

**STRATEGIC CHANGE MANAGEMENT PRACTICES AND PERFORMANCE  
OF KENYA MEDICAL SUPPLIES AUTHORITY IN NAIROBI CITY COUNTY,  
KENYA**

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## DECLARATION

### Declaration by Candidate:

This project is my original work and was not presented at any other university for a degree

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### Declaration by Supervisor:

I confirm that the work in this project was done by the candidate under my supervision.

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## **DEDICATION**

To my wife Mary Wanjiru and our children Franklin, Leonarose, Jamesmart and Victoria  
I dedicate this project to you and give you many thanks as you have been a foundation of  
inspiration and motivation for me.

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## **OPERATIONAL DEFINITION OF TERMS**

<b>Strategic Change Management</b>	A comprehensive approach to the transition or transformation of the goals, processes or technologies of an organization.
<b>Leadership</b>	The practice of inspiring a group of people to collaborate towards a common goal
<b>Legal Framework</b>	Legal structure of a political system that establishes how the system operates
<b>Organizational culture</b>	The principles and attitudes that lead to an organization's particular social and psychological climate.
<b>Performance</b>	The quality of a mission calculated against established fixed criteria of precision, completeness, expense and accurateness
<b>Resources Management</b>	Limitations on staffing, equipment and other resources vital for project completion

## **ACRONYMS AND ABBREVIATIONS**

<b>BSC</b>	Balance Score Card
<b>ERP</b>	Enterprise Resource Planning
<b>KEMSA</b>	Kenya Medical Supplies Agency
<b>KRA</b>	Kenya Revenue Authority
<b>LMIS</b>	Logistics Management Information System
<b>TSC</b>	Teacher Service Commission

## ABSTRACT

Kenya Medical Supplies Authority performance is undergoing strategic change management in its operations. Some of these changes include automating its systems, creation of a self-sustaining supply model, providing market and demand driven medical supplies, and getting autonomy from ministry of health in relations to procurement of medical supplies, and distribution of medical supplies. Despite the advantages of the changes being implemented, Kenya Medical Supplies Authority performance has faced diverse challenges in the change. The study majorly examined the influences of leadership, resources management, organizational culture, and legal framework on Kenya Medical Supplies Authority performance. A case study was utilized in this study. Employees of Kenya Medical Supplies Authority performance who are in senior management, and the supply chain, procurement and finance departments at Kenya Medical Supplies Authority performance formed the target population. These include senior managers, supply chain officials, procurement officials, and finance officials. The study sample size was 70 respondents which was obtained through the use of simple random sampling method. To address particular study objectives, a structured questionnaire with closed-ended questions was used for gathering the required data. The pilot survey was carried out on seven Kenya Medical Supplies Authority performance staff and were not included in the final research to test the instrument's validity and reliability. The alpha coefficient of Cronbach was used to determine internal consistency and construct validity with 0.7 considered adequate for reliability. The study found that leadership, resources management, organizational culture and legal framework had a positive and significant influence on performance of Kenya Medical Supplies Authority performance. The study concluded that motivation, management, inspiration, remuneration, and analytical skills involve effective leadership and leaders inspire people within an organisation to work harder to aim for the highest performance standards. Utilization of information technology resources was highly rated by the respondents in regard to resources management aspects. Among organizational culture aspects, continuous monitoring of staff work received the highest agreement level by the respondents. In general, the respondents were in support that there was court action due to changes in operational aspects, compensation of staff, honoring of the rights of workers, workplace safety and that there was employee turnover due to political interference. Compensation of staff was highly rated by respondents among the legal framework aspects of the organization. The study recommended that an important function of leadership is to insure that employees understand what job they are going to do and the planned results of this work. Enough financial resources will be utilized to improve the performance of the Kenya Medical Supplies Authority in the leadership of strategic change elements. Management must reinforce a philosophy of transparency by making their workers responsible so that they can know that they are liable for everything they do. The management team at Kenya Medical Supplies Authority to ensure that there is smooth transition in event of strategic change to avoid court action due to changes in operational aspects.

