STRATEGIC CHANGE MANAGEMENT AND PERFORMANCE OF DEPOSIT TAKING SAVINGS AND CREDIT CO-OPERATIVE SOCIETIES IN NAIROBI CITY COUNTY, KENYA

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DECLARATION

I declare that this document and the research that it describes are my original work and that they have not been presented in any other university for academic work.

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DEDICATION

To my family members, my wife Tinsae, my children Abel, Rebecca, Ammanuel and my brother Victor.

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I thank my supervisors Dr. John Kamau and Dr. Joseph Kamau for their guidance in framing the research topic, identifying variables, and developing the proposal. I thank my brother Mr. Muasya for accepting to proofread the document despite his tight schedule. I wish to appreciate everyone who helped in any way. I will still mention a few people who made a substantial contribution to the completion of this study. I want to start by thanking my boss, Mr. Sunny Anand for the peaceful time I have enjoyed while balancing the work schedule and class assignments. My professors, students, and coworkers were a great help to me as well; they inspired me to keep working on the project.

ABSTRACT

The failure of numerous deposit taking Savings and Credit Cooperative, most notably Tena Savings and Credit Cooperative, as well as the suspension of 13 more from specific activities and the loss of three more licenses, are all the result of Deposit Taking Savings and Credit Cooperatives' incapacity to withstand the new game features. The majority of shareholders attribute the inability of many Deposit Taking Savings and Credit Cooperatives in Nairobi County to cover operational costs, increase market share, pay dividends, or expand into new regions to Deposit Taking Savings and Credit Cooperatives' change management practices. The purpose of the study was to establish the effect of change management strategies on performance of DT-SACCOs in Nairobi City County, Kenya. The objectives of the study were to determine the influence of organizational learning, communication strategies, leadership change, and stakeholder's involvement on performance of DT-SACCOs in Nairobi City County, Kenya. The study was guided by Lippit Phases of Change Theory, Organizational Learning Theory and Resource Based View Theory. Descriptive research design was used. The 42 registered DT-SACCOs in Nairobi County, Kenya, served as the study's unit of analysis. The unit of observation was four respondents from each SACCO totaling to 168 respondents. Stratified and simple random sampling was used. A sample of 118 was arrived at using Stratek formula. A questionnaire was used to collect data. Analysis of data was through the use of Statistical Package for Social Sciences. Both descriptive and inferential analysis was used. Data was presented in tables and figures. The findings study found that leadership change, organizational learning, stakeholder involvement and communication significantly affect performance of DT-SACCOs ($p<0.05$). The study recommends that SACCO leadership should demonstrate a strong commitment to the process of change management. The study also recommends that involving all employees and stakeholders in the strategic change process is crucial.

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DEFINITION OF TERMS

Change Management Strategies	To change the business and accomplish organizational goals, individuals, teams, and organizations go through leadership, organizational development, participation, and communication processes.
Communication	The act of conveying intended meanings from one person or group to another; its effectiveness is influenced by communication techniques, patterns, networks, context, and the role of informal groupings.
Leadership Strategies	implies actual or competent skills for the person or business guiding or assisting other groups of people, teams, or organizations along a path chosen by their approach, persistence, competence, inventiveness, and originality.
Organizational Performance	The effectiveness of a task is evaluated using market- and customer-focused metrics like market share, consumer outreach, and customer delight.
Organizational Learning	The process of producing, retaining, and transferring knowledge inside an organization includes peer learning, knowledge management, training and development, talent promotions, and peer learning.
Stakeholder Involvement	A Saccos combines a wide range of people who can have an impact on organizational decisions and who can have an impact on the implementation of the intended improvements. Examples include team leadership appreciation, opposition varied approaches, engagement, team role-building, and consultations.

ABBREVIATION AND ACRONYMS

CM	Change Management
DT	Deposit Taking
DT-SACCOs	Deposit Taking Savings and credit Cooperative Societies
DTS	Deposit Taking Saccos
GDP	Gross Domestic Product
LTD	Limited
NDTS	Non-Deposit Taking Saccos
RBV	Resource Based View
SACCOs	Savings and Credit Cooperative Societies
SASRA	Sacco Society Registration Authority
SCA	Sustainable Competitive Advantage
SMEs	Small and Medium Enterprises
WOCCU	World Council of Credit Unions

CHAPTER ONE
INTRODUCTION

1.1 Introduction

The first chapter in this study presents the background information related to the study variables. The section in this chapter includes the introduction of change management strategies and organizational performance. The measures of each variable will be included in each of the subsequent section. Statement of the problem, objectives, significance of the study and scope and limitation are other sections discussed.

1.2 Background of the Study

Cooperatives have a global membership of over one billion people. Over 250 million individuals earn a living as members or workers in cooperatives around the world (International Cooperatives Alliance, 2017). According to a 2017 International Co-operative Alliance study, the top 300 unions in the world produced $2.5 trillion in revenue (if cooperatives were a country, they would have the sixth-largest economy in the world). Savings and credit cooperatives arose from the cooperative movement (SACCOs). These financial organizations are formed when a group of people come together to confront a common problem. The SACCO subsector has 240 million members out of the one billion members in all cooperatives. There are around 60,500 credit unions globally, spread across 109 countries and six continents (World Council of Credit Unions, 2020).

The cooperative movement was first established in Manchester, England, in 1844 by the Rockdale Society of Equitable Pioneers (SASRA, 2012). According to Tache (2006), the cooperative movement originated in America, South America, and China between 1900 and 1930, and was later led by a catholic bishop in Ghana. There were 55,952 credit unions worldwide in 2012, serving more than 200.2 million members and managing $1693 billion in assets. There was a lot of variances in the credit union movement between these nations. This graphic illustrates the various economic, cultural, and historical settings in which cooperative societies function. Around the world, cooperative organizations have encountered several issues, with the vast majority failing to accomplish their goals. On the other side, others have chosen approaches to strategic change management that have shown to be essential to their success (Bass & Riggio, 2016).

Cooperatives have a membership base of more than a billion individuals worldwide. More than 250 million people earn a living as members or employees of cooperatives worldwide (International Cooperatives Alliances, 2017). According to the data, the top 300 unions in the world generated $2.5 trillion in revenue (if cooperatives were a country, they would have the sixth-largest economy in the world). Finance and Savings The cooperative movement gave rise to cooperatives (SACCOs). These financial organizations are created when people band together to solve a common issue. Out of the one billion members in all cooperatives, the SACCO subsector has 240 million members. According to the World Council of Credit Unions, there are more than 60,500 credit unions worldwide, located in 109 nations and on six continents.

Despite their economic importance, SACCOs have had their own set of challenges, according to Ndiba and Mbugua (2018). As a result of the competition, a considerable number of participants have been efficiently weeded out. To ensure their own survival and greater performance, SACCOs must study the different strategic options available to them. According to Li and Li (2018), strategy change management is a long-term action plan that a corporation implements to achieve a competitive advantage over its industry competitors. The company's position within its industry influences whether it outperforms the industry average. A sustainable competitive advantage is the bedrock of long-term corporate performance.

European farmers established Lumbwa, Kenya's first cooperative society, in 1908 to promote agricultural production and commodities (KUSCCO, 2016). The cooperative movement was crucial in combining resources to invest in and create prosperity, accounting for 43% of Kenya's GDP (SASRA report, 2020). Cooperative societies have had a substantial impact on a variety of industries since they were first established in Kenya in 1908, including agriculture, banking, finance, agriculture and storage, advertising, fishing, lodging, and transport, to mention a few (Bwana & Mwakujonga,2019). Kenya has the highest GDP share in the world that may be attributable to cooperative societies, according to WOCCU (in percentage points). The typical SACCO’s contribution to Kenyan GDP percentage is 45% closest being New Zealand, where SACCOs account for 22% of the GDP. SACCOs are therefore essential to Kenyan economy. At least 8 million Kenyans are members of SACCOs, and an additional 20 million are indirectly dependent on the movement, according to the SACCO Societies Regulatory Authority (Owen, 2017).

Deposit-taking SACCOs (DTS) and non-deposit taking SACCOs (NDTS) are the two categories of SACCOs currently operating in Kenya (SASRA, 2020). The SACCO Societies Act of 2008 states that DTSs accept daily deposits while non-deposit taking SACCOs are limited to mobilizing non-withdrawable money for member lending (Republic Kenya, 2012). At the end of December 2017, 177 DTS in Kenya have licenses, according to SASRA. (SASRA). The Ministry of Industry, Trade, and Cooperatives is in charge of non-deposit-taking SACCOs, while the Sacco Societies Regulatory Authority (SASRA) monitors deposit-taking SACCOs (DTS). DTSs have increased, which has been attributed to a fall in common-bond frameworks (SASRA, 2019). The majority of DTs were initially created or established based on bond lines that set criteria for membership and who was eligible.

1.2.1 Organizational Performance

Organizational performance measures how well a company meets its goals and objectives. In essence, this is comparing the completion of a particular activity to specific pre-set standards of efficiency, productivity, correctness, completeness, cost, and speed. In other words, organizational performance refers to an organization's actual output, outcomes, or successes as compared against its intended outputs, which include its goals and objectives (Nyelisani, Ramdass & Mokgohloa, 2019). According to Ford and Ford (2018), it is critical that the chosen performance measurement measures work qualitatively to offer relevant information about organizational processes, operations, goods, and services. As a result, smart performance measuring methods are critical in performance management and corporate growth.

Eisenberg and Goodall (2019) defines performance measurement as a continuous process that involves comparing performance to pre-determined standards. The organizational management can then evaluate and contrast the actual performance with the pre-determined standards. Performance measurement aids performance management by allowing managers and seniors to regularly monitor organizational and individual performance and take remedial steps when variances occur (Kennerley & Neely, 2018). According to Aguinis (2019), performance measurement allows critical reconciliations to be made and directs the prescribed remedial action by permitting the comparison of actual performance levels with the defined standards.

Business entities rely on a variety of performance metrics to evaluate their performance. The metrics are roughly classified as financial and non-financial measurements, but all aim to

evaluate the achievement of business objectives (Freeman, 2019). Financial metrics or measures of corporate performance are based on monetary variables. Financial ratios such as profitability, solvency, liquidity, and efficiency ratios are examples of these. Non-financial measures or metrics, on the other hand, do not place a premium on monetary indications of performance. The primary non-financial metrics relied on by financial institutions in SMEs performance in this situation are customer satisfaction, customer outreach, and the market share of the DT SACCOs. Market shares are simply a fraction of the company's market share. In other words, market share represents the percentage of the market that a company controls (Igwe, Nwokedi, & Udeh, 2018). Customer outreach is defined as the gradual increase in the number of customers drawn and absorbed by the firm. Customer satisfaction refers to the degree to which clients are satisfied with the services provided by the company. Customer satisfaction metrics strive to assess how well a firm meets or exceeds its customers' expectations through the products or services it provides (Olubayo, 2019). The study will use market share, customer satisfaction and customer outreach as indicators of performance of DT SACCOs.

1.2.2 Strategic Change Management

Change Management (CM) is an approach that seeks to transition individuals, groups of individuals, and firms using systems designed to re-direct the use of business assets, budget allocations, business processes, or other operation modes that are important in reshaping an organization, according to Martins and Coetzee (2019). Strategic change management methods, according to Nwinyokpugi (2018), entail devising the most effective approach for generating something other than what is expected in an organization without interfering with regular business operations. Strategic change management consists mostly of organizational learning, communication, leadership transformation, and stakeholder involvement (Igwe, Nwokedi, & Udeh, 2018).

