CHANGE MANAGEMENT AND PERFORMANCE OF EQUITY BANK LIMITED IN NAIROBI CITY COUNTY, KENYA

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JUNE, 2019
DECLARATION
This research project is my original work not offered for any other degree or diploma in any university. Not a single section of this research project should be duplicated without the author and/or the Kenyatta University permission.

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Kimathi Emily Karimi
Department of Business Administration

I confirm that this research project has been presented for examination with my approval as the University Supervisor.

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DEDICATION

I dedicate this work to my family, friends and my supervisor who provided their knowledge and all kind of support towards this research project. May the Lord bless you all.
ACKNOWLEDGEMENT

I acknowledge each and every person who supported me in any way towards this research. I highly appreciate Dr. Kinyua for his supervision in generating this research. I appreciate my family; friends and peers who were of help. I am equally grateful to the Kenyatta University management for the support they offered towards providing accessibility and guidance to the facilities for this research project.
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<thead>
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<th>Acronym</th>
<th>Description</th>
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<tbody>
<tr>
<td>ATMs</td>
<td>Automated Teller Machines</td>
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<tr>
<td>ANOVA</td>
<td>Analysis of variance</td>
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<td>BSC</td>
<td>Balanced scorecard</td>
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<td>CBK</td>
<td>Central Bank of Kenya</td>
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<td>EBGAR</td>
<td>Equity Bank Group Annual Report</td>
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<td>EBL</td>
<td>Equity Bank Limited</td>
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<tr>
<td>IIF</td>
<td>Institute of International Finance</td>
</tr>
<tr>
<td>NACOSTI</td>
<td>National Commission for Science Technology and Innovation</td>
</tr>
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<td>OP</td>
<td>Organizational Performance</td>
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<td>RBV</td>
<td>Resource Based View</td>
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**OPERATIONAL DEFINITION OF TERMS**

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
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<tr>
<td>Change Management:</td>
<td>Change management is a logical way of handling the changeover or revolution of the company processes, goals, or technologies.</td>
</tr>
<tr>
<td>Corporate Communication:</td>
<td>This entails release of the internal and external communications with an aim of enabling the stakeholders to understand the relevance of all the information relating to the organization activities.</td>
</tr>
<tr>
<td>Equity Bank:</td>
<td>This is a Commercial Bank in the Kenyan Banking Sector</td>
</tr>
<tr>
<td>Organization Performance:</td>
<td>This refers to the abilities of an organization to continually cultivate new processes and enhance its product and services so as to accomplish the set goals and achieve its mission.</td>
</tr>
<tr>
<td>Participation in Decision Making</td>
<td>This entails sharing personal views or opinions in a particular matter.</td>
</tr>
<tr>
<td>Resource Allocation:</td>
<td>This is the distribution of the available scarce organization assets among the various business units so as to achieve the future set goals.</td>
</tr>
<tr>
<td>Training</td>
<td>This involves undertakings that lead to gaining of knowledge or capabilities required for improving the workforce abilities.</td>
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ABSTRACT

Change management in any organization aims at enhancing performance. The performance of organizations of today especially in banking sectors has been fluctuating particularly because of the numerous changes that have been occurring in the work environments. This study sought to look into change management and performance of Equity Bank limited head office, Nairobi City County. The specific objectives examined the effect of corporate communication, resources allocation, participation in decision making and training on the performance of Equity Bank Limited in Nairobi City County. The theories that anchored this study were learning organization theory, resource-based view theory and the McKinsey 7s model. This study targeted a population of 130 employees encompassing senior management, middle-level management and functional-level management. Proportionate stratified random sampling was applied to sample 65 staff members as the target population. The research instrument was semi-structured questionnaires to collect both quantitative and qualitative primary data while secondary information was retrieved from published records. The research instrument validity was established by performing a pilot study. The quantitative data was analyzed through statistical package for social sciences version 22. Descriptive statistics were used in analyzing quantitative data by use of SPSS version 22 and the outcomes were presented in form of standard deviations, percentages, frequencies, and frequencies mean and displayed in figures and tables. Correlation test (α=0.05) was performed to ascertain relationship level between the predictor and the response variables. Qualitative data was tested using content scrutiny and was presented in a prose form. The study established and concluded that there was significant statistical relationship between corporate communication, resources allocation, training, participation in decision making and performance of Equity Bank Limited in Nairobi City County. The study recommended to the management of Equity bank limited in Nairobi City County to incorporate effective and efficient modes of communication for timely and full disclosures of relevant information to the stakeholders. It was also recommended that the management should practice management by objective where all employees will be part and parcel of the decisions made; also they should provide opportunities for on-job and off-job training as well as sponsoring training programs for the employees at various levels. In addition, the management should ensure even allocation of resources depending on the department requirement. Also, resource mobilization should be done in an effective manner with minimal delays.
CHAPTER ONE
INTRODUCTION

1.1 Background of the Study

Organization performance (OP) is basically how well an organization operates towards the accomplishment of its mission and vision as such evaluating organizational performance is a critical aspect of change management (Windermere, 2013). The turbulent environment in which organizations function exposes them to various challenges hence there is a need for the response so as to enhance the performance (Kiliki, Atandi, & Awino, 2013). Performance can be based on the coherence of action stages; from the intention of acting to the actual output which is seen through effective service delivery, meeting customer demands, improved productivity among others (Henri, 2014). The going concern of any organization can be measured through performance measurements which may include financial measurements such as profit or return on assets and non-financial aspects like market share, advanced technology and customer satisfaction (Luliana & Criveanu, 2016). According to Milost (2013), various researchers encourage adoption of non-financial measures due to the limitations of purely measuring performance through financial measures.

For many decades, various organizations have relied on financial perspectives to measure performance (Taticchi, Tonelli, & Pasqualino, 2013). Researchers have investigated the advantages associated with applying financial and non-financial performance measures (Sholihin, Pike, & Mangena, 2013). For organizations to understand how effectively they are achieving their objectives, Key performance indicators (KPI) may be used (Leslie, 2015). On the other hand, lagging performance pointers such as return on investment, profit, and growth indicate the final outputs only hence may not provide adequate information to ensure success (Banker & Cummins, 2014). Leading metrics which include customer relationships, employee satisfaction, brand image, quality improvement, customer satisfaction, good supplier relationship, employee competence, and project management are the most efficient performance indicators (Haddadi & Tahere, 2014).
The Balanced Scorecard (BSC) founded by Kaplan and Norton in 1992 is one of the commonly applied methods in measuring performance. BSC measure both financial and non-financial aspects (Perkins, Grey, & Remmers, 2014). There are other commonly performance methods which include benchmarking that uses standard measurements for comparison and business process re-engineering where the organization's structures are redesigned to enhance performance. The others include the ISO9000 certification which organizations are audited against, Knowledge Management which relates good performance depending on the applicability of critical knowledge in the organization and BSC which consider internal business processes aspects, customer aspects, financial aspects and the learning and growth aspect to observe progress aiming to achieve organization's strategic objectives (Ireland, Cantens, & Yasui, 2014).

Institute of International Finance (IFF) observed that the entire sector has considered various adjustments with an aim to discern banks’ performance results (Institute of International Finance, 2013). From the various research conducted on financial services companies, it was established that many such companies were dissatisfied with their performance measurement systems. They further argued that financial measures such as return on investments and accounting returns put more emphasis only on profit outcome while other important drivers such as customer satisfaction, employee welfare, innovation, and quality were overlooked (Banker, Rajiv, Cummins, & Klumpes, 2014). As such, this research will apply the non-financial aspects of the BSC approach to analyze the performance of the organization under the study. Several measures are established for each of the non-financial perspectives of BSC which are the internal business procedures to evaluate the effectiveness of the business processes, learning, and growth to evaluate the usefulness of the workforce training and the customer perspectives to identify if their expectations are achieved (Abdallah & Alnamri, 2015).

1.1.1 Change Management
According to Aljohan (2016), change management is important for organizations because it aims at the successful introduction of new activities into a work environment to ensure proper correlation of organizational functions. If change is well
managed, there will be notably improved productivity, good work-life quality and enhanced readiness for future changes (Kamugisha, 2013). Change management also aims at strengthening the organization's capacity so as to ensure the achievement of its vision and its competitiveness in the market (Doppelt, 2017). Both the internal and the external environment in which organizations operates has been speedily changing hence calling for constant change management of programs and resources to counter the effect (Maina, 2017). Change management can be faced by several challenges such as delayed communications, incompetence among implementers and improper resource allocation (Matos, Marques, & Esposito, 2014). These challenges can be overcome through a proper understanding of the employee's needs, clear communication, inclusion of workforce in decision making on the change plan and continued training (Hon, Bloom, & Crant, 2014). There are four critical change management aspects that will be used in this study. These include corporate communication, allocation of resources, participation in decision making and employee training.

Corporate Communication can be viewed as a strategy for change management as it concentrates on confidence building between company stakeholders by providing adequate information relating to the organization (Valackiene, 2013). Corporate communication enables organizations to remain informed in the ever-changing industry and contributes to a good public image of such organizations to the general public and other players in the market (Mohamad, Bakar, Halim, & Ismail, 2014). Communication is a key parameter for change management as it entails the sharing of thoughts in regards to the intended change and with all the stakeholders of the organization through various communication channels (Christensen, 2014). Communication strategies integrate decisions of various organization parts and influence the change participants as they can be motivated or resist the change hence pose a challenge to change management (Matos & Esposito, 2014). Effective communication clarifies the stakeholder’s expectations and allows creative thinking within the context of change and this motivates change agents to participate enthusiastically; hence resulting to improved organizational performance like job performance and employee efficiency (Shonubi & Akintaro, 2016).
Allocation of resources entails managing of organization resources in order to achieve effective utilization of the scarce resources (Schlapp, Oraiopoulos, & Mark, 2015). Allocation of the available resources has a direct impact on the output of a firm since it controls overutilization and underutilization of these scarce resources (Maritan & Lee, 2017). Generally, the firm’s ability to acquire, commit and allocate adequate resources in the highly competitive global and local environment is a major determiner for its success (Lemarleni, 2017). The resources that are distributed to achieve the set objectives include financial resources, human resources, technological and physical possessions (Wicker & Breuer, 2012). Effective utilization of such resources can be restricted by organization politics, unclear goals as a result of inadequate know-how, poor communication and risk avoidance among others hence impacting negatively the overall organization performance (Leiblein, Chen, & Posen, 2017). Effective resource allocation enables the proper implementation of the organizational strategic plans which translates to enhanced performance (Masankova & Kocisova, 2014).