# CHAPTER ONE

## INTRODUCTION

### 1.1 Background of the Study

Organizations work under different internal and external environmental setting resulting in changes. According to Mutua (2015) conceptualized change as the altering or modification of something. Okeyo (2010) refers to change as the transition from one state to another with the focus on being different. Change therefore means movement to a desired future fate in which there could be uncertainties in attempt to get to this state.

There are diverse aspects that can change in an organization including organizational mandates and means of achieving these mandates as well as the strategy in confronting operational challenges (Kibue, 2013). There are diverse contexts that can bring about change. In this context, Mutua, (2015) indicates that organizations can change as a response to external factors (reactive change) or due to a deliberate move to change (proactive changes).

Change must be managed through change management process. This is because change brings about uncertainties in the operations of an institution and alters the established norms of an institution (Sambo, 2014). According to Nzuki, (2016) change management refers to Systematic techniques for ensuring that change takes place in a scheduled manner, cost effective and achieves desired results. On the other hand, Van der Voet (2014) conceptualizes change management an organized and orderly approach to change in employees' behavioural dynamics in a firm. According to Kibue (2013) change management is critical in the management of the employee aspects in the achievement of project goals. Finally, Pradesh (2012) refers to change

management as an organized way of ensuring that a firm's employees are able to get to the desired future state.

### **1.1.1 Organizational Performance**

Organizational performance refers to the degree to which a firm's objectives are being or have been accomplished. Organizational performance also refers to a measure of how well a firm uses its resources to meet its goals and objectives (Olagunju & Obademi, 2012). It is the process of measuring the actual results of a firm's policies and operations against its set goals and objectives. Parmenter (2015) observe that the performance of an organization is used to measure firm's overall financial and non-financial well-being over a given period of time. Therefore, the success of an organization is gauged from several indicators both qualitative and quantitative. These include: financial performance, meeting customer needs, building quality products and services, encouraging innovation and creativity and gaining employee commitment.

Bennett, Lance and Woehr (2014) described organizational performance measurement as a process of assessing progress towards achieving pre-determined goals including information on the efficiency with which resources are transformed into goals and services, the quality of those outputs and outcomes, and the effectiveness of the organizational operations in terms of their specific contributions to organizational objectives. The critical success factors for organization performance consist of access to right knowledge and skills, proper planning, innovation and flexibility.

Organization performance is the extent to which the organization achieves a set of pre-determined targets that are in line with its mission (Gathungu & Mwangi, 2012). The most common performance drivers include: customer value, team performance, talent management, and strategic focus all which are achieved through, proper

planning, evaluation, implementation and control. According to McIvor, Humphreys, Wall and McKittrick (2013) organization performance measures consists of return on equity, profit, return on assets, market share while non-financial performance measures consists of corporate social responsibility, innovation, responsiveness and employee development.

### **1.1.2 Strategic Change Management Practices**

Although changes are inevitable because of the many organizational activities engaged in, it may sometimes have business opportunities dependent on the way change is handled. Marete (2014) views strategic change as a means to achieve competitive advantage through change management. The author further indicates that strategic change is about changes within the organizations strategy as defined by its scope, resources deployment, synergy and competitive advantage. It is the reshaping of culture, strategy, structure and paradigms of a firm by tinkering natural designs and external forces or simple drift in order to implement a strategy (Njiru, 2012).

According to Okeyo (2010), strategic change management refers to positioning of the firm to benefit from opportunities in the environment through change management. Marete (2014) further notes that management of strategic change is an organizational change necessary in reaching their strategic goals and objectives. There are diverse advantages of managing strategic changes. On the other hand, Kimaita (2013) notes that strategic change management leads to the adaption to change, controlling change and effecting change. Okoth (2012) notes that benefits of strategic change management includes better management of human resources during change, creating of road map to deal effectively with change, and better management of an organization's resources during change.

Effective strategic change management leads to diverse benefits in the organization. The effectiveness of the strategic change management is impacted upon by diverse factors including resources management, legal framework, organizational culture, and leadership aspects amongst others. In the context of leadership, Gwengi (2010) indicates that leadership enables the employees to embrace the vision of change therefore reducing employee resistance to strategic change within an organization. On the other hand, Aketch, (2015) indicated that change management success is determined by organizational leadership unity and purpose during change management. This is to enable the leaders to guide their teams during change process.

