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# STRATEGIC CHANGE AND THE PERFORMANCE OF CHARITABLE CHILDREN INSTITUTIONS IN KENYA

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#### Abstract:-

The study examines the role of strategic change on the performance of charitable children's institutions in Kenya. While studies have been done on the management of charitable children institutions (CCIs), little has addressed the role of strategic change on the performance of these important institutions. This study seeks to analyze the relationship between organizational structure change and the performance of charitable children institutions and the effects of technological change on the performance of charitable children institutions. A descriptive research design was used. Both primary and secondary data were used in this study. Primary data was collected from key informants using a self-administered questionnaire while Secondary data was derived from the children department and CCI records. Data was analyzed using descriptive and inferential statistics techniques. Inferential statistics was used to determine the relationship between the study variables and included analysis of variance regression. The study results of the first objective showed that 42.8 percent of the performance of charitable children institutions can be explained by organizational structure (R squared = 0.428). The study results of the second objective revealed that technological changes effect on performance was statistically significant (overall p-value = 0.016). Performance largely depended on the technological changes with 46.9 percent of performance being explained by technological changes (R squared = 0.469). The study recommends that the right structure and technology should be employed for the effective running of the CCIs in Kenya.

Keywords:-Strategic Change, Charitable Children's Institution, Organizational Performance

#### INTRODUCTION

#### **Background of the Study**

Strategic change is a restructuring of an organization's business or marketing plan that is typically performed in order to achieve an important objective. A strategic change might include shifts in a corporation's policies, target market, mission or organizational structure (Mullins, 2007). According to Hofer (2012) Strategic change refers to a difference in the form, quality, or state overtime in organizations alignment with its external environment. This definition implies that an institution or a firm would keep changing their strategy in response to the environmental changes. Organizations therefore must undertake strategic change to evolve to a different level in their life cycle.

Charitable children institutions (CCIs) play a very critical social economic role globally. They provide a political safety valve for governments that are unable or unwilling to tackle the complex social and economic factors driving families to place their children into care (Browne, 2009). They also provide a hiding place for the worst casualties of poverty, social exclusion and discrimination, as well as for children with specific care needs. Browne (2009) further argues that CCIs provides a relatively easy, visible and contained 'solution' to the complex problem of separated, orphaned and abandoned children. Another role is that CCIs provides a neat administrative structure through which funds can be dispersed and accounted for. CCIs provide a tangible output in exchange for donor support and are, therefore, appealing to donors wishing to help as well as to recipients obliged to report on the use of funds (Browne, 2009). Besides, several employees continue to draw their livelihood from CCIs through employment.

Globally, strategic change has become a constant phenomenon which must be attended to and managed properly if an organization is to survive. Organizations around the world have tried to change themselves in the past decade due to the infinite variety of pressures to change including globalization of markets, spread of IT, computer networks and the changing nature of the workforce (Solocum & Heuriegel, 2008). Changes in technology, market, information systems, global economy, social values, workforce demographics and the political environment have a significant effect on the processes, products and services produced. The culmination of these forces has resulted in an external environment that is dynamic, unpredictable, demanding and often devastating to those organizations which are unprepared or unable to respond to change.

In Africa, strategic change has been linked to the organization's competitiveness and response to changes in the environment. Lately in east Africa for example, the integration of EAC has heightened competition amongst the member states. This will have an adverse effect on organizations and institutions in their quest to gain competitive advantage over their competitors. The management of CCIs in Africa therefore should be open to change and other new positive innovations that will spur the CCIs to new heights in their quest to meeting the ever increasing demands of the CCIs.

In Kenya, change in modern business has been caused by a world characterized by fierce competition and uncertainty and thus it is imperative for companies and institutions to change in order to remain competitive (Guidroz, Luce & Denison, 2010). IT for example is a strong driving force for change in Kenya. Strategic change can have many dimensions and unexpected consequences which means that whoever seek to initiate major changes needs to grasp the scale of what they are planning in order to carry out a cost benefit analysis (Rees & Porter, 2008).