Participation in decision making entails the manner in which employees influence organizations by giving input into the organization’s activities. This motivates them and encourages creativity hence translating to higher productivity (Timming, 2014). The change initiatives affect the human resource directly since they support the changes hence failure to involve and motivate them towards such changes can lead to change management failure (Tummers et al, 2015). According to Cullen et al (2014), availability of opportunities where employees embrace change and participate in one way or the other in implementing the set plans promotes organizational change management. Participation in decision making is accompanied by various benefits like improved communication, freedom of expression, greater productivity and higher product quality, (Lawler, 2013). Direct or indirect participation also results in improved products and services, increased job satisfaction and increased labor efficiency hence contributing to improved organization's performance (Rune & Marcus, 2013). No meaningful change would be achieved without the involvement and participation of employees (Burke, 2017).
Training ensures that the organization workforce is impacted with the required capabilities in order to enhance their output hence enabling the organization to survive in the ever-changing work environment (Nassazi, 2013). Generally, training allows employees to adjust to varying job needs hence improving on their performance in their various job descriptions (Kiima, 2015). It also enables orientation to future and more complex tasks as well as educating on the new techniques to handle the emerging changes (Elnaga & Imran, 2013). Employee training methods fall in broad categories including on-job training like teamwork and other training outside the work like mentorship (Martin, Kolomtro, & Lam, 2013). According to Dorjkhuu (2013), an organization has a competitive advantage in a market when the capabilities of its workforce are enhanced and updated. Organization performance indicators as a result of training are increased productivity hence wider market shares, shorter production cycles which ensure adequate utilization of resources, reduction in products or service errors hence the enhancement of customer satisfaction (Jehanzeb & Beshir, 2013).

1.1.2 Equity Bank Limited

Equity Bank Limited was first registered on 10th October 1984 as Equity Building Society under Chapter 489 of the building societies act of the laws of Kenya to provide mortgage financing (Equity Bank Group Annual Report, 2014). According to Siekei, Wagoki, and Kalio, (2013), the establishment of Equity Building Society was after identification that majority of Kenya population was marginalized and could not afford to access financial support because of requirements like share capital and the legal structures provided by the banking act (Equity Bank Group, 2014). In 2004, Equity was converted to a fully-fledged commercial bank, two years after conversion; the bank was put on the Nairobi Stock Exchange and since it has become a big bank in regard to market capitalization (Equity group holdings, 2014). On 24 November 2014, its solely owned subsidiary was founded and headquartered in Nairobi, Kenya (Equity Bank Group, 2014).

Equity bank limited has a range of bank subsidiaries which include, Equity Bank Limited DRC, Equity Bank limited Kenya, Equity Bank Limited Uganda, Equity Bank Limited Rwanda, Equity Bank Limited Tanzania, and Equity Bank limited Southern Sudan, (Equity bank limited, 2018). Equity bank limited products include
accounts such as Transactional, school fees collections, and savings accounts. Its other products are loans, digital banking and payments services. The Banking services include; agency banking, treasury and trade finance, online banking, custody and money transfers (Watiri, 2013). Recent statistics show that the bank has over 4.1 million customer accounts, 52% being bank accounts in the Kenya subsidiary. In terms of clientele number, Equity Bank has the largest number (EBGAR, 2014). Equity Bank shareholder capital funds are over 19 billion Kenya shillings, making Equity Bank limited the most capitalized bank in the African (EBGAR, 2014).

Equity Bank limited dream of becoming leader and socio-economic affluence of the Africa continent and therefore it offers inclusive services to its customers irrespective of ethnicity, religious conviction, or locality (EGHL, 2014). The bank offers to low-income earners and marginalized population affordable and appropriate financial services (Duval, 2014). Equity bank limited has continuously advanced its services and products so as to satisfy the market financial requirements and this has led to increased profit margins (Equity Bank Group, 2016). For instance, the introduction of mobile banking and agency services in all the major towns in Kenya has enabled the equity bank clients to pay for their goods and services conveniently (Simiyu, Ndiang’ui, & Ngugi, 2014).

According to Equity Bank Group (2018), Profit after tax grew by 14% for the year of 2017 from 16.6 Billion Kenya shillings in 2016 to 18.9 Billion Kenya shillings in 2017. Revenue sources and geographic diversification has enabled the bank to withstand the effects of interest rates capping and the challenging uncertain operating environment (EGH, 2018). However, profit before tax for the year ended 2016 went down to 15.22 billion from 16.18 billion for the year 2015 (EGH, 2017). The bank has a liquidity ratio of 54%, subsidiaries contribute 14% of earnings, non-funded income contributes 42% and costs have grown by 7% in the last 2 years (EGHL, 2018). Non-funded income grew by 24% to 27.6 billion Kenya shillings up from 22.2 Billion Kenya shillings year on year (YoY) driven by trade finance, commissions, and remittances (EGHL, 2018). The bank has also been awarded various awards in 2017 for instance, Best CSR Bank East Africa & Best Digital Bank, Best Retail Bank in Kenya and East Africa (Wanzala, 2017).
1.2 Statement of the Problem

Organizations are viewed as open systems which interrelate with both the internal and external surroundings (Berglund & Sandstrom, 2013). The performance of Equity Bank Kenya Limited has been affected by changes which are happening in the environment in which it operates. For instance, the loan interest rate capping by Central Bank of Kenya in 2016 has caused reduction of total interest income to 37.79 billion for the year 2017 from 43.07 billion for the year 2016 (Kibobo, 2017). Equity Bank limited Kenya interest income declined by 15 percent to 27.9 billion from 32.3 billion in the final quarter of 2017 (Haret & Simiyu, 2017). Equity Bank group financial results indicate a decrease in the liquidity ratio of Kenya subsidiary to 29.1% from 30.4% in 2014. Financial results for the year 2016 indicate that Equity bank limited Kenya profit before tax for the year ended 2016 went down to 15.22 billion from 16.18 billion for the year 2015. In the 2016, there was a reduction in market share to 9.5% from 10%. There are numerous changes that are brought by the emerging advanced technology systems, ever-changing customer demands in the marketplace, workforce demographics, social-cultural values, political environment, and high competition which exposes Equity bank limited to the risk of high operational cost consequently affecting its performance level (Rizescu & Tuleaga, 2013).

Atieno and Kyongo (2017) conducted research on the effect of strategic change on organizational performance. A descriptive research design was employed while descriptive and inferential statistics were used to analyze the data. The study established that strategic change affects the Kenya Wildlife Service performance. The study was however limited to the Kenya Wildlife Service hence the findings cannot be generalized to the banking sectors. The use of descriptive statistics like percentages and central tendency measures do not support drawing inferences to the population. Nyandaro (2015) conducted research on change management practices and performance of Commercial banks in Kenya. Questionnaires were used to collect data. Survey research design was applied. The findings were that communication to stakeholders committed leadership and strategic planning influenced performance of commercial banks. This study concentrated on change management practices like
communication to stakeholders, committed leadership and strategic planning. Therefore, the variables for this study differ with those of the current study.

Ndahiro, Shukla and Oduor, (2015) carried out a study on the effect of change management on the performance of government institutions in Rwanda; a case of Rwanda revenue authority. Questionnaires were applied to gather the primary data which was analyzed through Microsoft Excel and statistical package for social sciences. It was found that most employees in the institution accepted the changes and this has led to enhanced organizational performance. The study focused on public institutions in Rwanda therefore, its findings could only be validated through similar empirical studies. Irawanto (2015) conducted a study on employee participation in decision-making: Evidence from a state-owned enterprise in Indonesia. The data were collected by mail survey and analyzed through regression analysis. The study established that the more employees participate in the discussion on emerging issues, the more they are informed on the decision-making. The selected sample size was small and also the researcher failed to study all the state-owned enterprise in Indonesia, hence the findings cannot be generalized.

Both the international and local researches have been carried previously by various researchers focusing on change management and organization performance. However; there is no research that has been conducted on change management and performance of Equity bank limited headquartered at Nairobi City County. The researchers have mostly focused on measuring financial performance and have overlooked the non-financial performance measurement. Therefore, this research investigated change management and performance of Equity bank limited Nairobi City County, Kenya.

1.3 Specific Objectives of the Study

The specific objectives of this study were:

i) To determine the influence of corporate communication on performance of Equity Bank Limited headquarters, Nairobi City County, Kenya

ii) To establish the effect of resource allocation on performance of Equity Bank Limited headquarters, Nairobi City County, Kenya.

iii) To assess the effect of participation in decision making on performance of Equity Bank Limited headquarters, Nairobi City County, Kenya.
iv) To determine the influence of training on performance of Equity Bank Limited headquarters, Nairobi City County, Kenya.

1.4 Research Questions
The research questions of this study were:

v) What is the effect of corporate communication on performance of Equity Bank Limited headquarters, Nairobi City County, Kenya?

vi) What is the effect of resource allocation on performance of Equity Bank Limited headquarters, Nairobi City County, Kenya?

vii) How does participation in decision making affect performance of Equity Bank Limited headquarters, Nairobi City County, Kenya?

viii) How does training influence the performance of Equity Bank Limited headquarters, Nairobi City County, Kenya?

1.5 Significance of the Study
This study is useful to the management of Equity Bank Limited headquarters regarding specific factors that influence the bank’s performance. Management benefit in making appropriate change management decisions that deliver improvement in performance. When management understands the effects of changes on the entire organization including the stakeholders, disruptive aspects are minimized and positive opportunities are enhanced in the entire change process. These opportunities include realigning resources and increasing the response rate to customer needs.

The Central Bank of Kenya (CBK), A governing institute of financial industries in Kenya benefit from this research in the formulation of policies, procedures, strategies, and other regulatory standards and guidelines to enable effective responses to environmental changes. The government of Kenya is enlightened on the best practices that banking industries can put in place to enhance their performance. Managements of other commercial banks are now able to understand the significance of change management as they diversify to boost the performance. It has enabled the identification and adoption of the best practices that impact the organizational performance.
Scholars would also use this study as sources for secondary data for backing up literature citations. The findings gathered in this research add to other available literature in the arena of change management and the performance of firms. In addition, this study is a data source for further exploration in change management and organizations performance.

1.6 Scope of the Study
This study was conducted at Equity Bank Limited headquarters at Nairobi City County. The research focused on exploring change management and performance. Change management was operationalized using corporate communication, resource allocation, participation in decision making and training while performance was observed through non-financial pointers of BSC.

Research data gathered from the sampled employees enabled in making conclusions regarding Equity Bank limited, Nairobi City County. This research considered a study period of five years from 2013 to 2017, wherein the year 2016 bank operations were influenced by capping of interest rates and the year 2017 was the electioneering period.

1.7 Limitations of the Study
The study was restricted to Equity Bank limited headquarter in Nairobi City County, which is among the 42 banks in Kenya. The respondents work in a busy environment hence had limited time to give feedback to the questionnaires. This challenge was solved by using channels of friends to persuade the targeted respondents to complete and give back the questionnaires and also adequate time to respond was allocated. Some respondents were not willing to disclose information for unknown fears, therefore to overcome this challenge, there was clear communication that their responses remained confidential and was utilized specifically for academic purposes. Also, the study faced challenges related to respondents being unwilling to contribute honest information in fear of exposing their competitive advantage secrets. Letter of introduction confirming that the information gathered will be utilized for academic reasons only was presented to mitigate the limitation.
1.8 Organization of the Study

This study comprised of five chapters and the preliminary part. Chapter one comprises the background of the study, change management, Equity Bank Limited, statement of the problem, objectives of the study, research questions, significance of the study, the scope of the study and the limitations of the study. Chapter two encompasses theoretical review, empirical review, and the conceptual framework. Chapter three consists of the methodology which presents the research design, target population, sampling design and procedure, data collection instrument, the validity of the instrument, the reliability of the instrument, data collection procedures, data analysis and data presentation and ethical considerations. Chapter four comprises the research findings and discussion which discusses the response rate, background information, descriptive statistics, inferential statistics and analysis of qualitative data. Chapter five presents the summary, conclusions, recommendations for policy and practice and recommendations for further study.
CHAPTER TWO
LITERATURE REVIEW

2.1. Introduction
This chapter deliberates the literature review, the theoretical review describing the relevant theories and the empirical review discussing relevant studies undertaken in reference to this topic. It covers specific areas which include theoretical review, empirical review, the research gaps and the conceptual framework that show the correlation between the research variables.