Leadership plays a key role in addressing the difficulties that face organizations that are adopting diverse change initiatives (Mulongo, 2014). In the context of resources role in managing strategic change, Abdullahi (2011) noted that resources influence strategic change management in two diverse ways: Diverse accessibility of resources and the utilization of the available resources. Kimaita (2013) indicated that effective leaders during strategic change management must actively examine their operating environment for change. This enables the execution of action plans to achieve the change dynamic.

Lack of a supportive culture leads to failure in change management (Kimaita, 2013). The organizational culture must also be compatible with the changes being implemented in terms of employees' attitude and how to carry out activities. The organizational culture also determines the attitudes and connection with their work deliverables which has an impact on change management.

The legal framework influences the management of strategic change globally. Amongst the changes implemented may be challenged in court. The legal framework

has a strong influence on the performance in respect to the compensation of staff, the rights of workers and customers, and diverse aspects such as workplace safety (Wairimu, 2007). Legal framework may also lead to drastic changes in management that keeps of interfering with strategic change management.

Resource management is the pre-planning, organizing and resource utilization system of maximizing efficiency. Management of resources requires a thorough understanding and transparency of the goals and capacity of an organization (Noe, Hollenbeck, Gerhart & Wright, 2017). Guest (2017) argues that the organization maximizes efficiency and supervises the use of these resources by establishing a good resource management planning process. This can therefore be argued that resource management is essential because it facilitates consumption scheduling, provides you with an outline of all and everything, and allows planning and management straightforward.

### **1.1.3 Performance of Kenya Medical Supplies Authority**

The Kenya Medical Supply Authority Act No. 20 of 2013 created KEMSA (Republic of Kenya., 2013). KEMSA replaced the Kenya Medical Supplies Agency. The function of KEMSA includes identifying a storage network, package and distributing centres to health organizations for the supply of medicines and equipment (Republic of Kenya., 2013).

KEMSA is undergoing diverse changes in order to meet its mandates in the new constitution and devolution program. According to KEMSA (2017) it has aligned its business model in order to act under the new constitutional dispensation. The new business model includes automation of business processes achieved through the Enterprise Resource Planning (ERP) system, KEMSA e-mobile service, and the Logistics Management Information System (LMIS) (KEMSA, 2017). Other changes

that have taken place include KEMSA having a self-sustaining supply model which enables the county health facilities undertake the drugs procurement activities in a demand driven supply system. This enables KEMSA to restock their drugs.

KEMSA products are also market driven in nature and has also modernized its transport system. Other changes include KEMSA procuring medical supplies with its own funds as opposed to ministry of health funds; county hospitals ordering the medical supplies that they need as opposed to medical supplies being pushed to them; county governments meeting the distribution charges as opposed to ministry of health and KEMSA depending on money derived from sales of stock as opposed to being dependent on ministry of health. KEMSA also introduced supplementary service division (SSD) to cater for the needs of customers requiring specialized services. KEMSA also started taking care of nonprofit organizations such as mission hospitals, universities, colleges, and state corporations on board.

## **1.2 Statement of the Problem**

Organizational change is vital to keep up with evolving business needs and remain competitive (Day, 2014). However, Brown (2015) notes that managing strategic change is a double-edged sword as it simultaneously results in expected performance gain and unexpected performance loss. When unexpected loss of performance dominates or drains expected performance gain away, change becomes pointless. Moreover, the coexistence of profit and loss of performance is likely to generate confused evidence for the outcome of strategic change. As a result, organisations may fail to maximize strategic change's performance advantages either because they do not detect performance loss or fail to diagnose and mitigate the loss.