The facets of effective change management strategies include leadership, organizational learning and development, stakeholder involvement and communications and feedback (Olubayo, 2019). According to Omari, Ateka and Nyaboga (2018), leadership essentially involve a practical skill or the ability of an individual or organization to guide other individuals, teams, or entire organizations through a certain course. Leadership can take several dimensions that include participative, laissez-faire, autocratic, transactional, and transformational leadership. Under

Laissez-Faire leadership, there is no close supervision of employees and as such employees are free to rule themselves in their day to day work related engagements. On the other extreme, under autocratic style of leadership, managers make decisions unilaterally and do not consider the input of other stakeholders in the organization.

Organizational learning, according to Osei-Bonsu (2019), is the process of creating, maintaining, and transferring knowledge inside an organization. It values the reality that a company grows in experience and talent through time. The organization is able to build knowledge from this experience, which provides exceptional value to the organization. Organizational learning is critical to change management in the workplace. As new company concepts, ideas, innovations, and procedures arise, organizational learning increases capabilities and understanding. As a result, it serves to reduce the difficulties associated with implementing change in organizations.

According to Freeman (2019), stakeholder involvement, also known as engagement of stakeholders or participation of stakeholders, is the process by which firms involve workers or individuals who may be affected by changes in decisions and make or have an influence on the execution of such changes. Vink, Imada, and Zink (2018) recognize that developing an effective stakeholder engagement plan is a critical component of strategy change in general. As a result, the greater the level of engagement, the greater the level of dedication and positive impact. Furthermore, when stakeholder engagement grows, resistance decreases. Stakeholder involvement or engagement should begin as soon as the need for change is identified.

Martins and Coetzee (2019) defines communication as the act of conveying intended meanings from one entity or group to another using mutually understood signs and semiotic rules, as well as exchanging or imparting information or news. Communication, according to Vink, Imada, and Zink (2018) is a critical component of an organizational change management strategy and indicates the best methods by which an organization listens to and engages with their employees throughout the change implementation journey. According to Freeman (2019), communication strategy is one of the most significant elements of organizational communication because it clearly specifies priorities and assists workers in understanding proposed changes, benefits, and the motivation behind any drawbacks. The function of informal group spokespersons is also

important for effective communication. This is due to the fact that it ensures that the important concepts and themes of the organizational change are effectively communicated. There must also be continuous communication to keep employees and stakeholders informed about the reasons for change and the broader goals, so that they are not just on board but can also communicate to a larger stakeholder group if necessary. The indicators of change management strategies in this study will consists of organizational learning, communication, leadership transformation, and stakeholder involvement.

1.2.3 DT- Savings and Credit Co-operative Societies in Kenya

Most people consider Kenya's SACCO industry to be among the greatest in the world (Thomas, 2018). According to the World Council of Credit Unions, the SACCO Sub Sector contributes 45% of Kenya's GDP. The World Council of Credit Unions (WOCCU) ranked the industry as the one that was growing the fastest globally in July 2013. The DT SACCO subsector in Kenya is ranked first in Africa and eighth overall by the International Cooperative Alliance. The subsector offers about 500,000 people direct work opportunities and another 2 million indirect employment opportunities (Kim, Watkins, & Lu, 2018). According to the SACCO Society Regulatory Authority, the subsector has been expanding at a pace of 30% annually on average (SASRA, 2020).

However, from 2014 to 2020, SASRA placed limits on a large number of SACCOs in Kenya and canceled the licenses of a number of others that handled deposits. Several SACCOs have had their licenses cancelled, including Mumias 3 Miliki Sacco Society Ltd, Kapsabet 2 Sukari Sacco Society Ltd and Nandi Hekima Sacco Society Ltd (SASRA, 2020). SACCOs have faced difficulties with management effectiveness, capital base, risk venturing processes, customer communication and handling approaches, differentiation tactics, and cost management concerns, among other things. However, research has revealed that the secret to improved financial institution performance is strategic change management. Despite empirical research showing the value of strategic change management techniques on performance in other areas of the nation, the effect of the same in DT-SACCOs in Kenya is unknown since there is a dearth of empirical research in the savings and credit cooperative sector.

1.2.4 Profile of Deposit Taking SACCOs in Nairobi County

Performance of the DTs has progressively gotten better over time. Assets, deposits, loans, capital reserves, and membership are all important performance indicators. Between 2013 and 2015, the number of DTs members increased by 20%, from 2,612,250 to 3,145,565 individuals (SASRA, 2019). From Kshs. 172 billion in 2013 to Kshs. 205 billion in 2014 to Kshs. 237 billion in 2015, deposits held increased by 17% yearly. DTSs has assets worth 251 billion shillings in 2013, 301 billion shillings in 2014, and 342 billion shillings in 2015. The loan portfolio expanded by an average of 13.4% percent annually between 2013 and 2015, while the value of capital climbed by an average of 40.8 percent annually (SASRA, 2018).

Despite their economic significance, SASRA (2021) report indicated that SACCOs have faced their own set of challenges. As a result of the competition, a sizable number of players have been effectively eliminated. As a result, in order to assure their own survival and enhanced performance, SACCOs must research the numerous strategic change options available to them. According to Li and Li (2018), strategy change management is a long-term action plan a company uses to achieve a competitive edge over other companies in the same industry. Whether a firm outperforms the industry average depends on where it stands within its sector. A solid competitive advantage serves as the cornerstone of long-term corporate performance.

1.3 Statement of the Problem

The failure of numerous DT SACCOs, most notably Tena SACCO, as well as the suspension of 13 more from specific activities and the loss of three more licenses, are all the result of DT SACCOs' incapacity to withstand the new game features (SASRA, 2021). The majority of shareholders attribute the inability of many DT SACCOs in Nairobi County to cover operational costs, increase market share, pay dividends, or expand into new regions to SACCO change management practices. Kombo (2019) reports that a significant proportion of DT SACCO customers (about 40%) are dissatisfied with the services offered. The market share and customer outreach of the DT SACCO have also been diluted by competition from other players in the financial sector such as Village Savings and Loans Associations (VSLAs) and banks and mobile money options. DT SACCOs have experienced a declining profitability between the financial years 2013-2022, Profits before Tax (PBT) growth of DT SACCO on average terms has been less than 20% and represent a declining trend.

While research on strategic change management has been conducted, several gaps remain unresolved, particularly in clearly attempting to tie strategic change management to performance. The reviewed studies by Al-Jaradat et al., (2019) on the impact of strategic change management on staff performance in Jordanian university libraries discovered a link between the change pillars and employee performance. Thomas (2018) on the evaluation of strategic change management and its effects on organizational performance in the Nigerian telecommunications industry revealed that leadership has a statistically significant positive effect on staff performance. The studies above present contextual for they focused on other sectors, industries and countries, empirical gaps for there are diverse results from different findings and methodological gaps for they used diverse methods in collecting and analyzing data as reflected in their research design. There is need for local study which has remained scarce, the need to expand the framework of change management assessed, use of descriptive research design and the need to shift focus from employee performance which has interested most past studies to organizational performance. The study therefore aims to determine the effect of change management strategies on performance of DT SACCOs in Nairobi City County, Kenya.

1.4 Purpose of the Study

The purpose of the study will be to establish the effect of change management on performance of DT-SACCOs in Nairobi City County, Kenya.

1.5 Objectives of the Study

i) To determine the influence of organizational learning on performance of DT-SACCOs in Nairobi City County, Kenya.
ii) To evaluate the effect of communication strategies on performance of DT-SACCOs in Nairobi City County, Kenya.
iii) To establish the influence of leadership change on performance of DT-SACCOs in Nairobi City County, Kenya.
iv) To assess the influence of stakeholder's involvement on performance of DT-SACCOs in Nairobi City County, Kenya.

1.6 Research Questions

i) What is the effect of organizational learning on performance of DT-SACCOs in Nairobi City County, Kenya?

ii) What are the effect of communication strategies on performance of DT-SACCOs in Nairobi City County, Kenya?

iii) What are the effect of leadership change strategies on performance of DT-SACCOs in Nairobi City County, Kenya?

iv) What are the effect of stakeholder's involvement on performance of DT-SACCOs in Nairobi City County, Kenya?

1.7 Significance of the Study

1.7.1 SACCO Industry

The study's understanding of how to strategically manage change and its effects on organizational performance will benefit the SACCO industry.

1.7.2 Management

This study will benefit managers and SACCO members by revealing how change management strategies affect SACCO performance. When new rules governing change management techniques are enacted, government and industry officials will be able to obtain data on the performance consequences of change management strategies.

1.7.3 Future Researchers and Academicians

This is significant since DTSs make a considerable contribution to the national economy. The research findings will be used by future researches in identifying research gaps and source of literature for further studies.

1.8 Scope of the Study

The study was based in Nairobi City County, Kenya. The study aimed to determine the effect of change management strategies on performance of DT-SACCOs. Change management was conceptualized using organizational learning, leadership change, communication strategies and stakeholder's involvement. The operationalization of DT performance was based on customer outreach, market share and quality products. Descriptive research design was used where a cross sectional data for 2022 was collected. The researcher was limited to 177 registered DT-SACCOs as at 31st Dec 2022.

1.9 Delimitation of the Study

The study only focused on deposit taking saving and credit cooperative societies in Nairobi City County, Kenya. The change management strategies are many, but this study only focused on four; stakeholder involvement, organizational learning, leadership and communication. The study focused on non-financial indicators of organizational performance. The research designs was descriptive and exploratory research design. The study did not intend to cover all the SACCOs in Kenya. It was not feasible also to cover all the measures of change management strategies and focus on financial and non-financial indicators of organizational performance.

1.10 Limitation of the Study

Some of the respondents were reluctant in giving their precious time in filling the questionnaire. Some found the information being sought as sensitive and having a possibility of leaking to their competitors. However, the researcher issued them with data collection authorization letter and National Commission of Science and Technology and Innovation permit to show that the data was to be used for academic purposes.

1.11 Assumptions of the Study

The researcher assumed that respondents were transparent and answered the survey truthfully. The researcher assumed that respondents had spare time to respond to the questions on time. It was the assumption of the researcher that the proposal would be completed in time and that approval would be made by the faculty members.

1.12 Theoretical Review

The study will be guided by Lippit Phases of Change Theory, Organizational Learning Theory and Resource Based View Theory

1.12.1 Lippitt's Phases of Change Theory

Lippitt, Watson, Westley, and Spalding (1958) introduced the concept as an extension of Lewin's Three-Step Change Theory. The concept suggests a seven-step procedure that stresses the change agent's role and function rather than the advancement of the change. As a result, the theory can be used to assess the function of stakeholder participation, communication, and organizational learning in organizational transformation. During the adjustment period, the method focuses a heavy emphasis on continuing information exchange. Theorists argue that ongoing modifications are more stable when neighboring systems or directly affected network subsystems are included

(Kritsonis, 2005). This theory supports stakeholders' involvement and communication and how they impact organizational performance.

1.12.2 Organizational Learning Theory

Chris Argrys and Donald Schon (1996) have made two of the most significant contributions to organizational learning theory. According to Argrys and Schon, organizational learning (OL) is the result of organizational inquiry. This implies that anytime the predicted conclusion varies from the actual outcome, a person (or group) will conduct an investigation to understand and, if required, resolve the discrepancy. Individuals will engage with other members of the organization and acquire knowledge as part of the organizational inquiry process. Therefore, learning is a direct result of this contact.