2.2 Theoretical Literature Review

2.2.1 Learning Organization Theory
The learning organization theory was developed by Peter Senge in 1995 and it states that organizations continually pursue the planned changes through learning, research, and communication (Mason, 2018). The learning organization approach entails the development human recourses in the organization in order to create the desired results so as to ensure survival in the ever-changing operating environment (Palos & Stancovici, 2016). The learning organizational theory is used as a method to change the approaches and behavior of the participants and it minimizes resistance to change as well as increasing the level of understanding (Al-Harrasi, 2014). In learning organizations, employees are involved in the change process to realize the set objectives (Albinsson & Arnesson, 2013).

The five principles of the learning organization that were developed by Senge are fundamental for creativity and innovation to develop the required capacity (Gill, 2017). The first principle is the system thinking which integrates other principles and approaches issues as events which are interconnected parts and have the interrelationship with each other. Collective learning occurs within the entire organization, however individual consciousness of creative thinking is very critical and Senge refers this as personal mastery which is the second principle (Ghahramanifar, Pashaei, & Mehmandoust, 2013). The third principle is mental models which are images of how individuals interpret the reality in order to understand the situation so as to undertake corrective actions hence contributing to personal growth (Menon & Yao, 2017). Building shared visions is the fourth principle.
which enables the individual to see the future outlook and finally, team learning is the fifth principle that aligns and enables the development of the team capabilities to achieve the results (Rahman & Anuar, 2018). In summary, the five Senge principles describe the learning process from the personnel to the entire organization system.

The learning organization theory is associated with learning being a top management initiative and this inhibits democratic approaches towards learning (Ortenblad, 2017). The five principles of learning organizations concentrate on the organization long-term growth hence the organization will be in a place to identify any emerging complications and opportunities (Senge, 2014). Implementation of the learning organizations principles will enable continuous learning process hence creating a competitive organization (Helfat & Peteraf, 2015). The learning organization assumptions are that learning is continuous, valuable and very effective if shared and it also argues that every encounter gives a chance for learning (Ohlsson, 2014).

The organizations of today face complexity and ambiguity but Senge's five disciplines may guide on how organizations might successfully manage change by enhancing participation, creating customer loyalty and improving product and services. Learning organizational is applicable for constant development and stimulates adaptability to the ever-changing operating environment. Since suitability of the learning organization theory is dependent on the organization's culture, it is important for organizations to nurture a learning culture to ensure effective change management (Retna & Tee 2016). Therefore, the learning organization theory was applicable to underpin the independent and dependent variables.

### 2.2.2 Resource-Based View Theory

Resource-based view (RBV) is a strategic management approach that is traceable from the findings of Penrose (1959), Bain (1968), Wernerfelt (1984), Rumelt (1984) and also Barney (1986) and argue that resources are source of its competitive advantage, therefore, contributing to enhanced performance (Davis & Simpson, 2017). Barney categorized the organization resources as physical capital, human capital and organizational capital (Mweru, Charity, Maina, & Tirus, 2015). The basis of RBV is that firms should develop unique capabilities for competitiveness (Sharma, 2015). RBV implies that the organization should have resources with certain traits in
order for it to achieve a competitive advantage (Radenovic & Krstic, 2017). The
organizations can exploit emerging opportunities by using the available tangible and
intangible resources rather than striving to acquire new skills every time there is an
emerging opportunity (Neves, Hamacher & Scavarda 2014). The resource-based view
theory provides an approach for evaluating factors which enable achieving a
competitive edge (Bohnenkamp, 2013).

The competitiveness of any firm is achieved mostly when its resources are
homogeneous and inimitable therefore a firm must obtain and have full control over
the valuable, rare, inimitable, and non-substitutable resources (Knott, 2015). When
resources facilitate a firm to put in place strategies that contribute towards achieving
its goals are said to be valuable resources. Rare resources are not easily accessible or
used by a large number of business opponents, imperfectly inimitable resources have
exceptional scientific and distinctive capabilities that are not easily copied by
competitors while the non-substitutable resources cannot be replaced by any other
resources (Alaja, 2012). However not all resources are equally significant and also not
all the resources can lead to competitive advantage (Ghapanchi, Wohlin, & Aurum,
2013). To acquire and retain competitiveness over the competitors, the firm should
acquire resources that are rarely imitated or substituted (Kozlenkova, Samaha, &
Palmatier, 2014).

The resource-based view theory has some limitations; for instance, there are no
criteria for generalizing the resources and intangible resources cannot be measured
(Lin & Lei-Yu, 2014). Firms have strategic resources which are not necessarily
identical and these resources are immobile. The RBV does not consider operational
validity has it explains how managers should acquire and develop strategic resources
that meet the VRIN criteria (Lockett & Wild, 2014). The theoretical basis provided by
this theory enables understanding of the management of resources (Bertram, 2016).
Therefore, the RBV theory is valid for this research since it views resources as the
most important aspect of firm performance. The researcher used the RBV theory to
support both the independent variable and dependent variables.
2.2.3 The McKinsey 7S model

The McKinsey 7S model was founded by Tom Peters and Robert Waterman in collaboration with Anthony Athos and Richard Pascale in the early 1980s (Pothiyadath & Wesley 2014). The model identifies seven internal characteristics of any firm that should be put in order for its success (Ravanfar, 2015). McKinsey 7S model is among the best-recognized tools for elaborating management of a well-performing organization (Singh, 2013). It also enhances the performance of the organization by assessing the effects of future changes and identifying the best way for strategy implementation (Alshaher, 2013). McKinsey 7S model elements are categorized as either hard elements which include structure, systems, and strategy or soft elements which are staff, skills, shared values and style (Garbrah & Binfor, 2013).

According to Teh (2013), the McKinsey 7S model first element is the strategies which are the plans for the distribution of the organization resources with an aim of achieving the intended goals while the structure is the relationship of the organization functions. McKinsey 7S model is also made of the systems that involve processes and procedures of performing activities, and shared values are what the organization believes in. Style is basically the approaches that the employees of an organization apply so as to realize the objectives set. The last two elements are the staff which is the category of human resources in the organization and the skills which are the capabilities of the workforce depending on their competences (Nejad, Behbodi, & Ravanfar, 2015).

According to Ravanfar (2015), the steps for the application of the McKinsey 7s model include; identifying the elements that are not well aligned by looking for the discrepancies, weaknesses, and gaps. The top management should determine the best possible organization plan that they want to achieve (Baishya, 2015). They also decide on the action plan on where and what changes to be made for the firm to work more effectively. The required changes should be implemented by the experts and there should be a constant review of the 7s since any changes in one element will affect the other elements (Naipinit, Kojchavivong, Kowittayakorn, & Sakolnakorn, 2014). This theory was significant to this research as it offers suitable tools for scrutinizing effective strategies for change management in the businesses and also provides the criteria for choosing an effective response in the changing environment.
Therefore, the researcher applied postulates of this exemplary to support the independent variables of this study.

### 2.3 Empirical Literature Review

#### 2.3.1 Corporate Communication and Performance

Pirnes (2015) researched on the role of internal corporate communication in supporting better workplace safety. The primary data was gathered through Semi-structured questionnaires while secondary data were retrieved from archived records. The study illustrated that communication plays a big part in contributing towards workplace safety. However, the study failed to meet the 50% threshold of the recommended response rate by Mugenda and Mugenda (2003) which necessitated the current study.

Cheruiyot (2014) carried out a study on integrated marketing communication and performance of Kenya post and savings bank. The descriptive research design was applied and the sample selection technique was stratified proportionate random sampling. Inferential statistics analyzed the data gathered. The conclusions were that communication enhanced the performance of the company as it leads to customer loyalty, increases in sales and organization expansions. The findings of this study were based on descriptive statistics; therefore, drawing inferences to the population is limited. This study is anchored on an explanatory and cross-sectional research design to drawing inferences.

Kaime (2013) carried out a survey of integrated corporate communications practices in organizations. A descriptive survey design was applied. Questionnaires gathered the primary data and secondary data was from issued records. Statistical package for social sciences analyzed the data collected. The findings were displayed in pie charts, bar graphs and tables. The conclusion was that integrated corporate and marketing communications are behind the success of the organization. The study also found that the inclusion of organizations workforce in communication practices enhanced the organization performance. Drawing inference on the population of this study is limited because the findings were grounded on descriptive statistics. Hence this study applied explanatory and cross-sectional research design to drawing inferences.
Aura (2012) investigated the factors influencing the application of corporate communication among public relation in Kenya. Interviews provided primary data and secondary data sources were the organization's internal and external reports. The data were evaluated through the statistical package for social sciences SPSS software and descriptive design and inferential statistics. The outcomes were shown in figures and tables. The study concluded that organizational structure, technology, market demand and management style had an influence on the use of corporate communication in the firm. However, this study was centered on the public relation therefore; the concepts were different from the current study. The current study will focus on corporate communication, resource allocation, participation in decision making and training as aspects of change management.

2.3.2 Resources Allocation and Performance

Ozhan (2016) carried out research on financial intermediation, resource allocation, and macroeconomic interdependence. The two-country model of macroeconomic interdependence was applied in this study and the data were analyzed through simulations and presented in graphs. The findings of the study indicated that liquidity facilities in financial sector control decline. Although the study focused on financial intermediation and resource allocation, the findings did not show how organization performance is implicated hence necessitated the current study.

Hachem (2014) researched on resource allocation and inefficiency in the financial sector. The baseline model was applied to evaluate the data in this study. The conclusion was that the optimal allocation of resources is hindered when the limit is set for specific borrowers. It was noted that much attention was given to receiving and vetting the borrowers and as a result, the bank's performance is affected due to inconsistent debtors' details. This study examined the allocation of bank resources on two areas only i.e. creating credit market matches and screening the borrowers and therefore the variables for this study differ with those of the current study.

Obinga (2014) carried out research on the relationship between physical resources and internal efficiency of public secondary schools in Tana River County. Descriptive survey and correlation research designs were used to conduct the study. Documentary analysis and questionnaires were applied to gather the data. The data collected were
qualitatively and quantitatively analyzed. The findings of this confirmed positive relationship between physical resources and internal efficiency of public secondary schools in Tana River County. However, the conceptual framework focused on correlating physical resources with internal efficiency but did not show the consequence on the overall organization performance, therefore, necessitated the current study.