KEMSA is going through many progressive changes as per its strategic plan in order to manage its operations (KEMSA, 2017). Some of these changes include automating

its systems, creation of a self-sustaining supply model, providing market and demand driven medical supplies, and getting autonomy from ministry of health in relations to procurement of medical supplies, and distribution of medical supplies (KEMSA, 2017). Despite the advantages of the changes being implemented, KEMSA has faced diverse challenges in the change. In November of 2016, it stopped supplying drugs to level four hospitals in Nairobi due to unpaid arrears. In July of 2017, KEMSA was accused of having gaps in its supply chain leading to some of the free HIV drugs being funded by donors that it had supplied to two Kisumu hospitals being later sold (Ngila, 2017). KEMSA was also used by Revital Health (EPZ) Limited over the tender to supply syringes to the organization (Kanyi, 2017). Various studies examined elements of leadership procedures for strategic change. Muteti (2013) examined strategic change at Telkom Kenya. Olivia (2014) examined leadership and strategic change at National Bank. Kibue (2013) examined Family Bank's strategic change management. The current aimed at addressing the literature gap through focusing the change management practices effectiveness to performance of KEMSA.

Ng'eno (2012) study examined practices of managing strategic change and organization performance of Kenya Commercial Bank (KCB) and found that KCB adopted different strategic change management methods that enhanced the bank's efficiency. However, the study used secondary data and commercial bank. Nyamu (2014) did a study in Kenya National Audit Office focusing on practices of managing strategic change and challenges at and discovered a positive correlation between leadership of strategic change. However, the study used a case study and in-depth interviews. Gathoni (2016) research explored how management of strategic change on performance of organization and found that scheduling change and visionary leadership were substantially linked to organisational performance. Therefore, this

study sought to investigate the influence of strategic change management practices on the performance of Kenya medical supplies authority.

### **1.3 Objectives of the Study**

#### **1.3.1 General Objective**

The study generally examined the influences of strategic change management practices on the performance of Kenya medical supplies authority situated at the Nairobi city county, Kenya.

#### **1.3.2 Specific Objectives**

- (i) Examine how leadership influence the performance of Kenya Medical Supplies Authority in Nairobi city county, Kenya
- (ii) Establish the extent to which resources management influence the performance of Kenya Medical Supplies Authority in Nairobi city county, Kenya
- (iii) To identify the influence of organizational culture on the performance of Kenya Medical Supplies Authority in Nairobi city county, Kenya
- (iv) To investigate how legal framework influences the performance of Kenya Medical Supplies Authority in Nairobi city county, Kenya

### **1.4 Research Hypotheses**

- (i) **H<sub>01</sub>**: Leadership does not significantly influence the performance of Kenya Medical Supplies Authority in Nairobi city county, Kenya
- (ii) **H<sub>02</sub>**: Resources management does not significantly influence the performance of Kenya Medical Supplies Authority in Nairobi city county, Kenya
- (iii) **H<sub>03</sub>**: Organizational culture does not significantly influence the performance of Kenya Medical Supplies Authority in Nairobi city county, Kenya

(iv) **H<sub>04</sub>**: Legal framework does not significantly influence the performance of Kenya Medical Supplies Authority in Nairobi city county, Kenya

### **1.5 Significance of the Study**

The management of KEMSA will find the critical factors in the management of change that would assist in improving its performance by providing better supply chain solutions and reliable, affordable and quality health products to the counties. This will enable KEMSA to employ these change management practices in their provision of goods and services beyond Kenya to ensure success in its performance. This study benefits the Ministry of Health by highlighting the performance of KEMSA by effectively employing change management practices which have been effective after devolution. In this context, the change management practices reforms and successes at KEMSA will inform the Ministry of Health in development of policies that will ensure adequate service delivery process.

The county governments which have been tasked with the ordering and payment of drugs and health commodities to the counties will get to understand the change management practices undertaken by KEMSA. The county governments will therefore be able to see which areas they can improve on reducing the turnaround time for goods shipment and services from KEMSA. The state corporations will get to learn best practices in change management which they can adopt to improve on their service delivery.

The development partners who provide KEMSA with technical support as well as financial support will get to know which changes have been done at KEMSA. This will enable the development partners provide relevant support and solutions which will make KEMSA a competitive medical logistics authority. The general public and

researchers will get to advance their knowledge on the different change initiatives of management methods employed after devolution.

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

The study was undertaken at KEMSA headquarters which situated in Nairobi which was the study physical location. The study focused on how leadership, resources management, organizational culture and legal framework influences performance of KEMSA. The tool for data collection was questionnaires in which the data collected was analysed using both descriptive statistics and regression analysis. The study was based on the performance of KEMSA for the past 5 years, that is, 2014 to 2018.