The adverse effects due to mismanagement of children institutional care were not fully recognized until the 1980s, largely because, until comparatively recent times, there were no sufficient studies done on this area. Whereas a lot of money from governments and donors has been channeled to these institutions, effects of mismanagement have continued to be experienced. In his related study, Rutter (2007) discovered that, in many respects, children brought up in an institution compared less favourable with children from foster homes, particularly in intelligence tests. He argued that child care institutions fail to address the child in totality because they lack facilities not because they are not available, but because of mismanagement. He concluded that as a result, the effects of early parental deprivation were long-lasting (Rutter, 2007). Comparative studies are consistent and powerful, showing that the adverse effects of CCIs mismanagement can lead to: Poor health, Infectious diseases and intestinal parasites are common. There also Physical under development effects. Both weight and height for age for example are universally low, with stunting and head growth being common problems often affecting cognitive development, hearing and vision problems. These arise partly through poor diet, inadequate medical diagnosis and treatment, and lack of emotional or physical stimulation. Research findings have indicated that children brought up in institutional care have significant and serious delays in the development of both their intellectual capacity for example, language skills and the ability to concentrate on learning and in their ability to interact socially with others hence temper tantrums and behavioural problems are common (Rutter, 2007). Finally, as a result of mismanagement, abuse of children including psychological, physical and sexual is regrettably all too common in CCIs.

In the pre-colonial days, children were the most precious of one's possessions. Hence, the welfare and protection of children were an important communal undertaking and one's status in society was judged by his or her assumed responsibilities for children or relatives (Agyeman-Duah, 2008). Although no child welfare system existed per-se in the pre-colonial era, it was customary for the extended family, through kinship foster care and other community networks, to provide care and protection for children whose parents were unable to do so. Cultural practices also made it possible for children from dysfunctional or poor families to be fostered to kinsmen to receive proper upbringing or an education or learn a trade. Most communities however failed to understand the outcome of change. They were rigid in their traditions hence the reason why the successive generations were dealt a big blow by the new changes. As a result of social change and economic pressure, the kinship foster care system gradually lost some of its capacity to respond to the requirements

of children needing alternative parental care. The advent of colonial rule saw the beginning of modern cities and industrialization. The rural-urban drift weakened the extended family system. Men who migrated to the urban centres often did so without their wives and children, contributing to a breakdown of families (Manful and Badu-Nyarko, 2011). The migrants also had little in common, resulting in limited social cohesion, neighbourliness and sense of responsibility towards dependent children. The economic depression before World War II, also led to several fostered children being cast from their homes and forced to fend for themselves (Agyeman-Duah, 2008).

During post-colonial period, subsequent governments adopted the child welfare provision employed during the colonial period (Laird, 2002). Residential care continued as the main form of social provision for children needing formal alternative care. The governments of the day continued to encourage the setting up of CCIs to cater for the rising number of destitute children. The major cause of the increase was urban-rural migration in search of economic empowerment. While organizational change is a constant experience, knowledge and awareness about many of the critical issues involved in the management of such change is often lacking in those responsible for its progress (Fedor, 2004). Clearly, if organizations are ever to experience a greater level of success in their development efforts, managers and program officers need to have a better framework for thinking about change and an understanding of the key issues which accompany strategic change and its management. Armstrong (2006) asserts that performance management processes have become prominent in recent years as means of providing a more integrated and continuous approach to the management of performance.

#### Statement of the Problem

Addressing the needs of orphans and vulnerable children in Charitable Children's Institutions and mitigating negative outcomes of the growing population is a high priority for Kenya. For many years, this has been easily achieved because the charitable children institutions have been enjoying donor support and public trust. Most charitable children institutions in Nakuru Sub-county however are losing donor support and public goodwill hence affecting their performance (Nakuru Children's office, 2015). This may be attributed to many factors like corruption, mismanagement and drastic government regulations. As a result of this, most charitable children institutions have embarked on the usage of strategic change in their operations in an effort to improve on their performance. In his study, Rees (2008) observed that proper and timely implementation of strategic change can enhance performance in manufacturing firms.

What is not well understood is whether the best performing charitable children institutions in Nakuru Sub-county is as a result of the usage of strategic change. It is also not clear whether the charitable children institutions that use strategic change more perform better than those that do not. In the same vein, little is known on the effect of strategic change on performance of charitable children institutions in Nakuru Sub-county. It is against this background that this study intended to bridge the knowledge gap in the area of strategic change and performance by examining the role of strategic change on performance of charitable children institutions in Nakuru Sub-county.