Khan (2013) studied resource allocation in the public health sector. In-depth interviews were used to gather the data with public health professionals and also a web survey was conducted. The study provides fundamental principles that hamper allocation decisions. Also, the results highlight the challenges of allocating limited resources across health units. However, the study focused on the public health sector which is a non-financial sector, therefore, the concepts were different from the current study.

2.3.3 Participation in Decision Making and Performance
Manene (2016) researched the effect of employee participation on organizational commitment in state corporations in Kenya. Descriptive research design and stratified random sampling. The data analysis was performed through statistical package for social sciences to determine the effects of employees' participation in the organization. The study concluded that employee participation is vastly adopted in the national museum through team's encouragement in production, communication to employees, consultation on the allocation of duties and timely adherence to policies regarding the welfare of the employees. Also, the study found out that employees are given chances and freedom to solve problems relating to their duties. However, a very small target population was used which was too small to draw a large sample size also the study focused on state corporations, therefore, the findings could only be validated through similar empirical studies, therefore, necessitated the current study.

Oloo and Orwar (2016) conducted a study on the influence of participatory decision making of junior staff at the retail markets in Kenya. Inferential statistics were utilized to scrutinize the data. The results obtained were shown in pie charts and tables. Through it was concluded that participatory decision making by the junior staff has an impact on the consistency and trust, motivation and workforce retention hence
enhancing the performance. Communication, staff retention and capability development were found to be influencing factors. Cohesion and trust and motivation were influential in determining participatory decision making. The respondents were below 50% threshold which is the recommended response rate by Mugenda and Mugenda (2003) therefore necessitated the current study.

Irawanto (2015) carried out a study on employee participation in decision making: evidence from a state-owned enterprise in Indonesia. The data was collected by mail survey and questionnaires. Correlation scrutiny was applied to demonstrate the link in the variables. It was found out that many organizations do not involve their individual employee to increase their effectiveness. The study also found out that some organizations have in place participatory programs and that the employee participation in decision-making lead to their motivation and therefore translated to the performance of the organization. This study involved state-owned enterprise in Indonesia and therefore its findings could only be validated through similar empirical studies therefore necessitated the current study.

Chesang (2012) carried out research on the impact of employee participation on the performance of the organization: a study of the banking sector. The study applied descriptive study and scoring method. SPSS analyzed the data. It was discovered that participation of employees impact positively the performance of the firm. The main respondents were very minimal which was limited to the human resource manager, finance manager, union representative, shop steward and shop floor employee hence being inadequate for generalization therefore necessitated the current study.

2.3.4 Training and Performance
Khan, Perveen and Shujat (2017) studied on the impact of employees' training on bank performance. The data was evaluated through descriptive statistics. The study investigated the contribution of employees training on their performance as well as the banks performance. Through the study it was established that training is very imperative in improving capabilities and skills of the workforce. The conclusion was that effective training is required in order to provide the needed skills of the employees. Descriptive statistics was applied for analysis of quantitative data which
do not support drawing inferences to the population. This study is pillared on explanatory and cross-sectional research design to drawing inferences.

Engetou (2017) researched on the impact of training on organizational performance. Questionnaire, observation and interview assisted to generated the primary data and secondary data was collected from published articles. The study concluded that when training programs are organized and conducted, they address the employee needs and improve both the workers and the overall organization. After analyzing the data collected it was found out that National financial Credit Bank Kumba conducts training programs regularly. However, this study failed to meet the recommended response rate of 50% by Mugenda Mugenda (2008) therefore necessitated the current study.

Masalimova and Shaidullina (2017) carried out research on the diversification of professional on-the-job training models and forms in contemporary business conditions. The study applied random sampling to sample. The study established that the employees are expected to learn new things in order to contribute to organizational success. It was also found that well trained and highly skilled employees can tackle various tasks in a well-organized manner. Therefore, it was concluded that training enables employees to perform well their existing allocated tasks as well as enhancing their productivity. Quantitative data analysis and generalization of results are limited because the findings were based on an exploratory research design. The current study was based on explanatory and cross-sectional research design that allows drawing inferences.

Elnaga and Imran (2013) conducted a study on the effect of training on employee performance in Pakistan. In this study, both qualitative and quantitative data collection were collected. The study focused on how receptive employees are towards training programs and how they value such organization practices. The conclusion of the study was that the employees' training practices lead to business growth. This study involved state-owned enterprise in Indonesia and therefore its findings could only be validated through similar empirical studies, therefore, necessitated the current study.
2.4 Research Gaps

There are various empirical studies conducted on the research variables adopted for the current research. A critical review has identified research gaps that have necessitated the need for this current study. A summary of the research gaps is presented in Table 2.1.

Table 2.1: Summary of Literature Review

<table>
<thead>
<tr>
<th>Author(s)</th>
<th>Research Topic</th>
<th>Research Findings</th>
<th>Research Gap</th>
<th>Focus of Current Study</th>
</tr>
</thead>
<tbody>
<tr>
<td>Engetou (2017)</td>
<td>The impact of training and development on organizational performance: National Financial Credit Bank Kumba</td>
<td>If training programs are organized and conducted, they address the employee needs and improve of both the workers and the overall organization. It was found out that National financial Credit Bank Kumba conducts training programs regularly.</td>
<td>This study failed to meet the recommended response rate of 50% by Mugenda Mugenda (2008).</td>
<td>Meet 50% recommended response rate by Mugenda Mugenda (2008).</td>
</tr>
<tr>
<td>Khan, Perveen &amp; Shujat (2017)</td>
<td>The impact of employees' training on bank performance.</td>
<td>Training is essential for developing employee skills.</td>
<td>The study used descriptive statistics for analysis of quantitative data which do not support drawing inferences to the population.</td>
<td>Explanatory and cross-sectional research design that allows drawing inferences</td>
</tr>
<tr>
<td>Masalimova &amp; Shaidullina (2017)</td>
<td>Diversification of professional on-the-job training models and forms in contemporary business conditions</td>
<td>It was also found that well trained and highly skilled employees can tackle various tasks in the in a well-organized manner. Therefore, it was concluded that training enable employees to perform well their existing allocated tasks as well as enhancing their productivity.</td>
<td>Quantitative data analysis and generalization of results is limited because the findings were based on an exploratory research design.</td>
<td>Explanatory and cross-sectional research design enable drawing inferences</td>
</tr>
<tr>
<td>Author(s)</td>
<td>Title</td>
<td>Summary</td>
<td>Response Rate</td>
<td></td>
</tr>
<tr>
<td>----------------------</td>
<td>----------------------------------------------------------------------</td>
<td>---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
<td>---------------</td>
<td></td>
</tr>
<tr>
<td>Oloo &amp; Orwar (2016)</td>
<td>Influence of participatory decision making of junior staff at the retail markets in Kenya, An empirical study of Uchumi supermarket in Nairobi</td>
<td>Through the study it was concluded that participatory decision making by the junior staff has an impact on the consistency and trust, motivation and workforce retention hence enhancing the performance. The response rate for this study was below the 50% threshold which is the recommended response rate by Mugenda and Mugenda (2003).</td>
<td>Meet 50% recommended response rate by Mugenda Mugenda (2008).</td>
<td></td>
</tr>
<tr>
<td>Ozhan (2016)</td>
<td>The financial intermediation, resource allocation, and macroeconomic interdependence</td>
<td>The findings of the study were that the liquidity facilities in financial sector control decline This study did not provide how the organization performance is implicated even though to an extent it focused on financial intermediation and resource allocation.</td>
<td>Measure performance through non-financial aspect of BSC</td>
<td></td>
</tr>
<tr>
<td>Pirnes (2015).</td>
<td>The role of internal corporate communication in supporting better workplace safety</td>
<td>The study findings were that communication plays a big part in contributing towards workplace safety. However, the study failed to meet the 50% threshold of the recommended response rate by Mugenda and Mugenda (2003).</td>
<td>Meet 50% recommended response rate by Mugenda Mugenda (2008).</td>
<td></td>
</tr>
<tr>
<td>Cheruiyot (2014)</td>
<td>Integrated marketing communication and performance of Kenya post and savings bank</td>
<td>The study conclusions were that communication enhanced the performance of the company since it enhances customer loyalty, increases in sales and organization expansions. The findings were based on descriptive statistics; therefore, drawing inferences to the population is impossible.</td>
<td>Explanatory and cross-sectional research design that allows drawing inferences</td>
<td></td>
</tr>
<tr>
<td>Author(s)</td>
<td>Title</td>
<td>Summary</td>
<td>Measure performance through non-financial aspect of BSC</td>
<td></td>
</tr>
<tr>
<td>-----------------</td>
<td>------------------------------------------------------------------------</td>
<td>-------------------------------------------------------------------------</td>
<td>--------------------------------------------------------</td>
<td></td>
</tr>
<tr>
<td>Obinga (2014)</td>
<td>The relationship between physical resources and internal efficiency of public secondary schools in Tana River County</td>
<td>The findings of this confirmed a positive relationship between physical resources and internal efficiency of public secondary schools in Tana River County</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Elnaga &amp; Imran (2013)</td>
<td>The effect of training on employee performance in Pakistan.</td>
<td>There is always a positive correlation between an effective training program and employee productivity</td>
<td>This study involved state-owned enterprise in Indonesia and therefore its findings could only be validated through similar empirical studies.</td>
<td></td>
</tr>
<tr>
<td>Khan (2013)</td>
<td>Resource allocation in the public health sector</td>
<td>The findings of the study provide fundamental principles thatamber the allocation decisions. Also, the results highlight the challenges of allocating the limited resources across health units.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Aura (2012)</td>
<td>Factors influencing the application of corporate communication among public relation in Kenya (Case of selected leading public relations firms in Kenya)</td>
<td>The study concluded that organizational Structure, technology, market demand and management style had an influence on the use of corporate communication in</td>
<td>Corporate communication, resource allocation, participation in decision making and training as aspects of change management</td>
<td></td>
</tr>
</tbody>
</table>
2.5 Conceptual Framework

A conceptual framework shows diagrammatically the correlation between the study variables. In figure 2.1, change management strategies are corporate communication, resource allocation, participation in decision making and training form the independent variables for the study; while the dependent variable is organizational performance measured in terms of non-financial aspects of BSC which are customer satisfaction, customer retention, market share, employee capabilities, system capabilities and product leadership.
Figure 2.1; demonstrates the hypothesized correlation between change management and performance of Equity Bank Limited, Nairobi City County, Kenya. The conceptual framework includes four independent variables and one dependent variable. The independent variables are corporate communication, resource allocation, and participation in decision making and training while performance is operationalized on the non-financial indicators of BSC.
CHAPTER THREE  
RESEARCH METHODOLOGY

3.1 Introduction

This chapter contains an outline, the approaches and the methods that were used in getting the relevant data pertaining to the study objectives. They include research design, target population, sample size and sampling procedures, data sources and data collection techniques, validity and reliability of research instrument, data analysis and presentation. It also discusses ethical consideration.

