scholars as a necessary remedy for poor employee performance for many developing countries. The new constitutional dispensation had far reaching changes in the commission's leadership, structure, technology and culture aimed at improving service delivery (Republic of Kenya, 2010). However previous scholarly studies have not focused on this area especially the relationship between the management of these changes and performance of employees. This is the gap in scholarly literature that the study sought to fill.

## **1.3 Research Objectives**

- i. To establish whether structural change affect employee performance of the Parliamentary Service Commission of Kenya
- ii. To examine the effect of leadership change on performance of employee of the Parliamentary Service Commission of Kenya
- iii. To establish whether technological change affect employee performance of the Parliamentary Service Commission of Kenya

- iv. To determine the effect of cultural change management on employee performance of the Parliamentary Service Commission of Kenya

#### **1.4 Study Hypotheses**

Based on the research objectives, the following null-hypothesis were formulated tested on five percent level of significance ( $\alpha = 0.05$ )

**H<sub>01</sub>:** There is no relationship between structural change management and employee Performance

**H<sub>02</sub>:** There is no relationship between leadership change of management and employee Performance

**H<sub>03</sub>:** There is no relationship between technological change management and employee Performance

**H<sub>04</sub>:** Cultural change management has no effect on employee performance

#### **1.5 Justification and Significance of the Study**

Change management is important especially in organizations undergoing change as it helps to minimize resistance, increase engagement, improve performance, reduce costs, and enhance innovation. The Parliamentary Service Commission undertook major infrastructural, technological and structural expansions in its bid to comply with the provisions of the 2010 constitution and improve efficiency in service delivery. This study sought to analyze to examine how these changes were managed and the impact of this on performance of its employees with an aim of providing scholarly literature that is currently missing.

The findings and recommendations of this study are useful to the parliamentary service commission by providing empirical data that may serve as evidence in formulating strategies, policies, and building effective and efficient processes for organizational change management and, also beneficial to other researchers and human resource managers by providing the missing scholarly literature on organizational change management and employee performance in the public sector organizations.

#### **1.6 Scope of the Study**

This study focused on organizational change management and employee performance in the public sector organizations using the case of the Parliamentary Service Commission of Kenya. The study sought to examine the relationship between organizational change management and employee performance in the Parliamentary Service Commission in Kenya.

#### **1.7 Limitations of the Study**

Study limitations included getting all the respondents in the target group as well as getting absolute and realistic responses from all the responses. The researcher overcame this by distributing the questionnaires personally and did follow-ups to get back as many questionnaires as possible. Another limitation was shortage of relevant literature in Kenyan relating to organizational change management and employee performance resources and more so on organizational change management. However, the researcher used studies done in the developed countries and other African countries.

**Chapter Two: Review of Related Literature****2.1 Empirical Literature Review****2.1.1 Employee Performance**

Ochoti, Maronga, Muathe, Nyabwanga and Ronoh (2012) investigated factors influencing Employee Performance Appraisal System in the Ministry of State for interior and coordination, Nyamira county Kenya. The results of the study showed that 55.1% of the variation in performance of employees can be explained by the changes in implementation process, interpersonal relationships, ratter accuracy, informational factors and employee attitudes. The study recommended further research to be conducted to determine the influence of the PAS outcome on employee performance.

**2.1.2 Structural Change Management and Employee Performance**

Kimathi (2016) in a study that investigated the influence of strategic change management practices at Coca Cola Company in Kenya, revealed that incompatibility of the new change with existing organization structure, information technological innovations, political interference, social factors and consumer behaviour among key challenges faced by the company. The study used three step theory of change, force field analysis theory and Kanter model of change management and was conducted through a case study.

**2.1.3 Leadership Change Management and Employee Performance**

Van der Voet, Kuipers and Groeneveld (2016) noted that Public organizations often need to implement changes in governance, design and delivery of public services and that, employees play a central role in implementation of these changes. Carter, Armenakis and Mossholder (2013) tested a theoretical framework concerning the relationship between transformational leadership behavior and affective commitment to change in a public sector context.