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

The study was not as easy as it created suspicions in accessing the respondents who were among the management teams. The researcher first sought a NACOSTI research permit and a University introduction letter to mitigate this. It was also hard to know the level of honesty in their responses of the respondents. The researcher mitigated this by testing the research instruments' reliability and viability to ensure that they meet the required standard.

### **1.8 Organization of the Study**

The study was organized into 5 chapters. The first chapter is an introduction of the study and provides a background and statement of the problem as well as gives the research objectives, scope of the study and its relevance. The second chapter examined both the empirical and theoretical literature reviews and the research gaps in the subject area. The third chapter gives the methodology which was followed during the collection, analysis and presentation of data. In covered sections such as the research design, study population, sample size and sampling procedures, data

collection instruments and procedures and data analysis plans. Data analysis, presentation and interpretation of the analyzed data is focused in chapter four of the study. Finally, the fifth and the last chapter highlights on the summarized findings, the conclusion, and study recommendations as well giving suggestions on areas that can be studied further.

## **CHAPTER TWO**

### **LITERATURE REVIEW**

#### **2.1 Introduction**

This chapter examines the theoretical review of the study, empirical literature of the study, summary of reviewed literature, and conceptual framework. The study's theoretical review will discuss the theories that anchor the work while empirical review examines other studies that have been undertaken linking the independent variables to dependent variables. The conceptual framework explain how variables were measured.

#### **2.2 Theoretical Review**

##### **2.2.1 Leadership Contingency Model Theory**

Fiedler (1964) presents the theory of Fiedler's leadership contingency model theory in which he suggests that effective employee performance depended on the appropriate match between leaders ' ability to lead depends on situational factors including leaders ' ability, preferred style, and behavior, employee skills. This principle proposed that managers would follow the style best suited to the scenario and improve the productivity of the worker instantly.

The theory explains leadership support factor as it demonstrates that an effective leader is responsible for providing feedback and information sharing to the worker in order to lead them into better performance and to render them expert in maintaining the quality of work during the task execution process and providing the necessary help for the employees obliged on implementing organizational strategic changes. The implementation of clear leadership principles encourages core values and competence in terms of their position and obligations and therefore effective and efficient management of organizational change. This theory anchors leadership variable.

### **2.2.2 Resource Based View Theory**

Edith Penrose and Wernerfelt created Resource Based View Theory in 1984. They found a correlation between the development of a firm and the available resources at its disposal (Muteti, 2013). The Resource Based View argues that the firm's strategic plans or change are based on the resources at its disposal. Therefore, the firm's competitive advantage is based on its ability to utilize the resources that it possesses both tangible and intangible resources (Olivia, 2014). The tangible resources are touchable while the intangible resources can't be touched such as skills of individual employees.

There are diverse characteristics that the resources must possess if they are to create a competitive advantage to the firm including heterogeneity; valuable, rarity, inimitable and non-substitutability of the resources. The heterogeneity of the resources implies that it can be used across diverse situations. The valuable trait of the resources implies that the resources must have strategic value to the firm such as exploitation of opportunities or neutralizing threats. The rare quality of the resources implies that the resources must be unique to the firm (Mwando & Muturi, 2016). The imperfect imitability indicates that it is impossible to perfectly imitate or copy the resource. Diverse criticism have been leveled against the theory in that it fails to explain the manner in which external factors impact on the usefulness on a variety of resources available to the organization. The concept of rarity has been challenged as difficult to achieve in real business world.

This theory was relevant to the study because it shows that in terms of labor, materials, funds and equipment, strategic change is effectively and efficiently managed. A firm resource must, in addition, be valuable, rare, and imperfectly

imitable and substitutable in order to be source of effective management of strategies of the organization. This theory explains the resource management variable.

### **2.2.3 Durkheim's Theory of Culture**

This theory was developed by Emile Durkheim (1890). It explains culture as the emergent net of representations, holistically comprehending the in-depth set belief, value, and symbolic structures of natural entirety such as tribal communities in which he gave such close observation. The theory argues that a bountifulness of work in a firm's sociology involves the substance of what the culture term seems to consist, even if it seems impossible. It is through culture that an organization influences the tasks and achievement of the objectives of an organization.