3.2 Research Design

This research applied explanatory and cross-sectional research design. According to Manerikar and Manerikar (2014), explanatory research design tries to identify the association, the cause and the effect between research variables. Cross-sectional study on the other side shows the connection of variables at a particular time (Kothari, 2004). This research purposed to study change management and performance of Equity Bank Limited in Nairobi City County, Kenya. The research design applied was relevant to this research because of it quantitative.

3.3 Target Population

This study population encompassed employees based at the headquarters of Equity Bank limited in Nairobi City County. This is because the target population was employees at the managerial level that is senior managers, middle-level managers and the functional level managers as shown in Table 3.1.

Table 3.1: Distribution of Target Population

<table>
<thead>
<tr>
<th>Strata</th>
<th>Target Population</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Top level management</td>
<td>20</td>
<td>15.4</td>
</tr>
<tr>
<td>Middle level management</td>
<td>40</td>
<td>30.8</td>
</tr>
<tr>
<td>Functional level management</td>
<td>70</td>
<td>53.8</td>
</tr>
<tr>
<td>Total</td>
<td>130</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: Equity Bank (2018)
The targeted population was 130 employees involving top level management, middle-level management and functional-level management. The top level management is the least group that included 15.4% of the total population and the largest proportion of 53.8% is for the functional level management.

3.4. Sample Size and Sampling Procedure

The study applied proportionate stratified random sampling technique to establish the sample size for each category. Simple random sampling was used to provide equal opportunity for the entire subjects to participate in the study and also to give room for fair representation from the entire population. According to Alvi (2016), stratified random sampling involves separating the target population into many similar strata and then applying a simple random sample in each stratum. According to Mugenda and Mugenda, (2003), a sample size of 10-30% is considered enough for generalization of the research outcomes. This study will sample 50% of the target population from the employees at Equity Bank Limited in Nairobi City County, Kenya. Table 3.2 displays the study sample size selected.

Table 3.2: Distribution of Sample Size

<table>
<thead>
<tr>
<th>Strata</th>
<th>Target population</th>
<th>Sampling Factor %</th>
<th>Sample Size</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Top level management</td>
<td>20</td>
<td>0.5</td>
<td>10</td>
<td>15.4</td>
</tr>
<tr>
<td>Middle level management</td>
<td>40</td>
<td>0.5</td>
<td>20</td>
<td>53.8</td>
</tr>
<tr>
<td>Functional level Management</td>
<td>70</td>
<td>0.5</td>
<td>35</td>
<td>30.8</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>130</strong></td>
<td></td>
<td><strong>65</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

*Source: Researcher (2018)*

Table 3.2 displays a sample size of 65 the sampling factor of 0.5 was used according to Mugenda and Mugenda (2003) recommendations. The top level management had the smallest input of 15.4% while middle level management had the greatest input of 53.8%.

3.5 Data Source and Collection Technique

Primary and secondary sources of data were utilized. The primary research instrument included semi-structured questionnaire with open and closed-ended questions.
questionnaires were thoughtfully structured and tested with a few people from the target population to improve their accuracy as well as validity of data gathered. The closed-ended questionnaires enabled to gather more structured responses for quantitative data analysis while open-ended questionnaires provided more qualitative data. The questionnaire had two sections; section 1 which addressed respondents’ general information and section 11 had five sub-sections as per the study variables hence had questions on corporate communication, resource allocation, Participation in decision making, training and performance.

Secondary data was retrieved from published sources which included Equity Bank Reports and CBK Bank Supervision Reports, published books, newspapers and magazines as well as other sources such as journals. The data was essential for providing additional information regarding the banking sector in Kenya as well as information relating to Equity Bank limited in Nairobi City County. The secondary data was applicable to validate the primary data collected from the respondents.

3.5.1 Validity of the Research Instrument
Validity is whether the instruments capture what they are supposed to gauge (Zohrabi, 2013). It can also be defined as the accuracy of the research outcomes and it can also be the level to which result gathered from the data analysis represents the exact phenomenon being studied (Lakshmi & Mohideen, 2013). The researcher sought face validity from the expert’s thought who are the supervisor and lecturers to ascertain the validity of the research instrument. Content and construct validity were authenticated via wide evaluation of appropriate theoretical and empirical literature.

3.5.2 Reliability of the Research Instrument
Reliability refers to the extent to which the research instrument will produce consistent and reliable scores when administered to the same group of respondents under similar conditions, (Thompson, Gordey, Bowles, Parslow, & Houghton, 2013). According to Alzain, Clark, Ireson, & Jwaid, (2016), reliability is the consistency of research process. Pilot test on the questionnaire was done for reliability and the identified inconsistencies were rectified. Questionnaires reliability was evaluated by Cronbach's alpha index. Cronbach's alpha index establishes if things in a gauge measure the same research construct as well as measuring the internal consistency.
Field (2009), recommends Cronbach's alpha value that is at least 0.70 and thus a threshold of 0.70 established the instrument reliability. Cronbach's alpha coefficient was computed using software packages for social sciences (version 22) to show how reliable the data and only variables above 0.70 were considered.

**Table 3.3: Results of Reliability Test**

<table>
<thead>
<tr>
<th>Research variable</th>
<th>Cronbach alpha index</th>
<th>Number of items</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporate communication</td>
<td>0.825</td>
<td>4</td>
<td>Reliable</td>
</tr>
<tr>
<td>Resource allocation</td>
<td>0.739</td>
<td>4</td>
<td>Reliable</td>
</tr>
<tr>
<td>Participation in decision making</td>
<td>0.753</td>
<td>4</td>
<td>Reliable</td>
</tr>
<tr>
<td>Training</td>
<td>0.769</td>
<td>5</td>
<td>Reliable</td>
</tr>
<tr>
<td>Performance</td>
<td>0.797</td>
<td>4</td>
<td>Reliable</td>
</tr>
<tr>
<td><strong>Aggregate</strong></td>
<td><strong>0.777</strong></td>
<td><strong>21</strong></td>
<td></td>
</tr>
</tbody>
</table>

*Source: Pilot Data (2018)*

Findings in Table 3.3 show that, corporate communication had the maximum reliability of ($\alpha=0.825$), then performance ($\alpha=0.797$), training ($\alpha=0.769$), participation in decision making ($\alpha=0.753$) and resource allocation ($\alpha=0.739$). The reliability test points reliability of research variables since the Cronbach alpha index were above the recommended threshold value of 0.7 which agrees with Field (2009) recommendations. The variable aggregate value was 0.777 which is above the recommended threshold of 0.7, thus it was concluded that the research instrument was reliable.

**3.6 Data Collection Procedure**

The researcher used the authorization letter granted by the university to apply for research approval from the NACOSTI. The research approval and the authorization letter obtained were used to request for consent from the respondents of Equity Bank Limited, at the Nairobi City County, Kenya. The questionnaires were administered by the researcher using a drop-and-pick later method. A contact person was identified to assist with any follow-ups so as boost the response rate. The researcher collected the completed questionnaires when the time for filling elapsed. The researcher also maintained a register so as to track the issued questionnaires.
3.7 Data Analysis and Presentation

The filled in questionnaires were reviewed for comprehensiveness. The data analysis process involved several stages to sort the data for order such as data clean-up which entailed editing, coding and tabulation so as to identify any errors. Specific numerical values were also assigned to the responses for further analysis. The assigned codes during editing ensured that errors were minimized during data entry and data processing to enable result interpretations. Quantitative data was analyzed using descriptive statistics and inferential statistics computed SPSS (Version 22). Descriptive statistics included percentages, frequencies, mean, standard deviation and coefficient of variation and the results were shown in figures and tables. Inferential statistics applied multiple regression model presented below.

\[ Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \varepsilon. \]

Where:
- \( Y \) = Performance
- \( X_1 \) = Corporate Communication
- \( X_2 \) = Resource Allocation
- \( X_3 \) = Participation in decision making
- \( X_4 \) = Training
- \( \varepsilon \) = Error term
- \( \beta_0, \beta_1, \beta_2, \beta_3 \) and \( \beta_4 \) = beta coefficients

Multiple regression analysis was conducted to establish the association between change management and performance of Equity Bank Limited, Nairobi City County, Kenya. The output was analyzed using SPSS (version 22). Analysis of Variance (ANOVA) was used to check the statistical significance of the model by indicating the probability of occurrence of \( R^2 \). The F-statistic in the ANOVA table was used to measure the fitness of the estimated regression model at 95% level of confidence where a p-value of at most 0.05 was used as the threshold for making the inference. The t-static for the individual research variables and corresponding p-values was used to ascertain the statistical significance of the beta coefficients generated in the regression analysis. In this case, a p-value of at most 0.05 was considered as the threshold for establishing if the corresponding beta coefficient was statistically significant at a 95% level of confidence.
The statistical analysis was presented in the form of tables. Content analysis of qualitative data gathered from open-ended questions was performed and presented in a prose form.

### 3.8 Ethical Considerations
According to Singer (2013), ethics entails right and wrong behavior. This study ensured that high level confidentiality was maintained for all the information relating to the study. The names of the respondents were not disclosed. Also, the researcher applied the codes to maintain the discretion of the information collected through the questionnaires. The researcher avoided use of irrelevant and embarrassing questions as well as those with intimidating language or would likely make threats or entice the respondents. NACOSTI granted a letter authorizing the conduct of the research. At the Equity Bank limited, Nairobi City County, Kenya, the researcher requested permission from the human resources manager.
CHAPTER FOUR
RESEARCH FINDINGS AND DISCUSSION

4.1 Introduction
This chapter shows the outcomes descriptive and inferential statistics obtained from the data gathered from respondents of Equity Bank Limited in Nairobi City County, Kenya. The findings with reference to the theoretical and empirical literature review discussions are provided in this chapter.

4.2 Response Rate
The response rate was scrutinized depending on the number of duly filled in questionnaires received as displayed in Table 4.1.

Table 4.1: Response Rate

<table>
<thead>
<tr>
<th>Category</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Response</td>
<td>60</td>
<td>92%</td>
</tr>
<tr>
<td>Non-Response</td>
<td>5</td>
<td>8%</td>
</tr>
<tr>
<td>Total</td>
<td>65</td>
<td>100%</td>
</tr>
</tbody>
</table>

Source: Field Data (2019)

The results in Table 4.1 indicate that 60 out of 65 employees responded to the questions in questionnaires. Therefore, the response rate was 92% and a non-response rate was 8%. Mugenda and Mugenda (2003) recommend a response rate of 50%; a response rate of 60% is good and 70% and above response rate is excellent. Therefore, the response rate was excellent to conclude on the study.

4.3 Demographic Information

4.3.1 Gender of Respondents
The study aimed to identify the gender of the respondents and the results are presented in Figure 4.1.
The outcome shows that male respondents were the majority at 60% and the female respondents were 40%. Both males and females were fairly represented in this as shown through the pie chart.

### 4.3.2 Number of Years Worked in the Bank

The study analyzed the number of years of the employees who responded to the questionnaires as displayed in Table 4.2.