The results showed that direct supervisors contribute to processes of organizational change, thereby increasing effective commitment to change among employees. The results further showed that, specific context of public organizations determined the transformational leadership behavior of direct supervisors. Walumbwa, Mayer, Wang, Wang, Workman and Christensen (2011) investigated the link between ethical leadership and employees' performance using secondary data from the People's Republic of China. The results revealed that ethical leadership was positively and significantly related to employee performance as rated by their immediate supervisors. The findings were also consistent with social exchange, social learning, and social identity theories that the study employed.

Ogari (2014) investigated Factors influencing implementation of Judiciary System projects in Kenya and the findings from this study ranked leadership the most influential factor. The study established that good leadership influenced the financial capacity and steered the direction of the technical capacity as well as determined the organizational culture of the project. Poor leadership on the other hand would lead to the opposite.

#### **2.1.4 Cultural Change Management and Employee Performance**

Frank (2011) examined five factors that influence pay for performance beliefs among federal workers in the United States of America. Multivariate logit analysis found that federal employees were significantly more likely to believe in the promise of pay for performance if they consider their performance evaluation system to be fair and accurate, feel they are treated fairly on all personnel matters, believe their immediate supervisor makes pay for performance decisions fairly, and have positive perceptions of their organizational culture.

A quantitative, cross-sectional survey study to determine whether there is a relationship between organizational culture and organizational commitment in a consulting firm in South Africa found statistically significant relationships between the existing role culture, affective and normative commitment, as well as a relationship between the existing support culture and affective and normative commitment. The results were analyzed using Pearson's correlation analysis (Naik, 2011). A study by Auma (2014) whose aim was to measure organizational culture and its impact on employee performance of Moran East Africa publishers, through an analysis of existing empirical studies and models found that organizational culture had a deep impact on the variety of organizations process, employees and its performance.

Kiiru (2014) investigated the influence of organizational culture on performance of hospitals in Nairobi. The findings revealed that majority of the respondents agreed that organizational values, employees' attitudes towards work and the cultural traits influence various aspects of their performance such as employee satisfaction, the quality of their services, their revenue growth and overall performance in a positive way. The study recommended that that organizational culture development programs be implemented at all levels of the organizations in order to help employees develop a better understanding of the importance of organizational culture and to foster a cohesive organizational culture.

#### **2.1.5 Technological Change Management and Employee Performance**

Dauda and Akingbade (2011) carried out a study to determine the relationship between technological change and employee skill; and between technological change and employee performance in the Nigerian manufacturing industry. The findings from the study showed that technological change has a significant relationship on employee skills and employee performance. Employees are required to upgrade their skills to cope with technological change for them to be relevant. Significant improvements were noted in the selected manufacturing industry performance, which are related to employee performance and satisfaction, but were not sufficient to cope with global competitiveness.

A quantitative study by Wachira (2013) which sought to determine the effects of technological innovation on the performance of commercial banks in Kenya showed that customer care employees at the banks valued technological innovations. The results further revealed a positive and significant relationship between banks' performance in terms of profitability and adoption of various technological innovations including customer independent technology, customer assisted technology and customer transparent technology. The study underscored the need for banks to continuously invest in technological innovations for them to remain highly competitive.