## **Purpose of the Study**

The purpose of the study was to examine the role of strategic change on performance of charitable children institutions in Kenya. A case of Nakuru sub-county

## Objectives of the Study

The specific objectives of the study were to:

- i. Analyse the relationship between organizational structure change and the performance of charitable children institutions in Nakuru sub- County.
- ii. Assess the extent of the effect of technological change on the performance of charitable children institutions in Nakuru sub- County.
- iii. To make recommendations on how performance of the charitable children institutions can be improved.

## REVIEW OF RELATED LITERATURE

#### Introduction

This section reviews the theoretical literature and empirical literature on the key study variables.

## **Theoretical Literature**

According to Stoner *et.al*, (2003), theories are perspectives or concepts or principles which people make sense of, in their world of experiences. The theories relevant to this study are: life cycle theory and dialectical theory.

#### Life Cycle Theory

The research was informed by the life cycle and dialectical theories. These theories are important because they support the fact change is inevitable. They also demonstrate that a growing organization must be receptive to change hence the need for CCIs in Nakuru to embrace change. According to Van Dijik (2009), life cycle theory assumes that change is immanent; that is, the developing entity has within it an underlying form, logic, program, or code that regulates the process of change and moves the entity from a given point of departure toward a subsequent end that is already prefigured in the present state. What lies latent, rudimentary, or homogeneous in the embryo or primitive state becomes progressively more realized, mature, and differentiated. External environmental events and processes can influence how the immanent form expresses itself, but they are always mediated by the immanent logic, rules, or programs that govern development. Life

cycle theories of organizations often explain development in terms of institutional rules or programs that require developmental activities to progress in a prescribed sequence (Van Dijik, 2009).

#### **Dialectical Theory**

Dialectical theory is rooted in the assumption that the organization exists in a pluralistic world of colliding events, forces, or contradictory values that compete with each other for domination and control (Hannan, 2009). These oppositions may be internal to an organization because it may have several conflicting goals or interest groups competing for priority. Oppositions may also arise external to the organization as it pursues directions that collide with those of others. Dialectical process theories explain stability and change by reference to the relative balance of power between opposing entities. Stability is produced through struggles and accommodations that maintain the status quo between oppositions. Change occurs when these opposing values, forces, or events gain sufficient power to confront and engage the status quo.

## **Empirical Literature**

Dimitrios Belias (2014) did a research entitled 'The impact of leadership and change management strategy on organizational culture'. This study was done in University of Thessaly, Trikala, Greece. He concluded that leadership is associated with organizational culture, primarily through the processes of articulating a vision, and to a lesser extent through the setting of high performance expectations and providing individual support to workers. As social systems comprising work, people, formal and informal systems, organizations are resistant to change and designed to neutralize the impact of attempts at change (Dimitrios, 2014). Organizational culture is among the specific objectives of this study. The researcher wants to determine its relationship with performance.

Odenyo (2013) in his study entitled 'The Challenges of Dealing with Strategic Change Management at Taifa Cables and Retreads Limited'. The study was done in JKUAT. The study concluded that lack of a clear communication strategy, lack of proper feedback mechanisms and poor policies on employees' participation in the change process are the major reasons for communication challenge affecting it. Communication is a strategic element that affects the execution of strategic implementation. Lack of it will ultimately affect the performance of an organization. The researcher will find out the relationship between strategic change and performance by looking at the components of strategic change like Communication.

Kipkemoi (2013) did a study on management of strategic change at rivatex East Africa limited, Kenya; the study was done in Eldoret, Kenya. The study concluded that the most urgent strategic change to be implemented in that company was modernization of all production units to enable the company compete favorably in the market as well as reduce cost of production. Part of the recommendation was to adopt the most current technology to enhance the efficiency of the factory. Another observation of the study was that the company had to adapt emergent approach to address the challenges that existed in its external environment by switching of strategy depending on prevailing conditions in order to recapture its market share and remain relevant in the local textile market. This conclusion proves that there exist a relationship between strategic change and performance although there is no record of such a study. A study done by Okello (2015) on Human Factors and Child's Safety: A Review of Charitable Children's Institutions in Kisumu Municipality. The study was done in Kisumu, Kenya. The study revealed that although children were happy with the services at the CCIs, professional staff in key areas were missing. The recommendation was that there was need to incorporate the professionals with a view to improving the service delivery. Although his study was about the CCIs, it did not focus on the relationship between strategic change and performance.