**Table 4.2: Number of Years Worked in the Bank**

<table>
<thead>
<tr>
<th>Work Duration</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>3 years and below</td>
<td>9</td>
<td>15.0</td>
</tr>
<tr>
<td>4 years to 7 years</td>
<td>24</td>
<td>40.0</td>
</tr>
<tr>
<td>8 years to 11 years</td>
<td>19</td>
<td>31.7</td>
</tr>
<tr>
<td>12 years and above</td>
<td>8</td>
<td>13.3</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>60</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

**Source: Field Data (2019)**

Table 4.2 shows the biggest number of the respondents had stayed in the institution for duration of 4 years to 7 years as demonstrated by 40%. 31.7% had stayed between 8 years and 11 years, 15% had been in the organization for less than 3 years and 13.3% had stayed for more than 12 years.
4.3.3 Designation of the Respondents

The study aimed to identify the respondent’s levels of management as shown in figure 4.2.

![Designation of the Respondents](image)

**Figure 4.2: Analysis of Designation of the Respondents**

*Source: Field Data (2019)*

Results in figure 4.2 indicate that middle level management comprised the highest number of respondents as demonstrated by 55%. Functional level management was represented by 32% while the top level management comprised of the least respondents as represented by 13%. The results therefore prove that all the three management levels targeted by this study indeed participated.

4.4 Descriptive Statistics

Descriptive statistics was performed on the data gathered and the summary was performed through computing mean, standard deviations and coefficients of the variables. The foundations for quantitative data analysis were formed for this study through the observed sample.

4.4.1 Corporate Communication

The respondents were requested to provide their point of agreement to the corporate communication statements. The outcomes were displayed in Table 4.3.
Table 4.3: Descriptive Statistics for Corporate Communication

<table>
<thead>
<tr>
<th>Statement</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Moderate</th>
<th>Agree</th>
<th>Strongly Agree</th>
<th>Mean</th>
<th>Std. Dev.</th>
<th>CV</th>
</tr>
</thead>
<tbody>
<tr>
<td>There is frequent communication to the stakeholders</td>
<td>7</td>
<td>5</td>
<td>8</td>
<td>26</td>
<td>14</td>
<td>3.58</td>
<td>1.27</td>
<td>0.35</td>
</tr>
<tr>
<td>The staff are always updated about the company progress</td>
<td>3</td>
<td>5</td>
<td>15</td>
<td>30</td>
<td>7</td>
<td>3.55</td>
<td>0.98</td>
<td>0.28</td>
</tr>
<tr>
<td>The company information is readily available to the general public</td>
<td>6</td>
<td>3</td>
<td>13</td>
<td>24</td>
<td>14</td>
<td>3.62</td>
<td>1.19</td>
<td>0.33</td>
</tr>
<tr>
<td>The company information is frequently updated</td>
<td>2</td>
<td>8</td>
<td>21</td>
<td>13</td>
<td>16</td>
<td>3.55</td>
<td>1.13</td>
<td>0.32</td>
</tr>
<tr>
<td><strong>Aggregate scores</strong></td>
<td><strong>3.58</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td><strong>3.58</strong></td>
<td><strong>1.14</strong></td>
<td><strong>0.32</strong></td>
</tr>
</tbody>
</table>

*Source: Field Data (2019)*

The descriptive analysis results for corporate communication show that the aggregate mean score was 3.58. The aggregate mean score for standard deviation and coefficient of variation was 1.14 and 0.32 respectively approaching to agree on the Likert scale. The mean values of items under consideration range from 3.55 and 3.62. In the same way, the coefficient of variation for responses on each item are between 28% and 35% hence showing narrow variability across corporate communication measures. The narrow variability points out that the mean sample is steady hence can be relied upon as an estimator of the population mean and can therefore be applicable to make the generalization. In conclusion, the low variability of responses proves that the actions undertaken as the measure of corporate communication are practiced at Equity bank limited, Nairobi City County and are thus established to be essential for the organization performance.

4.4.2 Resources Allocation

The researcher conducted an analysis of resource allocation data and exhibited the outcomes in Table 4.4.
Table 4.4: Descriptive Statistics for Resource Allocation

<table>
<thead>
<tr>
<th>Statement</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Moderate</th>
<th>Agree</th>
<th>Strongly Agree</th>
<th>Mean</th>
<th>Std. Dev.</th>
<th>CV</th>
</tr>
</thead>
<tbody>
<tr>
<td>The company explores new resource for adequate allocation</td>
<td>6</td>
<td>2</td>
<td>7</td>
<td>25</td>
<td>20</td>
<td>3.85</td>
<td>1.22</td>
<td>0.32</td>
</tr>
<tr>
<td>The company commits its resources fully to accomplish the goals</td>
<td>1</td>
<td>3</td>
<td>9</td>
<td>24</td>
<td>23</td>
<td>4.10</td>
<td>0.95</td>
<td>0.23</td>
</tr>
<tr>
<td>The company management is responsible for resource mobilization</td>
<td>2</td>
<td>1</td>
<td>4</td>
<td>21</td>
<td>32</td>
<td>4.33</td>
<td>0.93</td>
<td>0.21</td>
</tr>
<tr>
<td>Leaders acquire and allocate the resources</td>
<td>2</td>
<td>4</td>
<td>6</td>
<td>21</td>
<td>27</td>
<td>4.12</td>
<td>1.06</td>
<td>0.26</td>
</tr>
<tr>
<td><strong>Aggregate scores</strong></td>
<td><strong>4.10</strong></td>
<td><strong>1.04</strong></td>
<td><strong>0.25</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Source: Field Data (2019)*

The outcomes of descriptive analysis on resource allocation display an aggregate mean score of 4.10. This indicates that the respondents generally agree with the resource allocation statements. The aggregate mean score for standard deviation and coefficient of variation was 1.04 and 0.25 respectively. The variability of responses is also narrow as established by the coefficient of variation of 25%. The narrow variability is also shown in the range of mean response across the various resource allocation measures that have been used in this study. Therefore, the aggregate mean for the sample is considered reliable when estimating the exact mean score and therefore applicable to draw final conclusions. The indicated variability of responses authenticate that the activities used for measuring resource allocation are applied and are significant for the organization performance.
4.4.3 Participation in Decision Making
The researcher conducted examination of participation in decision making data and exhibited the outcomes in Table 4.5.

Table 4.5: Descriptive Statistics for Participation in decision making

<table>
<thead>
<tr>
<th>Statement</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Moderate</th>
<th>Agree</th>
<th>Strongly Agree</th>
<th>Mean</th>
<th>Std. Dev.</th>
<th>Cov.</th>
</tr>
</thead>
<tbody>
<tr>
<td>The company involve all the workforce in policy making</td>
<td>9</td>
<td>10</td>
<td>13</td>
<td>11</td>
<td>17</td>
<td>3.28</td>
<td>1.43</td>
<td>0.44</td>
</tr>
<tr>
<td>Strategies are developed by top management only</td>
<td>0</td>
<td>23</td>
<td>7</td>
<td>22</td>
<td>28</td>
<td>4.25</td>
<td>0.86</td>
<td>0.20</td>
</tr>
<tr>
<td>The company leaders consult lower level employees while introducing changes</td>
<td>9</td>
<td>7</td>
<td>11</td>
<td>14</td>
<td>19</td>
<td>3.45</td>
<td>1.43</td>
<td>0.41</td>
</tr>
<tr>
<td>Participation in decision making results to improved overall performance</td>
<td>3</td>
<td>4</td>
<td>10</td>
<td>21</td>
<td>22</td>
<td>3.92</td>
<td>1.12</td>
<td>0.29</td>
</tr>
<tr>
<td><strong>Aggregate scores</strong></td>
<td><strong>3.73</strong></td>
<td><strong>1.21</strong></td>
<td><strong>0.32</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Field Data (2019)

The outcome of the descriptive analysis for participation in decision making show an aggregate mean score of 3.73 translating to agree with Likert’s scale. The aggregate score for standard deviation and coefficient of variation are 1.21 and 0.32 respectively indicating a low level of variability. The responses from the identified measures for participation in decision making are nearing the sample mean. The mean score for individual subjects range from 3.28 to 4.25. The coefficient of variation for responses on each measure ranges from 20% and 44% constantly indicating a narrow variability across responses. The low variability points out that the sample mean is a constant estimator of the population mean. Therefore, the narrow variations of responses show that participation in decision making activities used as measures in this study are applied in the organization and are crucial for the organization performance.
4.4.4 Training

The researcher evaluated the data regarding training and demonstrated the result in Table 4.6

Table 4.6: Descriptive Statistics for Training

<table>
<thead>
<tr>
<th>Statement</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Moderate</th>
<th>Agree</th>
<th>Strongly agree</th>
<th>Mean</th>
<th>Std. Dev.</th>
<th>Cov.</th>
</tr>
</thead>
<tbody>
<tr>
<td>The company initiates continuous on job training</td>
<td>3</td>
<td>1</td>
<td>7</td>
<td>16</td>
<td>24</td>
<td>3.80</td>
<td>1.27</td>
<td>0.33</td>
</tr>
<tr>
<td>Equity Bank limited provides opportunities for training through team work</td>
<td>4</td>
<td>3</td>
<td>12</td>
<td>20</td>
<td>21</td>
<td>3.85</td>
<td>1.16</td>
<td>0.30</td>
</tr>
<tr>
<td>The company sponsors training for employees</td>
<td>3</td>
<td>5</td>
<td>17</td>
<td>18</td>
<td>17</td>
<td>3.68</td>
<td>1.13</td>
<td>0.31</td>
</tr>
<tr>
<td>The employee’s productivity directly depends on the effective training at the organization</td>
<td>4</td>
<td>7</td>
<td>16</td>
<td>20</td>
<td>13</td>
<td>3.52</td>
<td>1.16</td>
<td>0.33</td>
</tr>
<tr>
<td>Good organizational training programs promote workers capacity building</td>
<td>0</td>
<td>1</td>
<td>11</td>
<td>25</td>
<td>23</td>
<td>4.17</td>
<td>0.78</td>
<td>0.19</td>
</tr>
<tr>
<td>Aggregated scores</td>
<td>3.80</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1.23</td>
<td>0.29</td>
</tr>
</tbody>
</table>

Source: Field Data (2019)

The outcomes of the descriptive analysis for training indicators point out the aggregate mean and standard deviation scores of 3.80 and 1.23 respectively. The calculated mean for the sample translates to agree on five point Likert scale used in the study. The aggregate coefficient of variation of 29% reveals a low variability of the responses. Narrow range between the mean for each training measure is identified ranging from 3.52 to 4.17 and also between the coefficients of variation. The narrow variability prove that the aggregate sample mean is a reliable and stable estimator of the population mean and is very applicable when making final conclusions. The low variability attest that the undertakings considered for gauging training are applied and are essential for the performance of Equity bank limited, Nairobi City County.
4.4.5 Performance of Equity Bank Limited, Nairobi City County

Performance of equity bank limited, Nairobi City County data was analyzed and outcomes displayed in Table 4.7