Argrys and Schon stress that this contact often exceeds stated organizational processes and regulations. Their approach to organizational learning theory is built on two (sometimes contradictory) modes of operation. Argrys and Schon (1996) suggest three degrees of organizational learning that may be present. When a strategy is updated in response to an unanticipated outcome, this kind of learning consists of a single feedback loop (error correction). For instance, when sales are lagging, marketing managers investigate the problem and adjust the strategy in an effort to revive sales. Double loop learning is learning that leads to a modification of the theory-in-use. Action-guiding ideals, tactics, and presumptions are modified to produce a more efficient workplace. In the above example, managers may rethink the whole marketing or sales process so that similar swings do not occur (or occur less often) in the future. Deuterolearning is the study of enhancing the learning system itself. This consists of structural and behavioral factors that govern how learning occurs. The aspects of organizational learning and how it affects organizational performance is supported in this theory.

1.12.3 Resource-Based View Theory

Wernerfelt (1984) added on Penrose's (1959) four assumptions concerning resource traits that may promote a company's competitiveness: value, rarity, imperfect imitability, and lack of substitutability. Beginning with the idea that the goal of management operations is to create a sustainable competitive advantage, the company takes a resource-based approach (SCA). By achieving a SCA, the corporation can get higher-than-average cash rentals or dividends. This mostly concerns how businesses gain and maintain competitive advantages. According to the

asset perspective, the solution to this problem can be found in the presence of a few critical resources, particularly those with characteristics such as value, replication challenges, and relevance. The RBV theory supports both intangible and tangible resource in an attempt to improve organizational performance. This theory supports the leadership variable which incorporates the ability of the employees to use the intangible resources in achieving better organizational results.

1.12.4 Kurt Lewin's Change Model

Kurt Lewin's Change Model, introduced by Kurt Lewin in the 1940s, is a foundational theory in the field of change management, designed to help organizations plan and implement effective change initiatives by understanding the dynamics of organizational behavior. Lewin's model comprises three stages: Unfreeze, Change, and Refreeze. The Unfreeze stage involves preparing the organization for change by creating awareness of the need for change and dismantling the existing mindset, which might involve addressing resistance and fostering an environment receptive to new ways of working. The Change stage is where the organization begins to implement the change, introducing new processes, systems, or behaviors, with effective communication and support being crucial to ensure the changes are understood and adopted. Finally, the Refreeze stage involves solidifying the new state after the change has been implemented, ensuring that the changes are integrated into the organizational culture and that ongoing support is provided to maintain these changes, preventing regression to old ways and making new behaviors and processes the norm

1.13 Conceptual Framework

The conceptual framework presents the interrelationship amongst variables. The framework presents the independent variables, Leadership practices, Organizational learning, communication and stakeholder involvement on the left. The dependent variable: organizational performance is on the right.

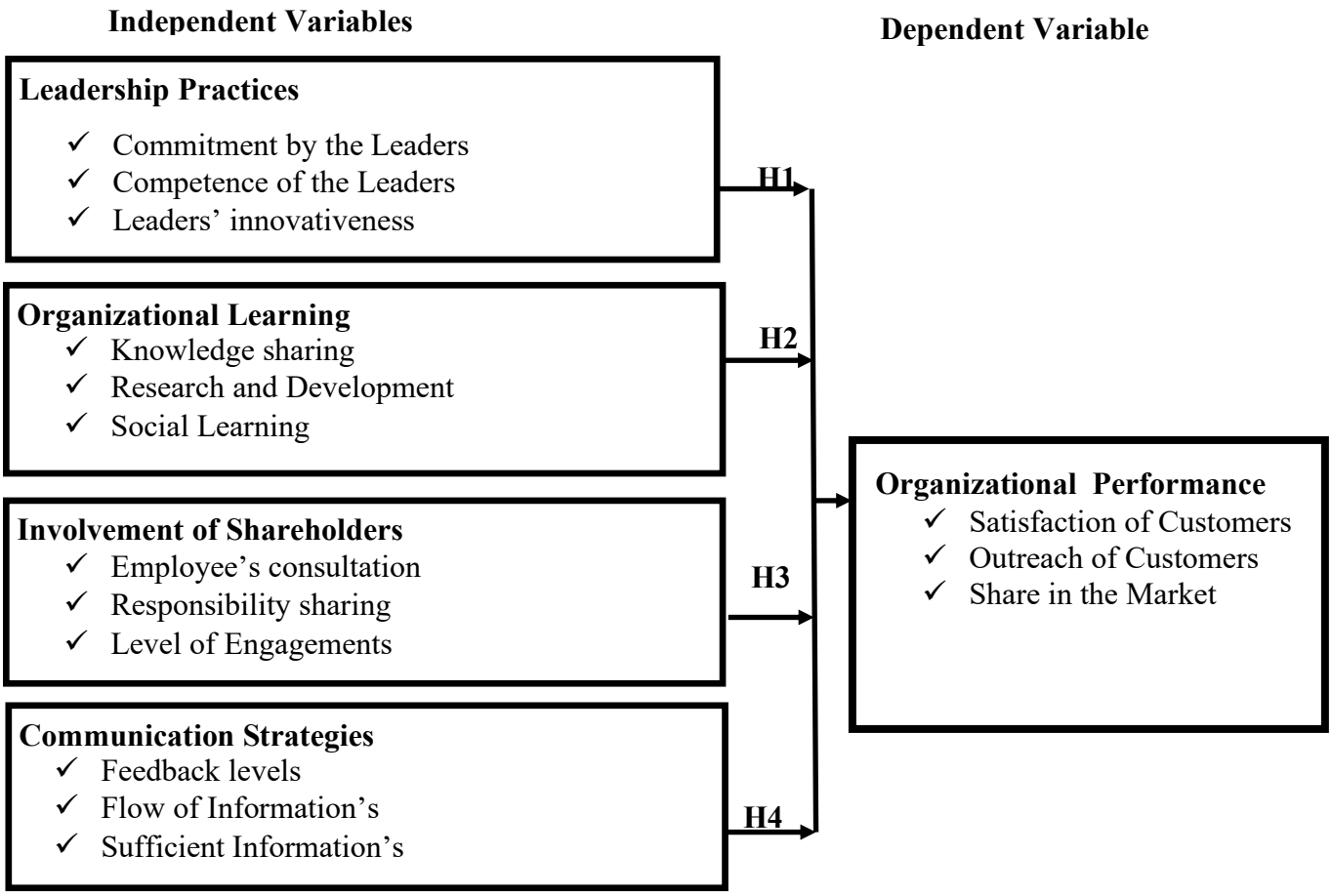


Figure 1: Conceptual framework
Source: Author (2023)

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

The chapter presents the reviewed literature related to the study variables. It also presents the reviewed gaps based on the study variables.

2.2 Literature Review

The section presents reviewed literature related to the study variables and how they relate to organizational performance.

2.2.1 Organizational Learning and Organizational Performance

It has been widely suggested that organizational learning is a crucial strategic asset for extracting value from knowledge assets because it is anticipated that its implementation will increase knowledge stocks, which will in turn increase efficiency and effectiveness, thus improving firm performance (Prahalad & Hamel, 1990). Organizational learning, as defined by Probst and Buchel (1997), is the capacity of an organization to identify and fix errors as well as to change its knowledge, understanding, and values in order to gain new problem-solving abilities and an extra infrastructure for action. Organizational learning is therefore a crucial component of a company's capacity to adapt to changes in both internal and external environments and maintain competitiveness in difficult times (Smith, 2001).

Based on the importance of organizational learning; Kim, Watkins, and Lu (2017) focused on data and financial performance as they investigated the effect of learning on organizational performance in the United Kingdom. Given the brevity and briefness of the questionnaire, its objective was to examine the relationships between instructional leadership, competency, and financial outcomes. To test the alleged relationships, the researchers used a supplementary set of data, second order factor analysis, and structural equation modeling. According to the research, learning organizations entirely mitigate the association between an educational organization and financial success. They also have a good impact on corporate performance and financial performance. The study highlights the significance of looking at more variables in change management and figuring out how they impact people and groups. The study was based in United Kingdom which is a developed nation while the current study will be done in Nairobi, Kenya, a developing nation in Africa.

Additionally, Wujiabudula and Zehir (2016) evaluated the effects of organizational learning on business success using product innovation. The primary objective of the study was to abandon the idea that product innovation mediates the link between organizational learning and business success. Turkish industrial enterprises selected 295 middle and senior managers. Statistical analysis was performed on the data collected using SPSS 22. According to the study, product innovation has a mediating impact on the connections between corporations and corporate learning. Because the study was carried out in Turkey, the Kenyan results are not applicable. Results were centered on manufacturing firms and a mediation variable, and product innovation was taken into account. Filling in conceptual and contextual gaps was the aim of this study.

Further, Gebremichael, Hailekiros, and Renyong (2016) investigated how technical innovation proficiency mediates the effect of organizational learning capacity on firm performance. In order to close the gap, this paper developed a conceptual framework and tested association hypotheses using survey data from 243 small and medium-sized manufacturing companies in Ethiopia. The study found that the association between organizational learning capacity and company efficiency is mediated by technical innovation capacity. It directly affects the effectiveness of the business as well. Additionally, it was discovered that both technical and organizational innovation are significantly influenced by the capacity to coordinate learning. Important methodological, contextual, and analytical shortcomings are exposed by the study. Inability to use objective performance measurements in place of subjective management indicators is used to describe the analytical weaknesses. It is necessary to employ inferential statistics in order to establish more reliable assumptions.

Is corporate learning a strategic change management tool that increases company success? (2015) Zhou, Hu, and Shi were curious. By means of a study focused on publicly traded enterprises in China 287 Chinese enterprises were in the target market. There have been discovered to be statistically significant positive connections between the organizational learning component and business success (both objective financial achievement and measurement of perceptual innovation). According to the research, corporations that can provide primary data should be given priority, while only enterprises with access to secondary data should be given

attention. The need to conduct a local study and include additional change management techniques in the research frequently reveals contextual and analytical deficiencies.

2.2.2 Communication and Organizational Performance

A crucial element of a company's present profitability and performance is organizational communication (Rajhans, 2012). Internal communication occurs when staff members converse or share important, understandable information. Effective communication is the cornerstone around which a company's system is created and run-in order to collect information, concepts, or messages from others in order to accomplish the intended goals. The following empirical studies were reviewed related to communication and organizational performance.

For instance; Shonubi and Akintaro (2018) evaluated the effect of excellent communication on corporate performance. The study's empirical foundation was a set of tests on organizational effectiveness and communication. The investigation's main emphasis was on efficient collaboration and communication. The study's findings proved that efficient corporate performance and communication go hand in hand. The results show that management must benefit from productive and effective organizational efficiency. Furthermore, ideas need to be understood before initiating contact. A greater understanding of human and physical situations is needed while communicating. All stakeholder communication should be urged to listen intently. Urgent actions should also be supported and carried out through communication. Finally, a successful review and follow-up procedures process must be built. This study, which was based on an empirical evaluation of the desktop, did not analyze correlation or inferential analysis. For this study, primary data as well as data for correlation and regression analysis will be gathered.

Additionally, Atambo and Momanyi (2016) investigated at the benefits of internal communication as a means to increase management effectiveness in a case study carried out by Kenya Power and Lighting Company in South Nyanza, Kenya. The primary goal of the study was to determine how worker output at Kenya Power Electric and Lighting Company South Nyanza was impacted by lateral, upward, and downward communication. 30% of the 256 employees who made up the study's target group were chosen by stratified random sampling from the South Nyanza district. The study's conclusions showed that KPLC favored downward contact and that knowledge gradually increased output. Additionally, it was thought that communication and upward contact may give management performance feedback. Additionally,

it was concluded that lateral communication is important since it enables interactions between departments, the formation of teams, and effective job cooperation. The study concluded that effective communication increased staff productivity. The study points out methodological flaws in the requirement to use other change management variables when evaluating, in addition to coordination and feedback. Methodological gaps exist in the need to increase comparability by addressing more companies, in addition to the case study technique.