**2.2 Theoretical Review**

**2.2.1 Lewin’s Three-Step Change Theory**

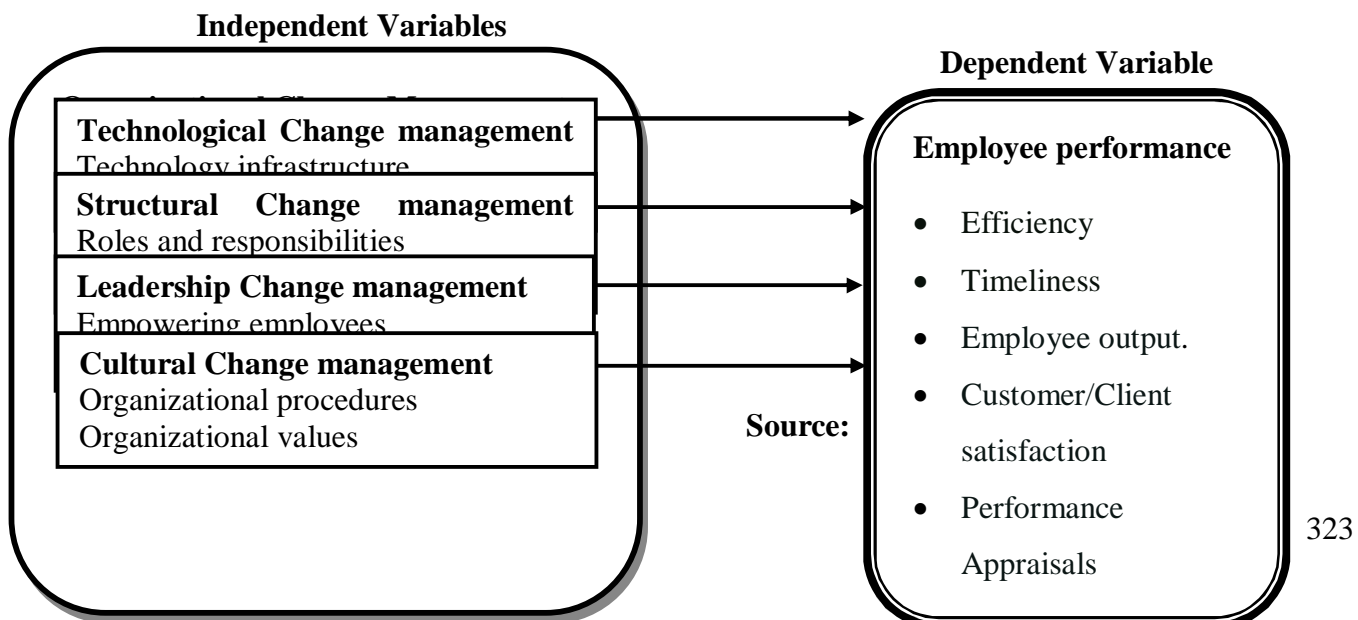
Lewin (1951) introduced the three-step change theory. Lewin viewed behaviour as a dynamic balance of forces working in opposing directions. Driving forces facilitate change because they push employees in the desired direction. Restraining forces hinder change because they push employees in the opposite direction.

According to Lewin, the first step in the process of changing behaviour is to unfreeze the existing situation or status quo. During the unfreezing stage awareness of how the status quo is hindering the organization in some way is created. Communication is important during the unfreezing stage so that employees can become informed about the imminent change, the logic behind it and how it benefits each employee. The idea is that the more the employees know about a change and the more they feel it is necessary and urgent, the more motivated they are to accept it (Brisson-Banks, 2010). This changing is marked by the implementation of the change; the change becomes real. During the changing step people begin to learn the new behaviours, processes and ways of thinking. During this step, education, communication, support and time are critical for employees as they become familiar with the change (Hamel & Prahalad, 2013)

The final stage of Lewin’s three-step change model is the stage of reinforcing, stabilizing and solidifying the new state after the change. The technological, cultural, structural changes made are accepted and refrozen as the new norm or status quo. Lewin found the refreezing step to be especially important to ensure that people do not revert back to their old ways of thinking or doing prior to the implementation of the change (Wambua, 2012; Vincent, 2013; Coghlan, Rashford & Figueiredo, 2015). Efforts must be made to guarantee the change is not lost; rather, it needs to be cemented into organization's culture and maintained as the acceptable way of thinking or doing.

**2.3 Conceptual Framework**

The conceptual frame work showed the relationship between the independent variables and the dependent variable.



## **Chapter Three: Research Methodology**

### **3.1 Research Design**

The study was carried out through a descriptive research design. According to Kothari (2014) the purpose of descriptive research design, is to collect detailed and factual information that describes an existing phenomenon. It attempts to describe such things as possible behavior, attitudes, values and characteristics as they exist. Explanatory research design was also be used in giving clarifications as to why and how the variables are interdependent and also explain the relationship between the variables and the results of the research.