Table 4.7: Descriptive Statistics for Performance Statement

<table>
<thead>
<tr>
<th>Statement</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Moderate</th>
<th>Agree</th>
<th>Strongly agree</th>
<th>Mean</th>
<th>Std. Dev.</th>
<th>Cov.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity bank limited, Nairobi City County has diverse products to meet customers’ demands.</td>
<td>1</td>
<td>4</td>
<td>10</td>
<td>22</td>
<td>23</td>
<td>4.03</td>
<td>0.99</td>
<td>0.25</td>
</tr>
<tr>
<td>The company products are distinct in the industry</td>
<td>5</td>
<td>4</td>
<td>11</td>
<td>22</td>
<td>18</td>
<td>3.73</td>
<td>1.21</td>
<td>0.32</td>
</tr>
<tr>
<td>The company improves processes regularly to enhance services delivery</td>
<td>4</td>
<td>8</td>
<td>15</td>
<td>18</td>
<td>15</td>
<td>3.53</td>
<td>1.20</td>
<td>0.34</td>
</tr>
<tr>
<td>Equity bank products have unique features</td>
<td>0</td>
<td>3</td>
<td>12</td>
<td>23</td>
<td>22</td>
<td>4.07</td>
<td>0.88</td>
<td>0.22</td>
</tr>
<tr>
<td>Aggregate scores</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>3.84</td>
<td>1.07</td>
<td>0.27</td>
</tr>
</tbody>
</table>

Source: Field Data (2019)

Table 4.7 exhibits that the aggregate mean score for the five measures of performance of Equity bank limited, Nairobi City County, Kenya is 3.84. This cumulative mean score tend to concur on the five point Likert scale. As noted from the results, the variability of responses from the aggregate mean score is low as revealed by the coefficient of variation of 27%. The results prove that performance measures opted for this research is exercised in Equity bank limited, Nairobi City County. The narrow variability implies that the feedback from the management of Equity bank limited, Nairobi City County is intense and around the aggregate mean score. Therefore, it is evident that the sample mean is a stable evaluator of the true mean in this study.

4.5 Inferential Statistics

This study applied multiple regression analysis to scrutinize change management and performance of Equity bank limited, Nairobi City County, Kenya. In this case, corporate communication, resource allocation, participation in decision making and
training were regressed on performance. Table 4.8 present multivariate analysis results.

Table 4.8: Results of Regression Analysis

<table>
<thead>
<tr>
<th></th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Beta</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>(Constant)</td>
<td>1.387</td>
<td>0.596</td>
<td>2.326</td>
<td>0.024</td>
</tr>
<tr>
<td>Corporate Communication</td>
<td>0.645</td>
<td>0.132</td>
<td>4.900</td>
<td>0.000</td>
</tr>
<tr>
<td>Resource Allocation</td>
<td>0.089</td>
<td>0.135</td>
<td>0.658</td>
<td>0.013</td>
</tr>
<tr>
<td>Participation in decision making</td>
<td>0.047</td>
<td>0.140</td>
<td>0.333</td>
<td>0.004</td>
</tr>
<tr>
<td>Training</td>
<td>0.089</td>
<td>0.172</td>
<td>0.516</td>
<td>0.008</td>
</tr>
</tbody>
</table>

\[ R^2 = 0.389 \]

\[ \text{Adjusted } R^2 = 0.43 \]

\[ \text{Std. Error of the Estimate} = 0.665 \]

\[ R^2 = 0.389 \]

\[ \text{Adjusted } R^2 = 0.43 \]

\[ \text{Std. Error of the Estimate} = 0.665 \]

The coefficient of multiple determinations is shown as 0.389 in Table 4.8. This means that corporate communication, Resource allocation, Participation in decision making, and Training which are used as change management variables combined together can explain 38.9% of performance variation experienced at Equity bank limited, Nairobi City County. The ANOVA results show that the regression model fitted the observed

**a. Predictors:** (Constant), Corporate Communication, Resource Allocation, Participation in decision making, Training

**b. Dependent Variable:** Performance

**Source:** Field Data (2019)

The regression model below was estimated through the results of regression analysis as shown in Table 4.8

**Performance** = 1.387 + 0.645Corporate communication + 0.089Resource Allocation + 0.047 Participation in decision making + 0.089 Training

The coefficient of multiple determinations is shown as 0.389 in Table 4.8. This means that corporate communication, Resource allocation, Participation in decision making, and Training which are used as change management variables combined together can explain 38.9% of performance variation experienced at Equity bank limited, Nairobi City County. The ANOVA results show that the regression model fitted the observed
data since the model was ascertained to be statistically significant at F (4, 55) =10.379. The computed probability value was 0.001 which was lower than the adopted threshold of 0.05. In conclusion, the regression analysis proves that when the four dimensions of change management are held at zero constant, performance would be at 1.387

4.5.1 Specific Objective One
This study aimed to determine the influence of corporate communication on the performance.

The regression analysis results in Table 4.8 established that corporate communication is significant at β =0.645; t=4.900; p=0.000. This means that at 95% confidence level, corporate communication affect the performance of Equity bank limited, Nairobi City County in a positive way. It is also evidenced that, an increase in a single unit of corporate communication lead to 0.645 increases in performance. Hence, it can be concluded that corporate communication affects the performance of Equity bank limited headquarters, Nairobi City County.

These outcomes concur with Kaime (2013) findings that integrated corporate communications practices involving the workforce are behind the success of any firm. Also, the findings support the learning organization theory that argues for application of the learning organization principles through continuous effective communication in order to nurture a learning culture to ensure effective change management. The five principles of learning organizations concentrate on the organization long-term growth.

4.5.2 Specific Objective Two
The aim was to identify the consequence of resource allocation on the performance of Equity Bank Limited headquarters, Nairobi City County, Kenya. From the regression analysis results in Table 4.8, resource allocation is significant at β =0.082; t=0.658; p=0.013. This means that at 95% confidence level, resource allocation affect performance of Equity bank limited, Nairobi City County in a positive manner. The results suggest that an increase in a single unit of resource allocation will cause 0.089 increases in performance. Therefore it can be concluded that the performance of Equity bank limited, Nairobi City County, Kenya is affected by resource allocation.
Hence, these outcomes support the conclusions of Obinga (2014) which confirmed a positive relationship between physical resources and internal efficiency of public secondary schools in Tana River County. Moreover, the findings of this research support Resource-based view theory which theoretical basis views resources as the most important aspects for firm performance hence enabling understanding of management of resources so as to acquire and retain a sustainable competitive lead which result to enhanced performance.

4.5.3 Specific Objective Three

The study aimed to assess the effect of participation in decision making processes on the performance of Equity bank limited, Nairobi City County, Kenya. The result of regression analysis in Table 4.8 exhibit that participation in decision making is significant at $\beta = 0.044; t=0.333; p=0.004$. This means that at 95% confidence level, participation in decision making positively influence performance of Equity bank limited, Nairobi City County, Kenya. An increase a one unit of participation in decision making will cause 0.047 escalation in performance. The study therefore established that participation in decision making affect the performance of Equity bank limited, Nairobi City County, Kenya.

These outcomes support the empirical discoveries of Irawanto (2015) which found out that those organizations with employee participatory programs in decision-making motivate such employees and this translate to improved performance. Also, the findings support the suggestions of McKinsey 7S model which offers suitable tools for analyzing effective strategies for change management through participation in decision making hence providing the foundations for choosing responses to environment changes. McKinsey 7S model aim at the action plan on where and what changes to be made for the firm to work more effectively.

4.5.4 Specific Objective Four

The researcher aimed to establish the influence of training on the performance of Equity Bank Limited, Nairobi City County. Table 4.8 illustrates the outcomes of the regression analysis and that training is significant at $\beta = 0.066; t=0.516; p=0.008$. This means that at 95% confidence level, training influence the performance of Equity bank limited, Nairobi City County, Kenya in a positive manner. The findings also
imply that if training is increased by a single unit, performances increases by 0.089. Thus, training is significantly linked to the organizational performance.

These findings are consistent with Engetou (2017) conclusions that training programs addresses the employee’s needs and lead to improvement of both the workers and the overall organization. Moreover, these findings support the learning organization theory prepositions that learning organizational is applicable for constant development and enable adaptability to the ever-changing operating environment therefore enhancing the organization performance. Additionally, the findings support McKinsey 7S model that the staff skills and competences enhances the performance of the organization since the management is able to assess the effects of future changes and identifying the best way for strategy implementation.
CHAPTER FIVE
SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction
This chapter presents a summary of findings, conclusions, recommendations for policy and practice and recommendations for further research. The researcher sought to investigate change management and performance of Equity bank limited, Nairobi City County, Kenya.

5.2 Summary
The first specific objective of this study aimed to determine the effect of corporate communication on performance of Equity bank limited, Nairobi City County, Kenya. Corporate communication measures comprised of staff communication, shareholder’s communication and communication to the general public. The analysis of descriptive statistics results showed that the activities that measured corporate communication were practiced at Equity bank limited, Nairobi City County, Kenya. Statistical analysis revealed that corporate communication has a statistically significant effect on organization performance and hence the anticipation of this research was met.

The second specific objective of the study aimed to ascertain the effect of resource allocation on the performance of Equity bank limited, Nairobi City County, Kenya. Resource allocation was operationalized using pointers such as resource exploitation, resource commitment and resource mobilization. The study discovered that resource allocation affects the organization performance. The descriptive statistics results prove that the activities that measured resource allocation were practiced at Equity bank limited, Nairobi City County. Thus the expectations of the researcher were established.

The third specific objective of this study was to determine the effect of participation in decision making processes on the performance of Equity bank limited, Nairobi City County, Kenya. The researcher sought to measure participation in the decision making using such measures as operational decisions, strategies decisions and management policies. Participation in decision was found to have huge influence on the performance. The descriptive statistics demonstrate that participation in decision
making is practiced in the organization. The outcomes affirmed the presupposition of this study.

The fourth specific objective of this study aimed to find out the influence of training on the performance of Equity bank limited, Nairobi City County, Kenya. The researcher measured training through the use of measures such as teamwork opportunities, sponsorship for mentorship programs and role-playing opportunities. Descriptive analysis outcomes proved that the measures applied for training were exercised at Equity Bank Limited, Nairobi City County. Training and performance of the organization were identified to have a positive relationship. The statistical analysis backed up the expectation of this study.

5.3 Conclusion

Organization performance is a critical aspect of any organization as it shows how well an organization is operating towards the accomplishment of its objectives vision and mission.

This study sought to investigate change management and performance of Equity bank limited, Nairobi City County, Kenya. Qualitative data analysis findings facilitate the drawing of conclusions. The first specific objective aimed to determine the effect of corporate communication on the performances. Statistical analysis results illustrated that corporate communication and performance were significantly related. Therefore, the researcher concluded that corporate communication impact the performance of Equity bank limited, Nairobi City County, Kenya in a positive manner.