Feifei YU did a study in China in 2011. The title of the study was Strategic flexibility, entrepreneurial orientation and firm performance: Evidence from small and medium-sized business (SMB) in China. His conclusion was that in highly dynamic competitive environments, a firm can achieve competitive advantage with quick response to the environment and renewed strategic orientation. The researcher further observed that if a firm possesses high organization coordination flexibility, it not only smoothies and ensures the implementation of new strategic orientation, but can also strengthen resource sharing and knowledge integration. This is critical to enhance organizational capabilities therefore, enhances firm performance. The study seems to suggest that there exist a positive relationship between strategic flexibility, entrepreneurial orientation and firm performance. This observation supports the need to carry out the current study.

According to Ming-Kuei Chien1, and Li-Hsing Shih who did a study entitled Relationship between management practice and organisation performance under European Union directives such as ROHS: A case-study of the electrical and electronic industry in Taiwan in Taiwan in 2007, performance can be enhanced by considering the inputs of all stakeholders. The findings are important to the current study in answering the research question one.

George Mathew Sulphey M. M did a study entitled Organizational performance and readiness for change in public sector undertakings, in Kerala, India, 2014. The study established that the human factor in the State of Kerala is less resistant and favorably disposed to change. The executives of state public sector are more willing to change than workers. Comparing the readiness to change of employees of state public sector and central public center, the former is found more willing. No significant difference was observed in the attitude to change between employees of state public center making profits as well as losses. Employees of central public center that are making losses are more willing and less resistant to

change, whereas in those making profits they are less willing and more resistant to change. This study is relevant to the current study because it discusses one aspect of the current study which will help in making comparison of the findings.

### **Concept of Strategic Change and Performance**

Change is an ever present feature of organizational life, both at operational and strategic level. There should be no doubt regarding the importance of strategic change to any organization since the need for change is often unpredictable and it tends to be reactive and often triggered by any situation. Change comes in all shapes, forms and sizes and affects all organizations in all industries and it can be triggered by both internal and external factors. Strategic change is concerned with organizational transformation that deals with broad, longterm and organization-wide issues and it's about moving to a future state, which has been defined generally in terms of strategic vision and scope (Armstrong, 2006). Fiss and Zajac (2006) pointed out that strategic change is the alteration in an organization's alignment with its external environment. Strategic change covers the purpose and mission of the organization, its corporate philosophy on such matters as growth, quality, and innovation and values concerning people, the customer needs served and the technologies employed. This leads to specifications of competitive positioning and strategic goals for achieving and maintaining competitive advantage and for product-market development (Armstrong, 2006). Strategic organizational change can emanate from two different sources: change can either originate from the external environment such as changes in competitors' actions, government regulations, economic conditions and technological advances. Organizations take inputs from the environment for example, suppliers transforms some of these inputs, and send them back into the environment as outputs (products). Change can also originate from within an organization. These changes could be new corporate vision and mission, the purchase of new technology, mergers and acquisitions and the decline in the morale of the company (Appelbaum, St-Pierre & Glavas, 2008).

Living with change competencies as a proactive rather than reactive approach will give a sense of being in control, unlike the loss of control experienced during rapid and major change that is unexpected. The perceived personal costs of change often inhibit change, and so people try to negate or deny the need for, or presence of, change. According to Heap (2006) performance measures are agreed when setting objectives. It is necessary to define not only what is to be achieved but also how those concerned will know that it has been achieved. Performance measures should provide evidence of whether or not the intended result has been achieved and the extent to which the job holder has produced that result.

This will be the basis for generating feedback information for use not only by manager but also by individuals to monitor their own performance (Armstrong, 2006). Organization performance has been measured in many different ways. Many authors have used single items to measure company performance, such as company profitability. Considering the above discussion, it is safe to conclude that there exist a relationship between strategic change and performance. This relationship need to be studied in-order to enhance performance of institutions by implementing the strategic change at the right time.

## **Charitable Children Institutions**

According to children's ACT (2001), charitable children institution refers to a home or institution which has been established by a person, corporate or un incorporate, a religious organisation or a non-governmental organisation and has been granted approval by the Council to manage a programme for the care, protection, rehabilitation or control of children. According to Winkworth et al., (2009), during most of the nineteenth century, destitute children were sent to institutions operated by private, charitable organizations. For instance, foundling hospitals to care for unwanted babies opened in some communities in the early nineteenth century. Many more poor or abandoned children were sent to live in almshouses, facilities established in the 1800s in many large cities to house the very poor of all ages. Almshouses provided a minimal standard of care to orphaned or needy children and to impoverished, insane, or diseased adults. Typically, when the children reached 9 or 10 years of age, they were either seconded to families as servants or apprenticed out to learn a skill and pay for their care by their free labor. The second half of the nineteenth century saw increasing criticism of the impacts that the unsanitary, chaotic almshouses had on children, especially the very young, who suffered high mortality rates there.

