

**EFFECTS OF STRATEGIC CHANGE MANAGEMENT PRACTICES ON
PERFORMANCE OF COMMERCIAL BANKS IN NAIROBI COUNTY**

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ABSTRACT

The business environment within which the commercial banks operate has been very volatile. Further, social reforms, political anxieties, technological advancements, competition from new entrants and effects of globalization are some of the challenges that have caused this volatility, and have greatly affected the performance in this sector. The general objective of this study was to investigate the effects of strategic change management practices on performance of commercial banks in Nairobi County in Kenya. The specific objectives were to determine how products change affects the performance of commercial banks in Nairobi County, to determine how marketing change affects the performance of commercial banks in Nairobi County, to establish how technological change affects the performance of commercial banks in Nairobi County and to establish how process change affects the performance of commercial banks in Nairobi County. This study was guided by three theories namely; the resource based theory, the Schumpeter theory of innovation and diffusion of innovation theory. This study used a descriptive research design. The target respondent was all the management individuals or their equivalents in all the branches of commercial banks in Nairobi County. The total number of management individuals in all the commercial banks is 126. Therefore, the target respondent was 126 management individuals. This study adopted a census approach since the target population was small. Primary data was collected through closed-ended questionnaires. Pre-testing was conducted to ensure validity and reliability of the research instrument. Descriptive statistics including frequencies, percentages were used. Further, inferential statistics including correlation and regression analysis was used to illustrate the relationship between the independent and the dependent variables. The study findings were presented using tables and figures. The study found that the performance of commercial banks is influenced by product changes, marketing changes, technological changes and process changes. It was also found that strategic management changes have positive influence on commercial banks performance. The study recommended that information and communication technology (ICT) professionals should invest their time, effort and resources towards process changes. This study was valuable as it contributes to theory, practice and policy.