### **3.2 Target Population of the Study**

The study was conducted at the Parliamentary service commission offices in Nairobi Kenya. The target population of study was all the 914 permanent and pensionable employees of Parliamentary service commission.

### **3.3 Sampling Method**

Stratified sampling was used because it was possible to sub-divide the target population into three mutually exclusive strata that were based on the sector of service. The three sectors included the National Assembly, the Senate and the joint Service.

### **3.4 Sampling technique**

The sampling technique that was used in this study simple random sampling. All the employees had equal chances of being included into the sample.

### **3.5 Sample Size**

A total of ninety one respondents were identified and questionnaires were administered to them. This is in consistent with Mugenda (2003), that 10% of the accessible population is enough for a sample size that is a representative of the study population.

### **3.6 Data collection procedure**

The researcher developed a questionnaire that addressed employee performance and issues of organizational change management which included leadership change management, structural change management, technological change management and cultural change management. The questionnaire contained questions which sought the respondents view on organizational change management and employee performance. The questionnaire was pre-tested using the first four respondents who did not form part of the study sample. Thereafter, the tool was refined and data collection commenced. The researcher also conducted face-to-face interviews with one interviewee from each sector of service i.e. the national assembly, the senate and the joint service.

### **3.7 Data analysis**

Data was analyzed using descriptive and inferential statistics. Descriptive statistics such as percentages was used to summarize data while inferential statistics, specifically multiple linear regression was used to test hypotheses. The regression analysis was done using Microsoft Excel 2013 Analysis ToolPak.



## Chapter Four: Data Presentation, Analysis and Discussion

### 4.0 Research Findings

#### 4.1 Profile of the Respondents

The respondents were categorized into three categories: National Assembly, the Senate and the Parliamentary Joint Service

**Table 4. 1 Category of Respondents**

Parliamentary Service	Male	Female	Total	Percentage
National Assembly	10	6	16	21
Senate	4	4	8	11
Parliamentary Joint Service	29	23	52	68
<b>Total</b>	<b>43</b>	<b>33</b>	<b>76</b>	<b>100</b>
<b>Percentage</b>	<b>57</b>	<b>43</b>	<b>100</b>	

Source: (Researcher, 2017)

From the results above, majority (68%) of the respondents were from the Parliamentary Joint Service. The results also showed that no gender had more than two thirds of the respondents.

#### 4.2 Employee Performance in the Parliamentary Service Commission

The responses were on the level of 1 to 5. The results are given in Table 4.2

**Table 4. 2 Employee Performances in the Parliamentary Service Commission**

ID#	Description	Response Rate Scale of 1 - 5					Mean	STDEV
		Strongly Disagree (1)	Disagree (2)	Neutral (3)	Agree (4)	Strongly Agree (5)		
1.	Employee Performance has been affected by change in leadership	8%	7%	21%	38%	26%	3.684	1.169
2.	Employee Performance is influenced by environmental factors like politics	1%	7%	17%	45%	30%	3.961	0.930
3.	Employee Performance is affected by structural change	4%	11%	25%	41%	20%	3.618	1.045
4.	Evolving cultures in the three services influences the Performance of Employee	1%	8%	25%	42%	24%	3.789	0.943
5.	Organizational values' change influences Employee Performance	3%	9%	21%	41%	26%	3.789	1.024
6.	Employee's performs better with technological innovation	4%	5%	18%	38%	34%	3.934	1.050
7.	Employees performance goes up with Automations in ICT	7%	11%	16%	42%	25%	3.684	1.157
8.	Communication among the Employees increases their performance	3%	8%	25%	34%	30%	3.816	1.042