In numerous firms, Asamu (2015) conducted a contact effect analysis on employee success. A questionnaire was used to gather information from 120 people who made up the sample. According to the study's findings, effective communications are related to employee performance, innovation, and involvement. There is a contextual empirical gap that prevents us from evaluating the impact of communications as examples of organizational change in SACCO industrial performance.

Moreover, A research on the practices and issues of strategic change management at Kenya's Safaricom Limited was done by Muema in 2015. Senior management, including middle-level managers, were entrusted with managing strategic changes while the study collected primary data utilizing a thorough interview protocol. To examine qualitative data, content analysis was used as a methodology. According to the study's conclusions, Safaricom Ltd. maintained effective coordination both before and after the modifications were put into place. The firm had formed and valued employee groups that carried out crucial corporate communication. The Board also used employee feedback. The study's conclusions confirm the significance of effective communication in creating and sustaining success. The study identifies methodological issues with the need for comparison across a variety of businesses. In order to fully understand the impact of change management on performance, more analytical work is required which will help to fill the empirical knowledge gap.

2.2.3 Leadership and Organizational Performance

The study identifies methodological issues with the need for comparison across a variety of businesses. In order to fully understand the impact of change management on performance, more analytical work was required. Tsai (2016) looked into the relationship between organizational traits, encouraging leadership, and job happiness in the context of Taiwanese organizational change. The study employed a cross-sectional research design and its participants were

Taiwanese hospital nurses. 300 participants were surveyed systematically to collect data for the study. 200 complete and valid questionnaires were submitted for the test and used. The study used correlation analysis to look at the connections between leadership, work happiness, and business architecture. The results showed that managerial behavior was, in turn, highly and favorably related to worker performance and job satisfaction. There are methodological limitations in the necessity to deal with organizational performance because the study under consideration concentrated on personnel performance. Contextual; it has also been found that local replication of the study is required.

Additionally, Omari, Ateka, and Nyaboga (2015) published a paper on the effects of strategic managing change on organizational performance. The study concentrated on Kenya's western region's soft drink industry. The results of the study showed that CEO engagement, in particular, was a crucial element in both the performance of organizations and the successful implementation and introduction of innovations. The study highlights a methodological gap that calls for additional research to address more change management variables.

Moreover, Thomas (2016) conducted study on change management and its effects on the Nigerian telecoms sector's organizational effectiveness. The report covered 300 randomly chosen employees from Airtel Nigeria and the Airtel Telecoms Company in Nigeria. One-way analyses of differences in the analysis were used to test the hypothesis (ANOVA). According to the study, leadership change management significantly affects success. The research advised Nigeria's telecoms leadership to take the initiative to improve the competitive landscape so that it could be implemented successfully. The study's methodology is flawed since it might have accounted for additional factors like organizational learning, stakeholder involvement, and communication.

2.2.4 Stakeholders Involvement and Organizational Performance

People who own a financial interest in the company are known as stakeholders. They are the individuals or organizations that have a voice in the decisions the company makes and whose interests the corporation works to advance. Investors, workers, consumers, governments, suppliers, financiers, unionized labor, trade associations, and competitors are a few of them (Gituku &Kagiri, 2015). According to Gituku and Kagiri, during the process of developing the strategy, stakeholders are given the chance to propose their own ideas (2015). At all stages of a project, stakeholders take part in shared decision-making and are permitted to

analyze and review ideas during the formation of a plan. It was discovered that many businesses do not consider their stakeholders when developing, carrying out, or evaluating their plans. Studies were reviewed related to stakeholder involvement.

For instance, the benefits of stakeholder involvement on road construction projects in Kenya's Uasin Gishu County were examined by Oyugah and Onyango in 2019. The study's methodology was one of descriptive inquiry. The target population included members of the Wareng and North Rift tribes who resided in Uasin Gishu County, respectively, as well as technical employees from KeNHA, KeRRA, KURA, NCA, and two matatu Saccos. The decision was made to employ the census sampling strategy. Semi-structured questionnaires were employed in the study's survey research methodology. For the Social Sciences, quantitative data has been coded and entered into SPSS version 25. It was found that involving stakeholders in the county's road construction initiatives improved outcomes. Participation of stakeholders in the execution and conclusion of county road construction projects has a positive and significant impact. The implementation of measures for developing roads is included in the report. The analysis will currently concentrate on the outcomes of SACCOs in Kenya.

Additionally, Using the JKUAT as a case study, Dacha (2018) assessed the effect of stakeholder involvement on the effectiveness of the public sector procurement process. Descriptive study methods were employed to gather data from respondents. Using random sampling techniques, a sample size of 48 was used on a population of 160 team members and employees. Information was gathered via questionnaires. The data was analyzed quantitatively, and pie charts and table diagrams were utilized to present the results. The findings revealed that senior management does not encourage stakeholder involvement in the acquisition process, that engagement is limited during the acquisition process, and that there are no consumers active in the acquisition process, indicating dissatisfaction with the process.

Further, Otieno (2016) sought to investigate the level of stakeholder involvement in the formulation and implementation of the strategy, as well as the impact this had on the operational performance of tea warehouse firms, in Mombasa County, Kenya. All 17 of Mombasa's

officially recognized tea warehouse businesses made up the report's population. The investigation was conducted with the use of SPSS and Microsoft Excel. Methodologies for quantitative data analysis were used to analyze the data. The primary data collected showed a substantial positive correlation between stakeholder involvement and results. This is true even if there was little stakeholder involvement in the development and execution of projects. Organizations with a higher level of stakeholder participation outperform those with a lower level of participation in terms of results. The study found that Mombasa County's tea warehousing businesses had above-average stakeholder involvement in developing and implementing their strategies, which negatively impacted organizational effectiveness. Data from warehouse companies, as well as the development and application of a plan, served as the foundation for the study. This case exhibits both contextual and conceptual gaps. The current study will concentrate on SACCOs in Kenya.

Moreover, the effect of stakeholder involvement on the execution of road projects at the Kenya National Highways Authority was examined by Nyandika and Ngugi (2015). This study employed a descriptive research design. The research employed both qualitative and quantitative approaches. The intended audience for this study were prequalified consultants, prequalified contractors, and KeNHA Top Management (Job Group 710). In this study, stratified random selection was used to choose 30 percent of the target population. 75 persons made up the study's sample size. Structured questionnaires were used in this study to gather data. Version 21 of the Social Sciences Statistics Package was used to examine quantitative data, and prose content analysis was used to evaluate qualitative data (SPSS). The researchers used variance T-test analysis and the F-test to evaluate the relationship between the variables. The study found that user involvement, practicality, and awareness conferences and seminars have an advantageous effect. Additionally, it has been shown that the usage of intranets, the internet, IT rules, computer-aided design, and IT skills all have a substantial impact on the success of road projects. As a result, there was a methodological disagreement in the study utilizing the T-test to determine the existence and strength of the relationship between variables. The current study will use Pearson correlation.

2.3 Summary of Review of Literature and Research Gap

Kim, Watkins, and Lu (2017) conducted research on the effects of learning on organizational performance in the UK with a focus on data and financial success. The study found that organizational learning has a positive impact on information efficiency. The study emphasizes the necessity to investigate additional factors in change management and determine how they affect both individual and group performance. The SACCO sector in Kenya will be the location of the present study.

Additionally, Shonubi and Akintaro (2018) investigated the impacts of internal communication as a technique for enhancing management productivity. They looked at the effect of efficient communication on corporate performance. Communications that are precise and short-term in nature are typically associated with long-term importance. Without taking into account correlation or inferential analysis, the argument was constructed based solely on an empirical analysis of the desktop. For the current study, primary data will be gathered along with secondary data for correlation and regression analysis.

In their study, Wujiabudula and Zehir (2017) examined the effect of organizational learning on business success. According to the study, innovation had a mediating impact on the links between corporate and business learning. Because the study was carried out in Turkey, Kenya may not be allowed to use the findings. The research concentrated on manufacturing businesses. The current study will concentrate on SACCOs. Atambo and Momanyi (2016) studied strategic change management techniques and performance of Safaricom Limited and KPLC, Kenya. The study's findings revealed that safaricom preferred downward touch, and that knowledge boosted productivity over time while Safaricom preferred upward approach. The study focused on Safaricom limited and KPLC and a case study was used. Aside from the case study methodology, methodological gaps exist in the need to improve comparability by addressing more companies in public sector in Kenya.

Table 4.1 Summary of Review of Literature and Research Gap

Author and Year	Title	Findings	Research Gaps
Kim, Watkins, and Lu (2017)	The effect of learning on organizational performance in the United Kingdom	Learning organizations entirely mitigate the association between an educational	The study was based in United Kingdom which is a developed nation while the

		organization and financial success	current study will be done in Nairobi, Kenya, a developing nation in Africa
Wujiabudula and Zehir (2016)	Evaluated the effects of organizational learning on business success using product innovation	According to the study, product innovation has a mediating impact on the connections between corporations and corporate learning	Filling in conceptual and contextual gaps was the aim of this study
Gebremichael, Hailekiros, and Renyong (2016)	Technical innovation proficiency mediates the effect of organizational learning capacity on firm performance	The study found that the association between organizational learning capacity and company efficiency is mediated by technical innovation capacity	Inability to use objective performance measurements in place of subjective management indicators is used to describe the analytical weaknesses. It is necessary to employ inferential statistics in order to establish more reliable assumptions.
Zhou, Hu, and Shi (2015)	Corporate learning a strategic change management tool that increases company success	There have been discovered to be statistically significant positive connections between the organizational learning component and business success	The need to conduct a local study and include additional change management techniques in the research frequently reveals contextual and analytical deficiencies.
Shonubi and Akintaro (2018)	Evaluated the effect of excellent communication on corporate performance.	The study's findings proved that efficient corporate performance and communication go hand in hand	This study, which was based on an empirical evaluation of the desktop, did not analyze correlation or inferential analysis. For this study, primary data as well as data for correlation and regression analysis will be gathered.
Tsai (2016).	Investigated into the relationship between	The results showed that managerial behavior	There are methodological

	organizational traits, encouraging leadership, and job happiness in the context of Taiwanese organizational change	was, in turn, highly and favorably related to worker performance and job satisfaction	limitations in the necessity to deal with organizational performance because the study under consideration concentrated on personnel performance. Contextual; it has also been found that local replication of the study is required.
Oyugah and Onyango (2019)	The benefits of stakeholder involvement on road construction projects in Kenya's Uasin Gishu County	It was found that involving stakeholders in the county's road construction initiatives improved outcomes.	The implementation of measures for developing roads is included in the report. The analysis will currently concentrate on the outcomes of SACCOs in Kenya.
Dacha (2018)	Assessed the effect of stakeholder involvement on the effectiveness of the public sector procurement process	The findings revealed that senior management does not encourage stakeholder involvement in the acquisition process, that engagement is limited during the acquisition process, and that there are no consumers active in the acquisition process, indicating dissatisfaction with the process.	The study focused on public sector procurement process and not organizational performance. The proposed study will fill the contextual gap by studying on SACCOs performance

Source: Researcher (2023)

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

The chapter presents the research methodology. The research methodology involved research design, target population, sampling design, instruments of collecting data, pilot test and data analysis. The methodology helps in achieving the research objectives.