Private charities and religious groups established orphanages or children's asylums to separate needy children from adults and protect them from the disease, maltreatment, and exploitation that faced them in almshouses. A number of states passed laws requiring that children be moved from almshouses to such children's institutions. The care of needy children was considered a public responsibility and so was financed with public dollars, although private agencies provided the care (Winkworth et al., 2009). In Kenya, charitable children institutions are regulated by government. To this end, such institutions are guided by an act of parliament enacted in 2001. The ACT gives guidelines on how the institutions are to be managed in order to give the destitute children the best alternative to their homes. The institutions are managed by boards and they are expected to perform like other government or private institutions. Children's needs and rights are thus interdependent with sustainable development. Winkworth et al., (2009) Argues that to achieve the greatest impact on the lives of children, the forthcoming Sustainable Development Goals (SDG) framework should include goals and targets that purposefully consider children's rights and needs within each of the dimensions of economic development, social development and environmental sustainability, whilst building on their synergies and adequately addressing the fair and inclusive application of the rule of law.

There is need to appreciate the role of strategic change by the CCIs if they are to compete with similar institutions in other sub-counties like Nairobi. To achieve this, key strategic elements like communication, planning, mission and vision statement, values and objectives need to be redefined (Fedor, 2004). This is important because it will help the management in giving the CCIs a new approach to management by improving on the organizational structure. Besides, the management will improve efficiency within the CCIs by engaging modern use of technology in their operations. Finally, the organizational culture will change for the better. CCIs will operate in a manner that will support success.

#### RESEARCH METHODOLOGY

#### Research Design

The design that was used in the research was descriptive survey research design. Descriptive survey research design was used because it provides a framework through which association of two variables can be studied (Kothari, 2010). It involved collection and analyzing of data in order to answer questions concerning the current status of the subject of study.

## **Target Population**

Since the charitable children institutions managers, assistants and employees in Nakuru Sub-county which were registered and licensed by the County government of Nakuru as at July 2015, and still in operation at the time of data collection were studied, then this was a census study. There are twenty nine (29) charitable children institutions in Nakuru Subcounty which are licensed by the County government of Nakuru. Each CCI had a manager, assistant manager and two employees.

All the 29 charitable children institutions managers as well as their assistants and all the 58 employees were selected to take part in the study as key informants as they are perceived to be knowledgeable on the issues under study and for which they are either responsible for the execution or they personally execute them as shown in table 1.

**Table 1: Respondents of the Study** 

Category of respondents	Target population	Respondents
Managers	29	29
Assistant managers	29	29
Employees	58	58
Total	116	116

Source: (Researcher, 2015)

#### **Research Instruments**

The study used both primary and secondary data collection methods. The primary data was collected using questionnaires. Questionnaires are easy to fill and analyze (Kothari, 2006). Results derived from questionnaires are largely reliable. Secondary data (journals and other publications from CCIs) were derived from the children department and CCI records and were used to compare the validity of primary data. Questionnaires were prepared for respondents to fill and avail data for the purpose of study.

#### **Data Collection Method and Procedures**

Both primary and secondary data were used in this study. Primary data was collected through the use of key informant method using a self- administered questionnaire (Appendix 1). All the managers and assistant managers of every CCI were selected to take part in the study as they are perceived to be knowledgeable on the issues under study and for which they are either responsible for the execution or they personally execute them. The data collected for the purpose of the study was adopted and coded for completeness and accuracy of information at the end of every field data collection day and before storage, any gap in the questionnaire was addressed appropriately.

# **Data Analysis Techniques and Procedures**

The data collection instruments (questionnaire) were administered to all the study respondents. After the data had been collected, the researcher edited them to ensure their completeness and consistency. Data analysis process then followed which included; documentation, conceptualization, coding, categorizing and examining relationships. The data was then entered and analyzed by simple descriptive analysis using statistical package for social scientists version 21 (SPSS) computer software to generate cumulative frequencies and percentages. SPSS version 21 was used because it is the most recent and readily available.