9.	Organizational procedures affect the Performance by Employees	4%	7%	14%	46%	29%	3.895	1.027
10.	Level of training improves employees output	4%	4%	17%	36%	39%	4.026	1.045
11.	Good leadership tenets can impact on employee performance looking at satisfaction and timeliness	5%	5%	13%	41%	36%	3.961	1.089
12.	Organization Leadership Plans can impact on employee performance and meet client and customer satisfaction	3%	8%	18%	42%	29%	3.868	1.011
13.	There are other leadership supports provided by management supporting employee efficiency.	4%	7%	24%	43%	22%	3.737	1.012
14.	Support given by Top management to boost creativity and innovation from employee is recommendable for efficiency in employee performance.	7%	5%	28%	22%	38%	3.803	1.200
15.	There is high level of employees' involvement in Organisational Change Management; and this involvement gives them motivation in performance.	11%	13%	17%	41%	18%	3.434	1.237
16.	The performance appraisal system (PAS) by the organization has improved the performance of employees.	8%	16%	20%	38%	18%	3.434	1.193
17.	Employee empowerment makes their Performance improved.	8%	7%	17%	53%	16%	3.618	1.083
18.	Top management in the organization make decision/ policies while middle and lower management implements; this improves employee performance.	9%	12%	24%	36%	20%	3.447	1.204
19.	Roles and responsibility scheduling enhances performance of employees.	5%	7%	24%	41%	24%	3.711	1.069
20.	Discrepancies in employee enlisting, duty allocations, promotions, training and absenteeism affects performance in the organization; this has affected employee performance.	3%	5%	18%	37%	37%	4.000	1.007
<b>AGREGATE</b>							<b>3.761</b>	<b>1.077</b>

**Source:** (Researcher, 2017)

The aggregate mean score for employee performance was 3.761 and standard deviation of 1.077. This implies that on average the respondents agreed organizational change management influenced employee performance. The result is supported by the low standard deviation, showing that only a few employees

vary in their opinions. Employees were neutral on employees' involvement in Organisational Change Management; and whether this involvement gives them motivation in performance of their duties with a mean of 3.434 and a large standard deviation of 1.237. On the other hand, the respondents agreed with a mean score of 4.00 and a standard deviation of 1.007 that the discrepancies in employee enlisting, duty allocations, promotions, training and absenteeism negatively influenced employee performance in the organization. The respondents too were neutral with a mean score of 3.434 and standard deviation of 1.193 that the current performance appraisal system used by the organization has improved the performance of employees.

### 4.3 Change Management factors that affect Employee Performance in the Parliamentary Service Commission

The responses were on the level of 1 to 5. The results are given in Table 4.3

**Table 4. 3 Organization Change Management factors that affect Employee Performance in the Parliamentary Service Commission**

ID#	Description	Response Rate Scale of 1 – 5					Mean	STDEV
		Strongly Disagree (1)	Disagree (2)	Neutral (3)	Agree (4)	Strongly Agree (5)		
<b>Organisational Culture Change Management factors that affect Employee Performance</b>								
21.	Change in organizational procedures affect Employee Performance	3%	7%	22%	47%	21%	3.776	0.947
22.	Change in working environment affect the Employee Performance	3%	5%	9%	46%	37%	4.092	0.955
23.	Change in Organizational norms promote Employee Performance	7%	7%	25%	32%	30%	3.724	1.162
24.	organization sub-cultures in Services affects Employee Performance	4%	5%	21%	36%	34%	3.908	1.061
25.	Change in our Organizational values influences Employee Performance	5%	5%	12%	50%	28%	3.895	1.040
<b>AGREGATE</b>							<b>3.761</b>	<b>1.077</b>
<b>Technological change Management Factors that affect employee performance</b>								
26.	Changes in technology affect Employee Performance	4%	7%	16%	42%	32%	3.908	1.048
27.	ICT automations has had great influence on how Employees perform	5%	5%	16%	39%	34%	3.921	1.093
28.	ICT enhances Employee Efficiency	7%	11%	12%	37%	34%	3.816	1.208
29.	Innovation in Technology improves communication among the Employees	4%	5%	17%	34%	39%	4.000	1.071
30.	Technology reduces workload of Employees in the Organization	3%	7%	17%	38%	36%	3.974	1.019
<b>AGREGATE</b>							<b>3.924</b>	<b>1.088</b>
<b>Structural change Management Factors that affect employee performance</b>								
31.	Roles and responsibilities influence the Employee Performance	4%	11%	24%	39%	22%	3.658	1.065
32.	Due to Mergers & acquisitions in organizations, employees' performance is affected?	5%	8%	13%	46%	28%	3.829	1.088