3.2 Research Design

The study employed an explanatory research design to examine how change management strategies affect the performance of DT-SACCOs in Nairobi City County, Kenya. An explanatory research design is suitable for this study because it seeks to explain the cause-and-effect relationships between variables (Saunders, Lewis, & Thornhill, 2019). Unlike descriptive research, which merely identifies characteristics and relationships without delving into causality, explanatory research aims to understand the underlying reasons for observed phenomena and the mechanisms through which one variable impacts another (Creswell & Creswell, 2017). By utilizing an explanatory research design, the study aims to go beyond mere description and instead provide a comprehensive understanding of how organizational learning, communication strategies, leadership changes, and stakeholder involvement influence the performance of DT-SACCOs (Sekaran & Bougie, 2016). This approach is particularly appropriate because it allows for the identification and analysis of specific change management strategies and their direct effects on organizational performance, thereby providing actionable insights for improving the effectiveness and efficiency of DT-SACCOs in Kenya.

3.3 Research Site

The study was be carried out in Nairobi City County, Kenya. The focus was on DT SACCOs HQ in Nairobi City County. The study was carried out in Nairobi City County, Kenya, focusing on the headquarters of DT-SACCOs within the county. This location is justified for several reasons. Firstly, Nairobi City County serves as the economic and financial hub of Kenya, hosting a significant concentration of financial institutions, including the headquarters of numerous DT-SACCOs (Central Bank of Kenya, 2020). This makes it a strategic location for studying the performance and management practices of these institutions, as it provides a comprehensive view of the operations and challenges faced by DT-SACCOs in a major urban center

3.4 Target Population

According to Oso and Onen (2005), a target population is the full group of elements, units, objects, or individuals who share characteristics that are established by the sample criteria. According to Mugenda and Mugenda (2013), a target population typically has some visible characteristics that the research intends to generalize the study's findings to. The 42 registered DT-SACCOs in Nairobi County, Kenya, served as the study's unit of analysis. The Appendix iii has a list of the 42 targeted SACCOs. The unit of observation was four respondents from each SACCO who consisted of head of retail banking, head of customer service, head of risk management and head of legal compliance total to 168 (4X42) respondents (Respective DT SACCOs Human Resource Department, 2022).

Table 3.2 Target Population

Cadre	Frequency	Percentage
Head of retail banking	42	25%
Head of Customer Service	42	25%
Head of Risk Management	42	25%
Head of Legal Compliance	42	25%
Total	**168**	**100%**

Source: Respective DT SACCO (2023)

3.5 Study Sample

A sample, in the words of Bryman and Bell (2015), is a collection of representative constituents drawn from a larger target population. The main reason for sampling is to get around the challenges that come with looking at the entire population. It involves choosing representative people from a larger group. Oso and Onen (2005) assert that sampling is utilized to get around problems with studying the entire population, like a lack of funding and time for research. We employed a simple random sampling method in which each participant has an equal probability of being chosen. The study made use of Stattrek's (2015) algorithm, which reduces the known population to a sample size with a specified level of confidence. The formula sampled the unit of observation from 168 respondents to 118 sample size as follows.

$$n = \frac{N}{1+N\,(e)^2}$$

The formula is explained as follow;

N= Represent the total population of 168

e- Is the level of precision which is 95% confidence level

n= Sample size

Using the same formula, the sample size is determined as follow;

$$n = \frac{168}{1+168\ (0.05)^2} = 118$$

118 respondents participated in the study as a result. To guarantee an appropriate sample size for proportional stratification of each stratum, Stattrek (2015) utilized the following formula: nh =(Nh/N)n.

Table 3.3 Sample Size

Cadre	Population (X)	Sample X/1+N $(e)^2$
Head of retail banking	42	29
Head of Customer Service	42	30
Head of Risk Management	42	29
Head of Legal Compliance	42	30
Total	**168**	**118**

Source: Respective DT SACCO (2023)

3.6 Data Collection

The section presents data collection instruments, pilot tests on reliability and validity and data collection procedure.

3.6.1 Data Collection Instruments

A questionnaire was used in this study to gather primary data. Questions are quicker to complete, more cost-effective in gathering data on a wide range of subjects, and better suited to certain sorts of responses in recurring and uniform data, claim Mugenda & Mugenda (2013). To collect primary data, a semi-structured questionnaire was used.

3.6.2 Pilot Testing of Research Instruments

The research instruments were tested to ensure reliability and validity. Pilot study was carried out in Nairobi CBD and will focus on the DT SACCOs. The respondents were the branch managers of various DT SACCOs who were selected using purposive sampling method. The research targeted 12 branch managers (10% of 118) since according to Mugenda and Mugenda (2010) 10% of the sample size is a good representation in a pilot study.

3.6.3 Reliability of Research Instruments

The reliability of the research instruments was examined using reliability tests. The degree to which repeated tests of a research instrument provide consistent results is essentially what reliability concerns pertain to. In other words, Kothari (2011) contends that any meaningful discoveries must be more than a one-time occurrence and must therefore be naturally reproducible. This is the fundamental tenet of research instrument reliability. Reliability was evaluated using the Cronbach's Alpha Reliability test. In social science research, a reliability coefficient of higher than 0.70 is regarded as "acceptable," according to Gliem & Gliem (2003). This scale was utilized in the investigation to clarify the reliability, or lack thereof, of the research instrument (Cronbach, 1951). The results are presented in the table 3.3 below.

Table 3.4 Reliability test results

Variables	**Cronbach's Alpha**
Leadership Change	0.79
Organizational learning	0.82
Stakeholder involvement	0.78
Communication	0.75
Performance of SACCOs	0.87
Overral	**0.8**

Source: (Researcher, 2024)

3.6.4 Validity of Research Instruments

According to Bryman and Bell (2015), the degree to which data obtained during analysis accurately reflect the phenomenon under examination is referred to as a research instrument's validity. Construct validity, predictive validity, and content validity were all tested in this study.

The degree to which a test or level result corresponds with outcomes for a specific criterion is known as predictive validity (Chen, 2015). To increase content validity, the researcher conducted a thorough literature study and sought advice from many sources related to organizational theory and behavior. The instrument's construct validity and predictive validity were assessed using expert and supervisor judgments. Professors and Academicians helped in setting the questions.

3.6.5 Data Collection Procedure

The researcher sought authority to collect data from ANU graduate school. The researcher used the data collection authorization letter to apply for NACOSTI data collection permit. After obtaining the two authorization letters the researcher embarked to the field to collect data. Questionnaires were dropped and picked after 14 days.

3.7 Data Processing and Analysis

Data was submitted to a comprehensive data cleaning technique prior to the main analysis. The data sets were then categorized based on the study objectives. The quantitative data was analyzed using descriptive and inferential analysis technique. Descriptive analysis involved describing the study variables using the mean, frequencies, numbers, and percentages. Inferential analysis involved use of SPSS version 26 to generate correlation and regression coefficients for the purposes of making inferences about the population using the sample.

Any qualitative data collected was analyzed using content analysis. The researcher employed content analysis to determine the existence of specific words, topics, or concepts in the data. The study used multiple regression model to present the interrelationship amongst study variables.

$Y= \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \varepsilon$

Where,

Y =Organizational Performance

X_1= Leadership Change

X_2 = Organizational Learning

X_3= Stakeholder Involvement

X_4= Communication

ε =Error Term

3.8 Ethical Considerations

Research approvals and permits were obtained from the relevant institutions. A research permit was obtained from the relevant institutions; the Ministry of Education National Council for Science Technology and Innovation (NACOSTI) in Nairobi and the Nairobi City County Administration Offices to enable the researcher to conduct the study. Confidentiality for the data collected was guaranteed. The researcher ensured that appropriate credit was given to other people's ideas, processes, and results. The researcher shared the findings after the completion of the research with the relevant users. The rights of respondents were discussed and guaranteed by the researcher.

CHAPTER FOUR

DATA ANALYSIS AND PRESENTATION OF FINDINGS

4.1 Introduction

This chapter covers an analysis of the data, presentation of results, and discussion of the research findings as discussed in the methodology chapter.

4.2 Response rate

The target population for the study was 118 respondents. The response rate is presented in table 4.1 below.

Table 4.5 Response rate

Cadre	Sample size	Returned questionnaires
Head of retail banking	29	26
Head of Customer Service	30	29
Head of Risk Management	29	25
Head of Legal Compliance	30	27
Total	**118**	**107**

Source: (Researcher, 2024)

The researcher successfully obtained responses from 107 participants, indicating a response rate of 90.68%. The response rate was deemed sufficient for the research, in accordance with the recommendations of Morton et al (2012).

4.3 Demographic information

This section is concerned with the general information of the respondent. It sought details on the gender, work experience and level of education. The results are shown in the table 4.2 below.

Table 4.6 Demographic information

Gender		
Gender	**Frequency**	**Percentage**
Male	69	64.5%
Female	38	35.5%
Work experience		
Age	**Frequency**	**Percentage**
1-5 years	20	18.7%
6-10 years	37	34.5%
11-15 Years	31	29.0%
Above 15 Years	19	17.8%
Level of education		
Years	**Frequency**	**Percentage**
Diploma Certificate	6	5.6%
Undergraduate Certificate	34	31.8%
MBA Certificate	59	55.1%
Others	8	7.5%

Source: (Researcher, 2024)

From the findings in table 4.2, 64.5% of the respondents were male and 35.5% were female. This finding suggests that the survey included a third representation of women, aligning with the constitutional provision on gender. The table also indicates that 34.5% of the respondents had a work experience of 6-10 years, followed closely by 29% who had a work experience of 11-15 years. Additionally, 18.7% and 17.8% had a work experience of 1-5 years and above 15 years respectively. This implies that the respondents are deemed to be versed with the happenings of the SACCOs and were able to give valid information about the organizations. According to the data in table 4.2, majority of the respondent, 55.1%, were Master's degree graduates, 31.8% had an undergraduate certificate and 5.6% had a diploma certificate. 7.5% of the respondents reported to have a PhD certificate. This suggests that the participants have the necessary information to accomplish the goals of this research.

4.4 Descriptive Analysis of the study Variables

The researcher sought to establish the effect of change management strategies on performance of DT-SACCOs in Nairobi City County. The specific strategies investigated are organizational learning, communication strategy, leadership change, and stakeholder's involvement.

4.4.1 Leadership and Organizational Performance

The participants were asked to express their degree of agreement on comments about leadership in their SACCO. The findings are as shown in table 4.3.

Table 4.7 Leadership and Organizational Performance

	Mean	Std Dev
SACCO executives have successfully heightened the stakes in order to bring attention to the need for reform.	3.94	0.242
There is a core group of committed and driven executives at the helm of the organization.	4.16	0.963
Change projects can be directed by executives in an organization who have the knowledge and expertise to bring about the necessary transformations.	4.01	1.053
Leaders in an organization need to be resourceful and original if they want to ensure the smooth introduction of change.	3.87	0.793
The management group carefully chooses the right people to form the ruling coalition.	3.77	0.274
Aggregate Mean	**3.95**	**0.665**

Source: (Researcher, 2024)

The results from Table 4.3 provide insights into the perceptions of leadership and its impact on organizational performance within DT-SACCOs in Nairobi City County, Kenya. The aggregate mean score for the leadership attributes is 3.95 with a standard deviation of 0.665, indicating a generally positive assessment of leadership effectiveness with moderate variability in responses. Specifically, the statement "SACCO executives have successfully heightened the stakes in order to bring attention to the need for reform" received a mean score of 3.94 with a standard deviation of 0.242, reflecting high agreement among respondents with minimal variation. The statement "There is a core group of committed and driven executives at the helm of the organization" scored the highest mean of 4.16 and a standard deviation of 0.963, suggesting strong consensus on the presence of dedicated leadership, though with slightly more variability.