The second specific objective aimed to ascertain the effect of resource allocation on performance. The outcomes revealed that resource allocation had influence on the performance. Thus the study concludes that resource allocation has a positive effect on the performance of Equity bank limited, Nairobi City County, Kenya. The third specific objective was to determine the effect of participation in decision making processes on the performance. The statistical analysis revealed that participation in decision making processes influence on the performance. The researcher therefore concludes that participation in decision making positively affects the performance. The fourth specific objective of this study concentrated on determining the influence of training on the
performance. The results of statistical analysis showed that an increase in training influence the performance. The study therefore determines that training influences the performance of Equity bank limited, Nairobi City County, Kenya in a good way.

5.4 Recommendations for Policy and Practice

Corporate communication positively affect the performance of Equity bank limited, Nairobi City County, Kenya. Therefore, for this reason, the management of Equity bank limited, Nairobi City County, Kenya should strive to enhance effective corporate communication. The top and middle levels of management should incorporate effective and efficient channels of communication to ensure that the stakeholders are frequently updated on all the relevant activities. Also, the relevant department tasked on information and data upkeep should update such information frequently. Timely and full disclosures should also be made to the general public as per the regulatory requirements. The study also revealed that resource allocation has great positive influence on the performance. Thus the management of Equity bank limited, Nairobi City County, Kenya should ensure even allocation of resources depending on the availability and the needy in the various departments. Resource mobilization should be done in an effective manner with minimal delays.

Furthermore, it was identified that participation in decision making affected the performance of Equity bank limited, Nairobi City County, Kenya. It is therefore imperative for the management of Equity bank limited, Nairobi City County, Kenya to practice management by objective where all employees will be part and parcel of the decisions made. If creativity and innovation is nurtured through participatory opportunities, this would benefit both the organization at large as well as the employees. The study established an existence of positive connection between training and the performance of Equity bank limited, Nairobi City County, Kenya. Training is of essence, therefore on-job and off-job training opportunities should be made available to the employees. The management should offer training sponsorship for the employees at various levels. The training opportunities should be made available as often as possible so as to enhance skills and competences so as to handle the ever changing work environment.
5.5 Recommendations for Further Research

The outcome and inferences of this study were constrained to change management and performance of Equity bank limited, Nairobi City County, Kenya. Future and further researchers should conduct researches in other banks and other sectors since this ensure that the outcomes and conclusions of this research were validated. Change management variables covered in this study were very essential. However, there are other diverse change management variables that call for additional research enable identification of the level of correlation with performance of such organizations.
REFERENCES


Senge, P. M. (2014). *The fifth discipline field book: Strategies and tools for building a learning organization*


Van, W.B. (2014). *Research design and methods*. University of Western Cape


APPENDICES

APPENDIX I: LETTER OF INTRODUCTION
Kimathi Emily
P.O Box 433 – 0068,
Nairobi.

4th January, 2019

Dear Sir/Madam,

RE: AUTHORITY FOR DATA COLLECTION
I am a postgraduate student at Kenyatta University in the School of Business undertaking a strategic management research on ‘Change management and performance of Equity Bank Limited, Nairobi City County.
You have been selected to participate in this academic research. I therefore kindly request you to fill in the attached research questionnaire to enable me complete this study. The information collected will used for academic purposes only hence will be treated with confidence. Your cooperation and your time to complete the questionnaire will be highly appreciated.

Yours sincerely,

Kimathi Emily
D53/OL/CTY/26889/2015
APPENDIX 11: QUESTIONNAIRE.

Section A: General Information
Instructions
Kindly tick in the spaces provided as appropriate.

1. Kindly indicate your gender.
   Male [ ]    Female [ ]

2. How long have you worked in this bank?
   3 years and below [ ]
   4-7 years [ ]
   8-11 years [ ]
   12 years and above [ ]

3. Indicate position in the bank?
   Senior management [ ]
   Middle-level management [ ]
   Functional-level management [ ]

Section B: Corporate Communication

4. Kindly give an opinion on your level of agreement with the statements about
   the influence of corporate communication and performance of Equity Bank
   Limited, Nairobi City County.

<table>
<thead>
<tr>
<th>Statement</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Moderate</th>
<th>Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>There is frequent communication to the stakeholders</td>
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<tr>
<td>The staff are always updated about the company progress</td>
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<tr>
<td>The company information is readily available to the</td>
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<tr>
<td>general public</td>
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</tr>
<tr>
<td>The company information is frequently updated.</td>
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</tbody>
</table>

5. In your own opinion does corporate communication influence the performance
   of Equity Bank Limited, Nairobi City County? Yes [ ] No [ ]
   Kindly explain..........................................................................................................

6. How else does corporate communication affect the performance of Equity
   Bank Limited, Nairobi City County?
   ........................................................................................................................................
**Section C: Resources Allocation**

7. Give an opinion on your level of agreement with the statements about the influence of resource allocation and performance of Equity Bank Limited, Nairobi City County.

<table>
<thead>
<tr>
<th>Statement</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Moderate</th>
<th>Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>The company explores new resource for adequate allocation.</td>
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<tr>
<td>The company commits its resources fully to accomplish the goals</td>
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<tr>
<td>The company management is responsible for resource mobilization</td>
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<tr>
<td>Leaders acquire and allocate the resources</td>
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</table>

8. Based on your opinion, how does resource allocation influence of performance of Equity Bank Limited, Nairobi City County

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   ……………………………………………………………………………………

**Section D: Participation in Decision Making**

9. Give an opinion on your level of agreement with the statements about the influence of participation in decision making and the performance of Equity Bank Limited, Nairobi City County.

<table>
<thead>
<tr>
<th>Statement</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Moderate</th>
<th>Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>The company involve all the workforce in policy making</td>
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<tr>
<td>Strategies are developed by top management only</td>
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<tr>
<td>The company leaders consults lower level employees while introducing changes</td>
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<td></td>
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<tr>
<td>Participation in decision making results to improved overall performance</td>
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</tr>
</tbody>
</table>

10. How else does participation in decision making affect organizational performance of listed commercial banks in Kenya

   ……………………………………………………………………………………
   ……………………………………………………………………………………

61
E. Training
11. Give an opinion on your level of agreement with the statements about the influence of training on the performance of Equity bank limited Nairobi, Kenya.

<table>
<thead>
<tr>
<th>Statement</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Moderate</th>
<th>Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>The company initiates continuous job training</td>
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<tr>
<td>Equity Bank limited provide opportunities for training through team work</td>
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<tr>
<td>The company sponsors training for employees</td>
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<td>The employee’s productivity directly depends on effective training at the</td>
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<tr>
<td>organization or company.</td>
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<tr>
<td>Good organizational training programs promote workers capacity building</td>
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</tbody>
</table>

12. How else does training affect organizational performance of listed commercial banks in Kenya?

…………………………………………………………………………………………………………………………

F. Performance of Equity Bank Limited, Nairobi City County
13. Give an opinion on your level of agreement with the performance of Equity bank limited Nairobi City County.

<table>
<thead>
<tr>
<th>Statement</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Moderate</th>
<th>Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity bank limited, Nairobi City County has diverse products to meet customers’ demands</td>
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<tr>
<td>The company products are distinct in the industry</td>
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<tr>
<td>The company improves processes regularly to enhance services delivery</td>
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<td></td>
</tr>
<tr>
<td>Equity bank products have unique features</td>
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</tr>
</tbody>
</table>

THANK YOU FOR TAKING YOUR TIME TO FILL IN THE QUESTIONNAIRE
APPENDIX 11: RESEARCH AUTHORIZATION KENYATTA UNIVERSITY

KENYATTA UNIVERSITY
GRADUATE SCHOOL

E-mail: dean-graduate@ku.ac.ke
Website: www.ku.ac.ke

Our Ref: D53/OL/CTY/26889/2015

Director General,
National Commission for Science, Technology
and Innovation
P.O. Box 30623-00100
NAIROBI

DATE: 8th November, 2018

Dear Sir/Madam,

RE: RESEARCH AUTHORIZATION FOR KIMATHI EMILY KARIMI – REG. NO.
D53/OL/CTY/26889/2015

I write to introduce Ms. Kimathi Emily Karimi who is a Postgraduate Student of this University. She is registered for M.B.A degree programme in the Department of Business Administration.

Ms. Karimi intends to conduct research for a M.B.A Project Proposal entitled, “Change Management and Performance of Equity Bank Limited in Nairobi City County, Kenya”.

Any assistance given will be highly appreciated.

Yours faithfully,

[Signature]

PROF. ELISHIBA KIMANI
FOR: DEAN, GRADUATE SCHOOL
APPENDIX 1V: RESEARCH PERMIT

THIS IS TO CERTIFY THAT:
MS. EMILY KARIMI KIMATHI of KENYATTA UNIVERSITY, 433-618 NAIROBI, has been permitted to conduct research in Nairobi County on the topic: CHANGE MANAGEMENT AND PERFORMANCE OF EQUITY BANK LIMITED IN NAIROBI CITY COUNTY, KENYA for the period ending: 23rd April, 2020

Permit No: NACOSTI/P/19/66540/27651
Date of Issue: 14th June, 2019
Fee Received: Ksh 1000

Applicant’s Signature

CONDITIONS

The Grant of Research Licenses is guided by the Science, Technology and Innovation (Research Licensing) Regulations, 2014.

1. The License is valid for the proposed research, location and specified period.
2. The License and any rights thereunder are non-transferable.
3. The Licensee shall inform the County Governor before commencement of the research.
4. Excavation, filming and collection of specimens are subject to further necessary clearance from relevant Government Agencies.
5. The License does not give authority to transfer research materials.
6. NACOSTI may monitor and evaluate the licensed research project.
7. The Licensee shall submit one hard copy and upload a soft copy of their final report within one year of completion of the research.
8. NACOSTI reserves the right to modify the conditions of the License including cancellation without prior notice.

National Commission for Science, Technology and Innovation
P.O. Box 30623 - 00100, Nairobi, Kenya
TEL: 020 400 7000, 0713 788787, 0735 404245
Email: dg@nacostl.go.ke, registry@nacostl.go.ke
Website: www.nacostl.go.ke

Serial No.A 25295

CONDITIONS: see back page
APPENDIX V: RESEARCH AUTHORIZATION

NATIONAL COMMISSION FOR SCIENCE,
TECHNOLOGY AND INNOVATION

Ref. No. NACOSTI/P/19/66540/27561
Date 14th June, 2019

Emily Karimi Kimathi
Kenyatta University
P.O. Box 43844-00100
NAIROBI.

RE: RESEARCH AUTHORIZATION

Following your application for authority to carry out research on “Change management and performance of Equity Bank Limited in Nairobi City County, Kenya,” I am pleased to inform you that you have been authorized to undertake research in Nairobi County for the period ending 23rd April, 2020.

You are advised to report to the County Commissioner and the County Director of Education, Nairobi County before embarking on the research project.

Kindly note that, as an applicant who has been licensed under the Science, Technology and Innovation Act, 2013 to conduct research in Kenya, you shall deposit a copy of the final research report to the Commission within one year of completion. The soft copy of the same should be submitted through the Online Research Information System.

CHARITY MUSEMBI
FOR: DIRECTOR-GENERAL/CEO

Copy to:

The County Commissioner
Nairobi County.

The County Director of Education
Nairobi County.