33.	My job description spells out my duties, and for how I should execute them and others in the organization	5%	9%	17%	42%	26%	3.750	1.109
34.	Leaders and management in the organization give authority for decision making and actions for employee's efficient performance	7%	1%	21%	49%	22%	3.789	1.024
35.	Directors/Heads of departments encourages employee to work within the structures of organization	7%	8%	21%	39%	25%	3.684	1.134
<b>AGREGATE</b>							<b>3.742</b>	<b>1.084</b>
<b>Leadership Change Management Factors that affect Employee Performance</b>								
36.	Empowering employees increases their performance	5%	7%	17%	36%	36%	3.895	1.126
37.	A clear vision for organizations motivates for increased performance	3%	3%	17%	39%	38%	4.079	0.949
38.	Change in leadership has influenced employee performance in the organization	8%	9%	16%	41%	26%	3.684	1.191
39.	Ethical leadership gives trust to employees in the organization	4%	8%	12%	53%	24%	3.842	1.007
40.	Change leadership gives a conducive working environment	5%	3%	20%	36%	37%	3.961	1.076
<b>AGREGATE</b>							<b>3.892</b>	<b>1.070</b>

**Source:** (Researcher, 2017)

#### 4.4 Organizational Culture Change Management and Employee Performance

Table 4.3 indicates that the aggregate mean is 3.761 and standard deviation is 1.077 implying that the respondents agree that Organisational Culture Change Management results to higher levels of employee performance. This is supported by the standard deviation of 1.077 which indicates higher levels of agreement on the effect of Organisational Culture Change Management on employee performance. The respondents also agreed with a mean score of 3.776 and a standard deviation of 0.947 that Change in organizational procedures boosted employee Performance. The low standard deviation is an indicator of a small variation in the respondents' opinions. The respondents agreed with mean score of 4.092 and standard deviation is 0.955 that improved working environment improved the Employees' motivation. Similarly, the respondents were in agreement with mean score of 3.724 and standard deviation of 1.162 that Change in Organizational norms promoted Employee Performance. The respondents also agreed that organizational sub-culture management in the National Assembly, the Senate and the Joint Service enhanced the performance of the employees. This is supported by a mean score of 3.908 and a standard deviation of 1.061.

#### 4.5 Technological Change Management and Employee Performance

Table 4.3 indicates that the aggregate mean is 3.924 and standard deviation is 1.088 implying that the respondents agree that Technological change Management enhanced employee performance. The respondents were in agreement with a mean score of 3.921 and standard deviation of 1.093 that ICT automations in the parliamentary service Commission has had shortened length of time required to deliver services. The respondents also agreed with a mean score of 3.921 and standard deviation of 1.093 that introduction of ICT had enhanced efficiency in service delivery. Similarly, the

respondents agreed with a mean score of 4.000 and standard deviation of 1.071 that Innovation in Technology had improved communication among the Employees of the Parliamentary service commission. The respondents similarly agreed that the way technological change was managed had reduced workloads of Employees in the Organization.

#### **4.6 Structural change Management and employee performance**

Table 4.3 indicates that the aggregate mean 3.742 and standard deviation is 1.084 implying that the respondents agree that Structural Change Management resulted to improved employee performance. This is supported by a low standard deviation which indicates higher levels of agreement on the effect of Structural Change Management on employee performance. The respondents agreed with a mean score of 3.658 and standard deviation is 1.065 that reassignment of Roles and responsibilities had positively influenced Employee Performance. The respondents also agreed with a mean score of 3.829 and standard deviation 1.088 that service merging had enhanced effectiveness in employees' performance. The respondents also agreed that job description which clearly spelled out their duties had improved efficiency in their performance. This was supported by a mean score of 3.750 and standard deviation of 1.109. The respondents agreed with a mean score of 3.789 and standard deviation 1.024 that allowing employees to participate in decision making improved their identification with the organization's objectives hence promoting efficiency in their performance. They also agreed with a mean score of 3.684 and standard deviation 1.134 that Directors and Heads of departments encouraged employees to work within the structures of organization which they said increased their effectiveness in service delivery.