The perception that "Change projects can be directed by executives in an organization who have the knowledge and expertise to bring about the necessary transformations" had a mean score of 4.01 and a standard deviation of 1.053, indicating general agreement but noticeable variability in perceptions. The statement "Leaders in an organization need to be resourceful and original if they want to ensure the smooth introduction of change" received a mean of 3.87 and a standard deviation of 0.793, showing strong agreement with moderate variability.

Finally, the statement "The management group carefully chooses the right people to form the ruling coalition" had the lowest mean score of 3.77 and a standard deviation of 0.274, indicating agreement but with less consensus. These findings imply that while leadership is generally viewed positively in terms of its role in driving organizational performance, there are areas where variability in perceptions suggests opportunities for improvement. The results align with empirical studies such as those by Prahalad and Hamel (1990), Probst and Buchel (1997), and Kim, Watkins, and Lu (2017), which emphasize the importance of effective leadership and organizational learning in enhancing performance. However, the variability in responses also indicates that the impact of leadership practices may differ among individuals within the organization, suggesting the need for tailored leadership development programs to address specific areas of concern

4.4.2 Organizational Learning and Organizational Performance

The participants were asked to express their degree of agreement on comments about organizational learning in their SACCO. The findings are as shown in table 4.4.

Table 4.8 Organizational Learning

	Mean	Std Dev
Supporting change initiatives, the company has a well-articulated knowledge management policy.	3.73	0.552
The company provides ongoing training and development opportunities to its employees in order to help them better handle change efforts.	3.87	0.945
Innovation and creativity are highly valued at this company because of their role as agents of change.	4.10	0.824
Peer learning is highly regarded within the company as an important factor in effecting positive change.	3.91	0.934
Aggregate Mean	**3.90**	**0.81**

Source: (Researcher, 2024)

The results from Table 4.4 on Organizational Learning within DT-SACCOs in Nairobi City County, Kenya, reveal insights into the organization's approach and effectiveness in fostering learning and innovation. The aggregate mean score of 3.90 and a standard deviation of 0.81 indicate a generally positive perception of organizational learning practices, albeit with some variability in responses. Firstly, supporting change initiatives with a well-articulated knowledge management policy received a mean score of 3.73 and a standard deviation of 0.552, suggesting strong agreement with relatively low variability. This indicates that the organization has a clear policy framework to support learning and knowledge sharing in the context of change.

The provision of ongoing training and development opportunities for employees, scored at 3.87 with a standard deviation of 0.945, also shows strong agreement but with higher variability. This suggests that while training opportunities are valued, there may be varying perceptions about their effectiveness in preparing employees for change efforts. Innovation and creativity being highly valued, receiving a mean score of 4.10 and a standard deviation of 0.824, indicates strong agreement and highlights the organization's recognition of these qualities as crucial for driving change and improvement.

Peer learning being highly regarded within the company, with a mean score of 3.91 and a standard deviation of 0.934, also shows strong agreement but with higher variability, indicating that while peer learning is valued, there may be varying perceptions about its effectiveness. These findings have important implications for organizational performance. They align with empirical studies that emphasize the importance of organizational learning in enhancing firm performance. For example, Prahalad & Hamel (1990) argue that organizational learning enhances a firm's ability to adapt to changes in both internal and external environments, thus maintaining competitiveness. This is supported by Kim, Watkins, and Lu (2017), who found that learning organizations significantly impact corporate and financial performance through improved competency and leadership.

However, some contextual and analytical gaps exist when comparing these results with studies like Wujiabudula and Zehir (2016), who focused on product innovation in Turkish industrial enterprises, and Gebremichael, Hailekiros, and Renyong (2016), who studied technical innovation proficiency in Ethiopian manufacturing companies. These studies indicate that while organizational learning is crucial, the mediating factors and specific outcomes may vary by industry and context. Further research could explore these contextual differences and provide a deeper understanding of how organizational learning in DT-SACCOs specifically impacts their performance. Additionally, focusing on more objective performance measures rather than subjective management indicators would strengthen the analytical rigor and reliability of such studies. In conclusion, while the results suggest that DT-SACCOs in Nairobi are effective in promoting organizational learning and innovation, further attention to specific contextual factors and more rigorous analytical methods will enhance our understanding of how these practices contribute to overall organizational performance

4.4.3 Stakeholder Involvement and Organizational Performance

The participants were asked to express their degree of agreement on comments about stakeholder involvement in their SACCO. The findings are as shown in table 4.5.

Table 4.9 Stakeholder Involvement

	Mean	Std Dev
The organization values its team leaders and shows them appreciation, inclusion, and support as they implement change.	3.79	0.534
The Sacco employs well-thought-out strategies for dealing with people who don't want to adapt.	3.51	0.864
Change management includes all affected parties throughout the entire process of introducing and enacting the change.	3.76	0.994
The company gives these groups authority because it recognizes the need of teamwork in the change management process.	3.72	0.637
Throughout the process of introducing and implementing a change in the organization, consultation plays a vital role.	4.03	0.883
Aggregate Mean	**3.762**	**0.78**

Source: (Researcher, 2024)

The results from Table 4.5 illustrate the perceptions of stakeholder involvement within DT-SACCOs in Nairobi City County, Kenya, with an aggregate mean score of 3.762 and a standard deviation of 0.78, indicating a generally positive assessment of stakeholder involvement practices with some variability in responses. The statement that the organization values its team leaders and shows them appreciation, inclusion, and support as they implement change received a mean score of 3.79 and a standard deviation of 0.534, reflecting strong agreement among respondents with minimal variation, suggesting that team leaders feel valued and supported in change initiatives.

The employment of well-thought-out strategies for dealing with people who resist adaptation scored a mean of 3.51 and a standard deviation of 0.864, indicating moderate agreement with more variability, suggesting differences in how effective these strategies are perceived. The inclusion of all affected parties throughout the entire process of introducing and enacting change had a mean score of 3.76 and a standard deviation of 0.994, showing strong agreement with

considerable variability, highlighting the importance of inclusivity in change processes. The recognition of the need for teamwork and the granting of authority to relevant groups scored a mean of 3.72 and a standard deviation of 0.637, indicating strong agreement with moderate variability. The critical role of consultation throughout the change process received the highest mean score of 4.03 and a standard deviation of 0.883, indicating very strong agreement and recognizing the importance of continuous dialogue.

These findings imply that stakeholder involvement is positively perceived within DT-SACCOs, which can have significant implications for organizational performance. The relatively high aggregate mean indicates a strong culture of valuing and involving stakeholders in change processes, which is crucial for effective change management. The results align with empirical studies such as those by Gituku and Kagiri (2015), who emphasized the importance of stakeholder participation in decision-making and strategy development. Oyugah and Onyango (2019) also found that stakeholder involvement positively impacts the outcomes of road construction projects in Uasin Gishu County, Kenya, reinforcing the importance of inclusivity and participation. Additionally, Dacha (2018) highlighted that limited stakeholder involvement in the public sector procurement process at JKUAT negatively affected its effectiveness, emphasizing the need for broader engagement.

Further, Otieno (2016) found a substantial positive correlation between stakeholder involvement and operational performance in tea warehouse firms in Mombasa County, indicating that higher stakeholder participation leads to better performance outcomes. This supports the current findings that involving stakeholders in SACCOs is likely to enhance performance. Nyandika and Ngugi (2015) also demonstrated that stakeholder involvement positively influences the execution of road projects at the Kenya National Highways Authority, further validating the importance of involving all relevant parties in change initiatives.Overall, the study underscores the importance of fostering a strong culture of stakeholder involvement within organizations to support change initiatives and improve performance. This supports the notion that stakeholder involvement is a strategic asset that enhances a firm's ability to adapt to internal and external changes, maintain competitiveness, and achieve sustained success.

4.4.4 Communication and Organizational Performance

The participants were asked to express their degree of agreement on comments about communication and organizational performance in their SACCO. The findings are as shown in table 4.6.

Table 4.10 Communication

	Mean	Std Dev
The SACCO's effective methods of communication allow for the timely and precise transmission of information.	3.91	0.591
There is an equal emphasis on formal and informal channels of communication within the organization for disseminating change information.	4.04	0.993
The company use a number of channels of communication to get information to its constituents as quickly as possible.	4.29	0.718
The Sacco takes everyone's feedback seriously and acts on it quickly.	3.82	0.658
The Sacco gives special emphasis to the ways in which ad hoc assemblies might facilitate the rapid and reliable dissemination of news regarding developments in the organization.	3.76	0.962
Aggregate Score	**3.96**	**0.78**

Source: (Researcher, 2024)

The results from Table 4.6 reveal the perceptions of communication practices within DT-SACCOs in Nairobi City County, Kenya. The aggregate mean score of 3.96 and a standard deviation of 0.78 indicate a generally positive assessment of communication effectiveness, with some variability in responses. The statement that the SACCO's effective methods of communication allow for the timely and precise transmission of information received a mean score of 3.91 and a standard deviation of 0.591, reflecting strong agreement and suggesting that timely and accurate communication is a recognized strength within the organization. The equal emphasis on formal and informal communication channels for disseminating change information scored a mean of 4.04 and a standard deviation of 0.993, indicating strong agreement but with considerable variability, highlighting the importance of both types of communication in managing change.

The use of multiple communication channels to quickly disseminate information received the highest mean score of 4.29 and a standard deviation of 0.718, reflecting very strong agreement and suggesting that the organization prioritizes quick and effective information dissemination. The SACCO's responsiveness to feedback scored a mean of 3.82 and a standard deviation of

0.658, indicating strong agreement and suggesting that feedback is taken seriously and acted upon. The role of ad hoc assemblies in facilitating rapid and reliable dissemination of news regarding developments scored a mean of 3.76 and a standard deviation of 0.962, indicating strong agreement with notable variability, suggesting that such assemblies are valued but their effectiveness may vary.

These findings imply that effective communication is positively perceived within DT-SACCOs, which can have significant implications for organizational performance. The high aggregate mean indicates a strong culture of effective communication, which is crucial for successful change management. This aligns with empirical studies, such as Shonubi and Akintaro (2018), who found that excellent communication positively affects corporate performance by ensuring effective collaboration and communication. Their study emphasizes the need for management to benefit from productive and effective communication to enhance organizational efficiency.

Atambo and Momanyi (2016) also support these findings, as their study at Kenya Power and Lighting Company in South Nyanza showed that internal communication, particularly downward, upward, and lateral communication, increases worker output and management effectiveness. The study concluded that effective communication enhances staff productivity, supporting the notion that communication practices in DT-SACCOs positively impact performance. Further, Asamu (2015) conducted a study on the impact of communication on employee performance and found that effective communication is related to employee performance, innovation, and involvement. This underscores the importance of communication in fostering a productive work environment, aligning with the current study's findings.

Moreover, Muema's (2015) research on Safaricom Limited highlighted the significance of effective communication in strategic change management, confirming that successful coordination and feedback mechanisms are crucial for maintaining corporate success. This supports the current study's emphasis on the importance of communication in managing organizational change within DT-SACCOs. Overall, the study underscores the importance of fostering effective communication practices within organizations to support change initiatives and improve performance. Effective communication is a strategic asset that enhances a firm's ability to adapt to changes, maintain competitiveness, and achieve sustained success

4.4.5 Performance of the SACCO

The participants were asked to express their degree of agreement on comments about performance of their SACCO. The findings are as shown in table 4.7.