Data was analyzed using quantitative technique and descriptive statistics will be used to deduce any patterns, averages and dispersions in the variables. They included measure of locations (mean) and measure of dispersions (standard error mean). These measures were used to describe the characteristics of the collected data. Inferential statistics were used to determine the relationship between the study variables and these inferential statistics include correlation, analysis of variance regression and factor analysis. The study expected that the relationship between strategic change and performance followed a linear regression model of the nature:

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \epsilon$$

#### Where:

Y = dependent variable (Performance).

 $\beta_0$  = Constant or intercept which is the value of dependent variable when all the independent variables are zero.

 $\beta_{1-3}$  = Regression coefficient for each independent variable.

 $X_1 = Organizational structure$ 

 $X_2 =$  Technological changes

 $\varepsilon$  = Stochastic or disturbance term or error term.

#### RESEARCH FINDINGS AND DISCUSSIONS

#### **Data Analysis Procedures**

The data which was collected from the field was coded and cleaned through extensive checks and consistency. For the primary data, the entire questionnaire answered had scores and scored marks that depended on the response of the respondents. The results were then tallied and divided by number of respondents that answered the questionnaires; this helped to measure the independent and dependent variables. Data presentation was made per objective.

#### Number of years the CCIs have existed

This section examined the number of years the CSIs under study had existed. The study reveals that 66.7 percent of the charitable children institutions had been in existent for more than 10 years, hence they can be regarded as old charitable children institutions and only 33.3 percent were less10 years.

Table 2: Number of years CCIs have existed

Responses	Frequency	Percent	Cumulative Percent
Less than 10 years Over 10 years Total	35 69 104	33.3 66.7 100.0	22.2 100.0

Source; (Research data, 2015)

#### **Organizational Structure**

To assess the role of organizational structure change on the performance of the CCIs, both primary and secondary data were used. For the primary data, the top management and their assistants were asked to fill in questionnaires indicating their view on how organizational structure affects the performance of CCIs. The secondary data were collected from organizational records and tallied with the primary data and the findings were as shown on table Table.3. (Where 5= the greatest extent and 1 is the lowest extent).

Table 3 Organizational Structures

Organizational Structure Measures	Mean		Sig.
		t-value	(p-value)
The nature of leadership style effects on performance	2.423	52.654	0.000
of the institution			
There have been changes in your institution structure	2.024	49.814	0.000
The changes in organizational structure have affected	2.084	43.452	0.000
the performance of our institution			
There are factors affecting the organizational structure	2.391	36.291	0.000
in our institution			
Job redesign affects the performance in an institution	2.029	34.891	0.000
Job restructuring has affected the performance in your	2.170	27.372	0.000
institution			
Innovation enhances performance in our institution	2.204	38.380	0.000
There is encouragement to do innovation in your	2.288	28.972	0.000
institution			
Overall m	ean score=2	2.202	

Source: (Research data, 2015)

The question that there are factors affecting the organizational structure in their institution had the highest mean score which means that majority of the respondents strongly felt that there were factors that influence the organizational structure which in turn affects the performance of the charitable children institutions. On the other hand, the question on whether the changes in organizational structure had affected the performance of the institutions had the lowest mean score. This shows that respondents had the opinion that organizational structure changes did not have any effect on the performance of charitable children institutions. Overall, the intensity of organizational structure in the charitable children institutions is considerably low with the mean of 2.202. This is because the overall score is less than 2.5 which is the half of the maximum score of 5.

#### **Technological Change**

To assess the role of technological change on the performance of the charitable children institutions, both primary and secondary data were used. For the primary data, the employees were asked to fill in questionnaires indicating their view on how technological change affects the performance of charitable children institutions. The secondary data were collected from organizational records and tallied with the primary data and the findings were as shown on table Table.4

**Table 4 Technological Changes** 

Technological Change Measures	Mean	t-value	Sig. (p-value)
There is automated system in the institution	2.1325	42.354	0.000
Technological changes affect the information system in the institution	2.0640	39.834	0.000
Technological changes affect daily operations in the institution	2.0847	33.452	0.000
There has been challenges encountered due to technological changes in the institution	3.3012	36.291	0.000
There has been recommendations on the possible mechanisms to enhance technological use in our institution	3.0294	34.891	0.000
Overall mean score	= 2.52268		

Source: (Research data, 2015)

From the study results in table 4.5 above, the question that there has been challenges encountered due to technological changes in the institution had the highest mean score (3.301), this means that respondents are in agreement with the statement that there has been challenges encountered due to technological changes in the institutions. On the other hand the statement those technological changes affected daily operations in the institution had the lowest mean of 2.064 which means that respondents did not agree with the statement.