#### **4.7 Leadership Change Management and Employee Performance**

Table 4.3 shows that the aggregate mean score for Leadership Change Management Factors is 3.892 and standard deviation is 1.070. The finding shows that the respondents to a moderate extent agree that Leadership Change Management Factors affect the performance of employees. The respondents agree with a mean of 4.079 standard deviation 0.949 that clear vision for organizations motivated them in the discharge of their duties. They also agreed with a mean of 3.684 and standard deviation 1.191 that Change in leadership in the parliamentary service commission had brought trust and motivation among the employees performance in the organization. Similarly, the respondents agreed with a mean score of 3.842 and standard deviation 1.007 that the ethical leadership practised in the organization further increased their trust and involvement in strategy formulation for the organization.

#### **4.8 Regression Analysis**

Regression Analysis was used to test the entire hypothesis. Regression results are shown in Table 4.4 below.

**Table 4. 4 Regression results for organizational change management factors and Employee Performance**

## SUMMARY OUTPUT

<i>Regression Statistics</i>				
Multiple R		0.835992427		
R Square		0.698883338		
Adjusted R Square		0.681919019		
Standard Error		0.363536438		
Observations		76		

ANOVA				
	<i>Df</i>	<i>SS</i>	<i>MS</i>	<i>F</i>
Regression	4	21.7783083	5.44457707	41.19725273
Residual	71	9.383270648	0.13215874	
Total	75	31.16157895		

	<i>Coefficients</i>	<i>Standard Error</i>	<i>t Stat</i>	<i>P-value</i>
Intercept	0.452712103	0.266299452	1.70001139	0.093505905
Cultural Change Management	0.230117162	0.062037605	3.7093173	0.000409255
Technological Change Management	0.145975017	0.064775089	2.2535672	0.027312741
Structural Change Management	0.271871463	0.075163079	3.61708789	0.000553844
Leadership Change Management	0.211985621	0.069751816	3.03914125	0.003319832

**Source:** (Researcher, 2017)

Table 4.4 shows that the adjusted R-squared is 68.2% meaning that the independent variables (Cultural Change Management, Technological Change Management, Structural Change Management and Leadership Change Management) jointly explain 68.2 percent of variations in the dependent variable (Employees' Performance), while the remaining 31.8% (100% - 68.2%) of the variations in Employees' Performance is explained by other variables not included in the model. Therefore, the model can reliably be used to test the influence of Cultural Change Management, Technological Change Management, Structural Change Management and Leadership Change Management on Employee Performance.

$$EP = 0.453 + 0.23Cc + 0.146Tc + 0.272Sc + 0.212Lc$$

**Where,**

- EP** = Employee Performance
- Cc** = Cultural Change Management
- Tc** = Technological Change Management
- Sc** = Structural Change Management
- Lc** = Leadership Change Management



#### **4.9 Testing of Hypotheses**

Multiple regression analysis was used to test the hypotheses and the results are as follows: The coefficient of Cultural change management was 0.230, the t-statistic and corresponding p-value were 3.709 and  $0.000 < 0.05$  respectively. The null hypothesis was rejected, implying that Cultural change management has a significant effect on the performance of employees of Parliamentary Service Commission in Kenya. These findings were consistent with Auma (2014) found that organizational culture change had a deep impact on the variety of organizations process, employees and its employees' performance.

The coefficient of technological change management was 0.146; the t-statistic and corresponding p-value were 2.254 and  $0.027 < 0.05$  respectively meaning a null hypothesis is rejected, implying that technological change management has a significant effect on the performance of employees of Parliamentary Service Commission in Kenya.

These findings were similar to the findings from the study by Dauda and Akingbade (2011) which showed that technological change management had a significant relationship on employee skills and employee performance and inferred that technological change management was required to upgrade employees' skills.