Table 4.11 Performance of the SACCO

	Mean	Std Dev
The SACCO customers are satisfied with the services and products the SACCO offers	4.27	0.614
Customer to customer referrals has increased considerably over the years	3.92	0.521
The SACCO's customer service is high in relation to the products and services it offers	3.74	0.920
The customer complaints are handled with the specified period indicated in our customer service charter	4.05	0.715
The SACCO incurs minimal costs in running all business process	3.81	0.732
The DT SACCO has put forward containment measures to reduce on costs in various departments	3.97	0.614
Aggregate Score	**3.96**	**0.69**

Source: (Researcher, 2024)

Table 4.7 presents the results on the Performance of DT-SACCO based on various customer-related indicators, with an aggregate mean score of 3.96 and a standard deviation of 0.69. This suggests a generally positive perception of the SACCO's performance, with moderate variability in responses. Firstly, the high satisfaction of SACCO customers with the services and products offered, with a mean score of 4.27 and a standard deviation of 0.614, indicates strong agreement among customers. This high satisfaction level is crucial as it reflects positively on customer retention and loyalty, which are critical for the SACCO's sustainability and growth.

Customer to customer referrals increasing considerably over the years, scored at 3.92 with a standard deviation of 0.521, also shows strong agreement, albeit with lower variability. This indicates that customers are actively recommending the SACCO's services to others, which is a positive indicator of customer trust and satisfaction. The SACCO's customer service in relation

to its products and services received a mean score of 3.74 and a higher standard deviation of 0.920, suggesting a generally positive but more varied perception among respondents. This indicates that while customer service is perceived positively, there may be room for improvement to align it more closely with customer expectations.

Handling customer complaints within the specified period indicated in the customer service charter, scored at 4.05 with a standard deviation of 0.715, shows strong agreement and indicates that the SACCO is effective in resolving customer issues promptly, which is critical for maintaining customer satisfaction and trust. Regarding operational efficiency, the SACCO incurs minimal costs in running all business processes, with a mean score of 3.81 and a standard deviation of 0.732. This suggests a moderate level of agreement, with some variability in perceptions regarding cost efficiency. Lastly, the SACCO has implemented containment measures to reduce costs in various departments, with a mean score of 3.97 and a standard deviation of 0.614, indicating strong agreement and relatively low variability. This reflects positively on the SACCO's efforts to manage costs effectively.

These results have several implications for the SACCO's performance and alignment with empirical studies. High customer satisfaction and referrals align with studies that emphasize the importance of customer-centric strategies in enhancing organizational performance (Parasuraman et al., 1985; Reichheld, 2003). Effective complaint handling is also crucial, as it directly impacts customer retention and loyalty (Heskett et al., 1994). However, the slightly lower scores on customer service and cost efficiency indicate areas where the SACCO could focus on improvement. Ensuring that customer service meets or exceeds expectations could further enhance customer loyalty and satisfaction, aligning with findings from studies on service quality (Parasuraman et al., 1988). Similarly, maintaining and improving cost containment measures can lead to better financial performance and sustainability (Porter, 1985).

4.5 Correlation analysis

The data on change management strategies and performance were combined into a single variable for each factor by calculating the average of each factor. A Pearson correlation analysis was conducted with a 95% confidence interval and a 5% confidence level. The findings were analysed and are presented in Table 4.8 below.

Table 4.12 Correlation analysis

		Performance of SACCOs	Leadership	Organizational learning	Stakeholder involvement	Communication
Performance of SACCOs	Pearson Correlation	1				
	Sig. (2-tailed)					
	N	107				
Leadership	Pearson Correlation	.726	1			
	Sig. (2-tailed)	.000				
	N	107	107			
Organizational learning	Pearson Correlation	.736**	431	1		
	Sig. (2-tailed)	.000	.000			
	N	107	107	107		
Stakeholder involvement	Pearson Correlation	.854*	.534**	.877**	1	
	Sig. (2-tailed)	.000	.000	.000		
	N	107	107	107	107	
Communication	Pearson Correlation	.794**	.148	.809**	.713**	1
	Sig. (2-tailed)	.000	.000	.000	.000	
	N	107	107	107	107	107

Source: (Researcher, 2024)

According to Wong and Hiew (2005), a correlation coefficient value (r) falling within the range of 0.10 to 0.29 is considered poor, a value between 0.30 and 0.49 is considered medium, and a value between 0.50 and 1.0 is considered high. Thus, based on Table 4.8 above, all the independent variables had a positive correlation or relationship with the dependent variable with stakeholder involvement having the highest correlation of (r=0.854) followed by communication

with a correlation of (r=0.794), followed by organizational learning with a correlation of (r=0.736), and finally leadership had the least correlation of (r= 0.726). This implies that all the variables are statistically significant at the 95% confidence interval.

These findings suggest that stakeholder involvement, communication, organizational learning, and leadership are all important factors positively influencing the dependent variable in the context of the SACCO studied. This aligns with previous research that emphasizes the significance of these factors in organizational performance and effectiveness (Gituku & Kagiri, 2015; Rajhans, 2012; Kim et al., 2017). In conclusion, the results indicate that all the independent variables—stakeholder involvement, communication, organizational learning, and leadership—are statistically significant predictors of the dependent variable at a 95% confidence level. This underscores their importance in contributing to the overall performance and success of the SACCO. Future studies could delve deeper into these relationships using more advanced statistical analyses to explore causal relationships and further validate these findings

4.6 Regression analysis

Multiple regression analysis was conducted by the researcher in order to identify a link between the variables under investigation. The results are shown in the tables provided below.

4.6.1 Model summary

Table 4.9 displays the model summary findings, illustrating the correlation coefficients and determination coefficients.

Table 4.13 Model summary

Model	R	R square	Adjusted R Square	Std error of the estimate
1	.868a	.753	.685	.419

Source: (Researcher, 2024)

a Predictors: (Constant), Leadership, Organizational learning, Stakeholder involvement, Communication

Table 4.9 shows that the value of R is 0.868 and the value of R^2 is 0.753 at a significance level of 0.05. A significant correlation exists between change management strategies and performance, as shown by a correlation coefficient of R=0.868. The findings of the study also revealed that

75.3% of the variability in change management can be accounted for by the predictors included in the model. Conversely, the remaining 24.7% of the variance is attributed to other variables that are not included in the model.

4.6.2 Analysis of Variance

The ANOVA findings are shown in table 4.10 below.

Table 4.14 ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	6.190	4	1.718	8.217	.000[b]
	Residual	3.450	102	.126		
	Total	9.640	106			

Source: (Researcher, 2024)

Table 4.10 showed that F statistic=8.217 was significant at 95% level of confidence. This postulates that the model o used was fit to explain the relationship between the change management practices and performance of SACCOs. Significance explains the usefulness of regression model at 95% level of confidence in which p-value is less than alpha (0< 05) hence it was concluded that change management practices is significant predicator of performance.

4.6.3 Regression coefficients

The presented in Table 4.11 shows the regression coefficients of the variables.

Table 15 Regression Coefficient

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	**Std. error**	**B**		
1	Constant	.842	2.262	.292	.213	.000
	Leadership	.698	.178	.465	1.441	.000
	Organizational learning	.576	.191	.281	2.417	.000
	Stakeholder involvement	.338	.046	.819	2.782	.000
	Communication	.366	.077	.354	7.796	.000

Source: (Researcher, 2024)

Leadership plays a crucial role in determining the performance of SACCOs, as indicated by the unstandardized coefficient of 0.698. This finding aligns with empirical studies that emphasize the significance of effective leadership in organizational success (Rajhans, 2012). Effective leadership provides strategic direction, fosters a positive organizational culture, and motivates employees, thereby enhancing overall performance. The coefficient suggests that for every unit increase in leadership effectiveness within the SACCO, we can expect an increase in performance by approximately 0.698 units, holding other variables constant. This underscores the importance of investing in leadership development and ensuring that leaders possess the skills necessary to navigate change and drive organizational success.

Organizational learning is another critical determinant of SACCO performance, as evidenced by the unstandardized coefficient of 0.576. This finding is consistent with existing literature that highlights the role of continuous learning and adaptation in improving organizational efficiency and effectiveness (Kim et al., 2017). The coefficient indicates that for every unit increase in organizational learning capability, SACCO performance is expected to increase by approximately 0.576 units, holding other variables constant. This underscores the importance of creating a learning culture within the organization, where knowledge is shared, errors are

corrected, and innovations are implemented. By doing so, SACCOs can enhance their ability to respond to market changes and customer needs, ultimately driving improved performance.

Stakeholder involvement significantly influences SACCO performance, as indicated by the unstandardized coefficient of 0.338. This finding is consistent with studies that emphasize the benefits of engaging stakeholders in decision-making processes and strategy formulation (Gituku & Kagiri, 2015). The coefficient suggests that for every unit increase in stakeholder involvement, SACCO performance is expected to increase by approximately 0.338 units, holding other variables constant. Engaged stakeholders contribute valuable insights, foster commitment, and enhance accountability, which are essential for achieving organizational goals. SACCOs should prioritize stakeholder engagement to improve customer satisfaction, operational efficiency, and overall performance.

Effective communication is critical for SACCO performance, as evidenced by the unstandardized coefficient of 0.366. This finding aligns with research highlighting the importance of clear, timely, and transparent communication in fostering collaboration and reducing misunderstandings (Rajhans, 2012). The coefficient indicates that for every unit increase in communication effectiveness, SACCO performance is expected to increase by approximately 0.366 units, holding other variables constant. Effective communication channels ensure that information flows smoothly within the organization, facilitating better decision-making and problem-solving. SACCOs should focus on improving communication strategies and tools to enhance customer service, employee satisfaction, and overall organizational performance.

In conclusion, the ANOVA results provide compelling evidence that leadership, organizational learning, stakeholder involvement, and communication significantly predict the performance of SACCOs. These findings are consistent with empirical studies emphasizing the critical roles these factors play in organizational success (Kim et al., 2017; Gituku & Kagiri, 2015; Rajhans, 2012). The established equation:
$\mathbf{Y=0.842+0.698\cdot X_1+0.576\cdot X_2+0.338\cdot X_3+0.366\cdot X_4+\epsilon}$ provides a quantitative framework for understanding how these variables collectively contribute to SACCO performance. Future

research could explore these relationships further, perhaps by examining different sectors or employing longitudinal studies to assess long-term impacts. This would help refine strategies for enhancing SACCO performance through effective leadership, continuous learning, stakeholder engagement, and improved communication practices.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

The research findings are derived from the objectives of the study. The conclusions are derived from the main findings of the study. The study's recommendations have practical implications for policy and practice, while the suggestions for further research provide opportunities for scholars and academics to explore in the future.

5.2 Summary of findings

The study aimed to investigate the impact of change management on the performance of DT-SACCOs in Nairobi City County, Kenya. The study was conducted with the aim of examining the impact of leadership change on the performance of DT-SACCOs in Nairobi City County. Additionally, it sought to understand the influence of organizational learning, stakeholder involvement, and communication on the performance of DT-SACCOs in the same region.

The first objective was to determine the influence of leadership change on performance of DT-SACCOs in Nairobi City County. From the findings, majority of the respondents strongly agree that the organization is led by a core group of committed and driven executives. Secondly, there is a shared belief that executives possessing the necessary knowledge and expertise can effectively spearhead change initiatives within the organization. Moreover, respondents acknowledge the successful efforts of SACCO executives in drawing attention to the need for reform. Additionally, while not as unanimous, there is agreement among some respondents that leaders must demonstrate resourcefulness and originality to ensure the smooth introduction of change. Lastly, there is recognition that the management group carefully selects individuals to form an effective ruling coalition within the organization.