Overall, the relevant result shows that on the scale of 1 to 5 (where 5= the greatest extent and 1 is the lowest extent), the technological chance had a mean score of 2.522. This means that the intensity of the effect of technological change on charitable children institutions was moderate.

## **Organizational Performance**

Organizational performance was assessed using several parameters including customers' surveys, financial and personnel records. Both primary and secondary data were used for the purpose o this study. For the primary data, the employees were then asked to fill in questionnaires indicating their view on actual performance of the charitable children institutions based of the predetermined parameters. These data were allied to the secondary data and the findings are as indicated in table 5

**Table 5 Organizational Performances** 

Organizational Performance Measures	Mean		Sig.
		t-value	(p-value)
Your institution offer quality services to its customers	3.423	52.654	0.000
Recommend other factors that can help to improve the services of the CCI	3.024	49.814	0.000
Your customers are happy with your services	3.084	43.452	0.000
The CCI has provided a method to receive customers feedback	3.391	36.291	0.000
Customer feedback is usual worked upon	3.929	34.891	0.000
You are satisfied in working for the CCI	3.770	27.372	0.000
Employee welfare need to be improved	4.204	38.380	0.000
There is job retention in your institution	3.688	28.972	0.000
The has been advantages of job retention	3.862	40.892	0.000
Any other comment	2.481	48.582	0.000
Overall mean so	ore=3.485		

Source: (Research Data, 2015)

The relevant result shows that on the scale of 1 to 5 (where 5= the greatest extent and 1 is the lowest extent) Overall, the intensity of organizational performance was moderately high with a mean of 3.484

## **Regression Analysis**

The following section presents the data analysis based on individual study objectives.

## Relationship between Organizational Structure Change and Performance

In order to assess the relationship between organizational structure and performance of charitable children institutions, the study had set the following research question;

RQ1. What is the relationship between organizational structure and performance of charitable children institutions? In order to answer the research question above, the researcher used regression coefficient (beta  $\beta$ ). All the questions in the questionnaire answered by the respondents had scores and scored marks depending on the response of the respondents. The marks were then added up and finally divided by number of respondents answering the questionnaire to enable the researcher attain the mean score of every question measuring the independent and dependent variables. The aggregate mean score of organizational structure measures were regressed against the mean score of measures of performance and results presented in table 6.

Table 6. Regression Results for Organizational Structure and Performance

Goodness of	fit analysis				_	
R 0.451	R Square 0.428	Adjusted R Square 0.687	Std. Error of the Estimate 0.218			
Overall signific	ance: ANOV	A (F-test)			_	
	Sum of Squares	Degree of Freedom	Mean Square	F	S	ignificance (p-value)
Regression	2.018	3	3.218	49.018		0.016
Residual	1.640	101	0.124			
Total	3.368	104				
Individual sign	ificance (T-te	est)				
	Unstanda	ardized				
	Coefficie	nts	Standardized Coef	ficients		Significance
	В	Std. Error	Beta (β)		Т	(p-value)
(Constant)	1.446	2.482			1.402	0.038
organizationa structure	o.451	0.402	0.382		1.068	0.004

Source: (Research data, 2015)

The relationship between organizational structure and performance of charitable children institutions was positive and significant in that its R was 0.451 and had a p-value less than 0.05 ( $\varepsilon$ = 0.016). The regression results on the other hand shows that 42.8 percent of the performance of charitable children institutions can be explained by organizational structure (R squared = 0.428). From the above regression analysis, the study found out that there is a relationship between organizational structure and performance of charitable children institutions.

# Relationship between Technological Change and Performance

To be able to assess the relationship between technological changes and the performance of charitable children institutions, the study formulated the following research question;

RQ2: How do technological changes affect the performance of charitable children institutions?

In order to get aggregate mean score, every question answered by the respondent had scores attached to it and it scored some marks depending on the answer given by the respondents. These scores were summed up and divided by the number of respondents who answered the question in order to get the mean score of each question. In order to determine the relationship between technological changes and performance, the aggregate mean score of performance were regressed against the aggregate mean score of technological changes and the results recorded in Table 7.