With structural change management, the coefficient was 0.27; the t-statistic and corresponding p-value were 3.62 and  $0.001 < 0.05$  respectively implying that structural change management has a significant effect on the performance of employees of Parliamentary Service Commission in Kenya because the coefficient of structural change management is positive. The findings here show concurrence with Davis (2015) that Structural change management enabled the organization to respond and adapt to the changing demands from both internal and external environments thus improving employees' performance.

Leadership change management affects employee performance of Parliamentary Service Commission in Kenya. From the analysis, the coefficient of Leadership change management was 0.212, the t-statistic and corresponding p-value were 3.039 and  $0.003 < 0.05$  respectively; the null hypothesis is rejected, with implication that leadership change management has a significant effect on the performance of employees of Parliamentary Service Commission in Kenya. Since the coefficient for leadership change management is positive and significant, it can be inferred that leadership change management has a positive effect on performance of employees of Parliamentary Service Commission in Kenya.

These results agree with Carter, Armenakis and Mossholder (2013) whose results showed that transformational leadership behaviour had direct contribution to processes of organizational change, thereby increasing effective commitment to change among employees. The results further showed that, specific context of public organizations determined the transformational leadership behaviour of direct supervisors. Similarly Walumbwa, Mayer, Wang, Workman and Christensen (2011) revealed that ethical leadership positively and significantly related to employee performance as rated by their immediate supervisors. The findings were also consistent with social exchange, social learning, and social identity theories that the study employed.

## **Chapter Five: Summary of the findings**

### **5.1 Conclusion**

Organizations need highly performing employees to accomplish their goals; to deliver the products and services they specialize in. Improved employee performance implies better delivery of public services to both government and the citizenry. This has the potential to improve livelihoods, and sustain good governance (Hope, 2012). In this study, the researcher examined how organizational change management affected performance of employees in the parliamentary service commission in Kenya, and the following conclusions were made, based on the findings of the study.

The findings also revealed that Structural Change Management had a statistical significant effect on the performance of employees of the parliamentary service commission of Kenya. It therefore implies that organizations should clearly define the Roles and responsibilities of each employee and consider merging similar roles and departments to avoid duplication of duties if they want to improve efficiency in employee performance. Leadership Change Management also had a significant effect on the performance of employees of Parliamentary Service Commission in Kenya. The study therefor concluded that leaders should involve employees in decision making for better performance of their employees. The study found out that technological change management was significant in affecting the performance of employees of Parliamentary Service Commission in Kenya; therefore, the research concludes that Technological Change Management is an important factor in influencing the performance of employees of Parliamentary Service Commission in Kenya. The parliamentary service commission should therefore keep updating their technological systems so as to cope with the changing customer needs for better employee performance. Cultural Change Management was found to be statistically significant in influencing the performance of employees of Parliamentary Service Commission in Kenya; therefore, managers and policy makers should look for ways of motivating human resource in the organization for better performance. Organizations should encourage employees to follow organizational procedures practice the values if they want to improve employee performance.

### **5.2 Contributions of the Study to Knowledge**

The study focused on the area of organizational change management and employee performance, particularly in the parliamentary service commission. This would be beneficial to the management in understanding key change management factors that influence performance of employees. The empirical data herein may provide evidence in formulating strategies, policies, and building effective and efficient processes for organizational change management. The findings from this study also are beneficial to researchers and other human resource managers by providing the scholarly literature on organizational change management and employee performance in the public sector organizations.

### **5.3 Recommendations for Policy Implication**

These findings confirm the study's conceptual model and recommend that human resource managers place employees at the central point when managing organizational change. Human resource managers need to put more effort by investing in people through training and development to enhance knowledge and skills. They should also ensure that their employees participate in setting

organizational values, rules and regulations. Management should pay more attention to technological changes and encourage use of ICT automations while managing change. In addition, the management should put more emphasis and pay additional attention to innovations since they were found to leads to high employee performance.

#### **5.4 Recommendation for Further Research**

The researcher recommends that a similar research should be conducted in other public organizations in Kenya. The current research can be duplicated in order to compare and validate the findings of this study. Further studies should also be carried out to investigate change management factors affecting employee performance in the public sector apart from cultural change management, technology change management, structural change management and leadership change management.

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