The second objective was to evaluate organizational learning strategies effect on performance of DT-SACCOs in Nairobi City County. The findings showed that majority of respondents agree that innovation and creativity hold significant value within their company, particularly in driving change initiatives forward. Secondly, peer learning is recognized as an important factor contributing to positive change within the company, indicating a culture that values collaboration

and shared knowledge. Thirdly, there is acknowledgment that the company invests in ongoing training and development opportunities for employees to better equip them in handling change efforts effectively. Lastly, respondents indicate that the company supports change initiatives through a well-articulated knowledge management policy, suggesting a strategic approach to managing and leveraging organizational knowledge for successful change implementation.

The third objective was to establish the influence of stakeholder involvement on performance of DT-SACCOs in Nairobi City County. The study found that there is a strong agreement that consultation plays a pivotal role throughout the process of introducing and implementing change, highlighting the importance of involving stakeholders in decision-making. Secondly, respondents recognize the significance of valuing and supporting team leaders during change initiatives, indicating the organization's commitment to providing necessary resources and recognition for effective leadership. Thirdly, there is acknowledgment that change management efforts should include all affected parties, emphasizing the importance of inclusivity and communication throughout the change process. Additionally, respondents note the importance of giving authority to groups affected by change, recognizing the value of teamwork in navigating change effectively. Lastly, there is recognition of well-thought-out strategies employed by the organization for addressing resistance to change, suggesting a proactive approach to managing challenges that may arise during the change process.

The fourth objective was to assess the impact of communication strategies on the performance of DT-SACCOs in Nairobi City County. The study revealed that most participants agreed on the use of multiple communication channels by companies to efficiently reach their stakeholders. Both formal and informal channels were given equal importance within the organization for sharing information about changes. The SACCO demonstrated effective communication methods that ensured timely and accurate transmission of information. Furthermore, the SACCO valued and promptly responded to feedback from all individuals. Additionally, the organization placed particular emphasis on how impromptu meetings could enhance the swift and reliable spread of news about organizational developments.

The results of the ANOVA demonstrate significant relationships among the variables influencing SACCO performance. Leadership (X1) shows a positive relationship with performance, with an unstandardized coefficient of 0.698 ($p < 0.001$). Organizational learning (X2) also significantly impacts performance, with a coefficient of 0.576 ($p < 0.001$). Stakeholder involvement (X3) exhibits a coefficient of 0.338 ($p < 0.001$), indicating its positive influence on performance. Furthermore, communication (X4) has a substantial impact, with a coefficient of 0.366 ($p < 0.001$). These coefficients suggest that all variables have statistically significant positive relationships with SACCO performance, confirming the importance of effective leadership, continuous learning, stakeholder engagement, and communication strategies in enhancing organizational outcome

5.3 Discussion of findings

In this section, the research findings are discussed in relation to each research objective. The researcher also compares the results of the study with those of other studies.

5.3.1 Leadership and Organizational Performance

The research revealed that executives with the required knowledge and expertise are capable of successfully leading change initiatives within the organization. The findings align with a study conducted by Omari, Ateka, and Nyaboga (2013) that focused on the impact of strategic change management practices on organizational performance. The study focused on the operations of soft drink industries in western Kenya. The study's findings revealed that effective change introduction and implementation, as well as overall organizational performance, were strongly influenced by leadership, particularly executive commitment. The findings align with the research conducted by Tsai (2016), which explored the correlation between organizational characteristics, supportive leadership, and job satisfaction within the context of organizational change in Taiwan. The findings indicated a strong and positive correlation between managerial behavior and worker performance and job satisfaction.

5.3.2 Organizational Learning and Organizational Performance

The study found that innovation and creativity hold significant value within the SACCOs, particularly in driving change initiatives forward. A study by Kim, Watkins, and Lu (2017) focused on data and financial performance as they investigated the effect of learning on

organizational performance in the United Kingdom. The study found that learning organizations entirely mitigate the association between an educational organization and financial success. They also have a good impact on corporate performance and financial performance. These findings are similar to those of this study.

Similarly, the findings of this study are also similar to those of Wujiabudula and Zehir (2016) who evaluated the effects of organizational learning on business success using product innovation. The study found that product innovation has a mediating impact on the connections between corporations and corporate learning. Gebremichael, Hailekiros, and Renyong (2016) also found that the association between organizational learning capacity and company efficiency is mediated by technical innovation capacity which directly affects the effectiveness of the business.

5.3.3 Stakeholder Involvement and Organizational Performance

The study found that consultation plays a pivotal role throughout the process of introducing and implementing change, highlighting the importance of involving stakeholders in decision-making. These findings are similar to those of Oyugah and Onyango (2019) who found that involving stakeholders in the county's road construction initiatives improved outcomes. Similarly, Otieno (2016) also found that Organizations with a higher level of stakeholder participation outperform those with a lower level of participation in terms of results. Nyandika and Ngugi (2015) in a study on the effect of stakeholder involvement on the execution of road projects at the Kenya National Highways Authority found that user involvement, practicality, and awareness conferences and seminars have an advantageous effect.

5.3.4 Communication and Organizational Performance

The study found that the SACCOs use a number of channels of communication to get information to its constituents as quickly as possible with the use of both formal and informal channels of communication. The study concurs with Shonubi and Akintaro (2018) evaluated the effect of excellent communication on corporate performance. The study's findings proved that efficient corporate performance and communication go hand in hand. The results show that management must benefit from productive and effective organizational efficiency. Furthermore, ideas need to be understood before initiating contact. A greater understanding of human and physical situations is needed while communicating. All stakeholder communication should be

urged to listen intently. Urgent actions should also be supported and carried out through communication.

The study's findings are in line with the research conducted by Atambo and Momanyi (2016). Their study focused on the impact of internal communication on employee performance, using a case study of Kenya Power and Lighting Company in the South Nyanza Region of Kenya. The study sought to investigate the effects of various communication methods on the performance of employees at Kenya Power Electric and Lighting Company South Nyanza Region. Lateral communication plays a crucial role in fostering collaboration between departments, promoting team unity, and ensuring effective work coordination.

5.4 Conclusions of the study

Implementing regular changes in different departments is crucial for enhancing organizational performance and meeting the expectations of stakeholders in today's business environment. Managing changes in technology is crucial for achieving long-term success and implementing sustainable strategies. Effective customer taste management is crucial for driving overall organizational growth and maximizing profitability. By understanding and catering to the preferences of customers, businesses can ensure long-term success. In order for change management to be successful, it is crucial to address any resistance to change in the human aspects. Implementing changes can sometimes create tension within an organization as it requires transitioning from familiar to unfamiliar territory, which can be risky, stressful, and intricate. Change management can be highly effective when approached in an academic manner that emphasizes participation and involves training employees on the intricacies of change. This equips them with the necessary knowledge, skills, and expertise, ultimately facilitating a seamless and efficient implementation of change. Managers at all levels of the organization should exhibit strong leadership by effectively delegating decision-making and leadership responsibilities to inspire and motivate employees.

5.5 Recommendations of the study

The study gives the following recommendations from the findings.

5.5.1 Recommendations for practice

The study suggests that SACCO leadership should demonstrate a strong commitment to the process of change management. The senior management should consider allocating additional resources, including financial and human resources, to better support change management initiatives. Having access to adequate resources is crucial for effective change management. In addition to providing resources, it is important for leadership to foster teamwork and cultivate a culture that supports the company's change management process.

The research suggests that involving all employees and stakeholders in the strategic change process is crucial. Strategic change management should be embraced by the entire organization, rather than being limited to change specialists and upper management.

5.5.2 Recommendations for policy

Organizations should consider the value of involving external consultants who can provide expertise in best practices and tools. This can help ensure that staff and cultural competency are effectively integrated into change management programs. The effectiveness of change management at SACCOs depends on the organization's competence, the dedication of change agents, and the commitment of all stakeholders. Given the significance of organizational leadership in driving adaptation, it is crucial to consistently nurture and strengthen the qualities necessary for fostering a mindset of change and growth. Efforts should be made to improve the measurement of stakeholder impact, which will provide a comprehensive understanding of the change management ecosystem. This will ensure that the impact of the SACCOs is even more significant.

5.6 Recommendations for further studies

The present study aimed to investigate the impact of change management strategies on the performance of DT-SACCOs in Nairobi City County, Kenya. Similar studies can be conducted in various other organizations, such as the public sector, private sector, and telecommunication sector. The study focused on four variables, and the researcher suggests that additional variables related to change management should be explored to determine their impact on organizational performance.

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APPENDIX II: QUESTIONNAIRE

PART A: BACKGROUND DATA

1. Please indicate your Gender

Male ( )

Female ( )

2. Indicate your work experience?

1- 5Years ( )

6-10Years ( )

11-15Years ( )

More Than 15years ( )

3. Please indicate the highest level of education attained

Diploma Certificate ( )

Undergraduate Certificate ( )

MBA Certificate ( )

Others Please-specify……..

Part B: Leadership and Organizational Performance

		1	2	3	4	5
4.	SACCO executives have successfully heightened the stakes in order to bring attention to the need for reform.					
5.	There is a core group of committed and driven executives at the helm of the organization.					
6.	Change projects can be directed by executives in an organization who have the knowledge and expertise to bring about the necessary transformations.					
7.	Leaders in an organization need to be resourceful and original if they want to ensure the smooth introduction of change.					
8.	The management group carefully chooses the right people to form the ruling coalition.					

Part C:-Organizational Learning and Organizational Performance

		1	2	3	4	5
9.	Supporting change initiatives, the company has a well-articulated knowledge management policy.					
10.	The company provides ongoing training and development opportunities to its employees in order to help them better handle change efforts.					
11.	Innovation and creativity are highly valued at this company because of their role as agents of change.					
12.	Peer learning is highly regarded within the company as an important factor in effecting positive change.					

Part D: Stakeholder Involvement and Organizational Performance

		1	2	3	4	5
13.	The organization values its team leaders and shows them appreciation, inclusion, and support as they implement change.					
14.	The Sacco employs well-thought-out strategies for dealing with people who don't want to adapt.					
15.	Change management includes all affected parties throughout the entire process of introducing and enacting the change.					
16.	The company gives these groups authority because it recognizes the need of teamwork in the change management process.					
17.	Throughout the process of introducing and implementing a change in the organization, consultation plays a vital role.					

Part E: Communication and Organizational Performance

18.	The SACCO's effective methods of communication allow for the timely and precise transmission of information.	1	2	3	4	5
19.	There is an equal emphasis on formal and informal channels of communication within the organization for disseminating change information.					
20.	The company use a number of channels of communication to get information to its constituents as quickly as possible.					
21.	The Sacco takes everyone's feedback seriously and acts on it quickly.					
22.	The Sacco gives special emphasis to the ways in which ad hoc assemblies might facilitate the rapid and reliable dissemination of news regarding developments in the organization.					

Part F: Performance of the SACCO

23.	The SACCO customers are satisfied with the services and products the SACCO offers	1	2	3	4	5
24.	Customer to customer referrals has increased considerably over the years					
25.	The SACCO's customer service is high in relation to the products and services it offers					
26.	The customer complaints are handled with the specified period indicated in our customer service charter					
27.	The SACCO incurs minimal costs in running all business process					
28.	The DT SACCO has put forward containment measures to reduce on costs in various departments					

Please make sure you didn't omit any question by mistake before giving the questionnaire. I appreciate you sharing this information.