Table 7 Regression Results for Technological Changes on Performance Goodness of fit Analysis

Goodness of	fit Analysis								
R (Beta)	R Square	Adjus	ted R Sq	uare	Std. E	rror of the	Estimat	е	
0.382	0.469		0.286			0.032			
Overall signi	ficance ANO	/A (F-t	est)						
	Sum of Squares		Degree Freed			Mean Square	F	Sig	nificance (p- value)
Regression	1.281		2			1.018	64.62	3	0.006
Residual	2.230		102	2		0.112			
Total	3.311		114	4					
Individual sig	gnificance (T-	test)							
			Unstandardized Coefficients		Standar Coeffic			Significance	
			В	Sto	l. Error	Beta (R)		Т	(p-value)
(Constant)			1.384	1	.299			16.153	0.008
Mean score changes	of technologic	al	0.662	0	.779	0.65	66	2.289	0.004

Source; (Research data, 2015)

The regression results revealed that technological changes effect on performance was statistically significant (overall p-value = 0.006). Performance largely depended on the technological changes with 46.9 percent of performance being explained by technological changes (R squared = 0.469) and the relationship between technological changes and performance followed a simple regression model of the nature:

$$P = 1.384 + 0.382TC + \varepsilon$$

#### Where

P is Performance 1.384 is the y- intercept constant ( $\alpha = 1.384$ ). 0.384 is the beta ( $\beta = 0.384$ ) or the slope coefficient. TC is technological changes.  $\varepsilon$  is the slandered error term or random variation due to other unmeasured factors.

#### **Research Findings and Discussion**

The study on the role of strategic change on performance of charitable children institutions in Nakuru Sub-county, Nakuru County had three specific objectives which were developed into research questions. The discussions in the following sections highlight the key findings of the study based on the research objectives.

The first objective was to analyse the relationship between organizational structure change and the performance of charitable children institutions in Nakuru Sub- County, Nakuru County. The regression results shows that 42.8 percent of the performance of charitable children institutions can be explained by organizational structure (R squared = 0.428). The study therefore found out that there was a relationship between organizational structure and performance of charitable children institutions in Nakuru Sub- County. This is in agreement with Kipkemoi's (2013) study which found out that there is a relationship between organizational structure and performance.

The second objective was to assess the extent of the effect of technological change on the performance of charitable children institutions. The study found out that performance largely depended on the technological changes with 46.9 percent of performance of charitable children institutions in Nakuru Sub- County being explained by technological changes (R squared = 0.469). This is in agreement with Ming-Kuei Chien1, and Li-Hsing Shih who did a study entitled Relationship between management practice and organisation performance in India. Their conclusion was that performance can be enhanced by considering the inputs of all stakeholders hence the need for CCIs to adopt the use of technology in their operations.

The third objective was to establish the relationship between organizational culture change and the performance of charitable children institutions. The regression results showed that 46.4 percent of the performance can be explained by organizational culture change (R square = 0.464) and this concurs with Dimitrios Belias (2014) who did a research entitled 'The impact of leadership and change management strategy on organizational culture'. This study was done in University of Thessaly, Trikala, Greece. He concluded that leadership is associated with organizational culture, primarily through the processes of articulating a vision, and to a lesser extent through the setting of high performance expectations and providing individual support to workers.

#### Conclusion

The study results shows that 42.8 percent of the performance of charitable children institutions can be explained by organizational structure (R squared = 0.428). Based on the study findings therefore, the study can conclude that organizational structure within the charitable children institutions help them improve on their performance. Charitable children institutions in Nakuru Sub-County should therefore work towards improving their organizational structure because it has a positive effect on the organizational performance.

The study found out that the performance of charitable children institutions in Nakuru Sub- County largely depended on the technological changes with 46.9 percent of performance of being explained by technological changes (R squared = 0.469). Based on the study findings, the study can therefore conclude that charitable children institutions in Nakuru Sub-County should make efforts towards enhancing technological changes in their institutions.

#### Recommendations

Based on the findings and conclusions the study recommends that the management of the charitable children institutions in Nakuru Sub-County should therefore work towards improving their organizational structure including job redesign, management and governance structures and service delivery structures. Since the study also found out that technological changes had a positive impact on performance, charitable children institutions in Nakuru Sub- County should work towards enhancing technological changes in their institutions.

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