According to Zheng and McLean, (2010), although subcultures may strengthen integration with the entire organization, they could also provide centers of disagreement. Cultural gaps are likely to happen on status, professional or divisional lines. Proof of existing subcultures is found in various discursive practices in organizations: in the different accounts employees on divergent organizational categories give organizational occurrences in a specialized form of speech that professionals in some firms share wholly with colleagues that are outside the firm than those that are within; and in various expressive symbols everywhere which subgroups come together in the production of their mutual sense of mission. This theory is linked to organizational culture variable.

### **2.2.4 Open Systems Theory**

Ludwing Von Bertalanffy created the theory of open systems in 1956. Firms are viewed as being composed of interdependent subsystems with a given subsystem dependent on the output of the other system in order to achieve its objectives. The

organization operations and activities thus operate under a given subsystem both within their environment and outside their environment (Njiru, 2012).

Organizations must therefore change dependent on the environment in which they operate. In the normal course of business operation, there is a bidirectional influence between the firm and the environment in a process referred to as active adaptive change (Obonyo & Kerongo, 2015). The open systems theory applies to this study in the context that legal framework is a critical influence to the change management. The legal framework change dependent on the emergent aspects in the environment. This theory is therefore suitable in showing how legal framework influence Kenya Medical Supplies Authority performance. This theory explains the legal framework variable.

## **2.3 Empirical Literature**

### **2.3.1 Leadership and Performance**

The leadership of an organization is important to the achievement of strategic change in the firm. Gwengi (2010) examined the importance of leadership to strategic change. The study was based at Frigoken Kenya limited. The study found that leadership enables the organization staff in embracing the vision of change therefore reducing employee resistance in an organisation to strategic change. The study indicated that the leadership support in terms of finances and decision making is critical successful management of strategic change in an organization.

Focusing on Madison Insurance Company Kenya Limited, Kitur (2015) conducted a survey on management and leadership of strategic change. The study used research design of case studies. For data collection, interviews for employees at Madison insurance and desk research techniques were used. The study used content analysis to analyze the qualitative research data. It was established that in view of changes in

information and communication technology, Madison Insurance the year 2012 started to rebrand and reviewing its long term strategic plan. The areas that were affected by the changes included customer service, products, branch network, human resource and the organization culture. The study established that advertisements and promotions were done as a strategy to communicate the changes to the customers. Internally, the study found out that departmental managers did not fully carry out follow ups to ensure that there is full transition from old strategies to new strategies. The study concluded that employees were to fully motivated to implement new strategies.

Aketch, (2015) examined the importance of leadership to the success of change management in Kenya Power and Lighting Company. The research showed that effective management of change depends on united leadership in a company. The research observed in this context that the leadership of an organization must initiate, guide and champion change through engagement with their team members. This will occur through constant communication to the employees on the change processes and adequate addressing of the arising issues. The ability of the leaders to incorporate feedback from their employees on the future directives in respect to change management is thus of critical concern. The study noted that leaders must inspire confidence and act as source of inspiration amongst staff engaged impacted upon by change management.

The role of leadership on change management was also examined by Kimaku (2010) study on Barclays Bank's Change Management noted leadership in an organization is a necessity for any meaningful change to take place. The leaders within an organization must proactively strategize to persuade their employees on behavioural change that is critical in supporting diverse change initiatives. The leaders must create

the desired vision, empower their staff, build adequate teamwork and communicate the vision of the organization to their employees.

Mulongo (2014) carried out a survey examining the role of leadership to change management practices. The study was based at G4S Kenya limited. The study indicated that management has a great role to play on addressing problems that face organizations that are adopting diverse change initiatives. These challenges include instability, confusion amongst staff members, loss of direction, productivity challenges and lack of clarity on the organizational direction. Leadership must therefore address these challenges in a decisive manner and give adequate communication to their employees on the way forward.

Mutuku (2016) Study on Management Practices for Strategic Change in Kenya Power Pension Fund further reviewed the role of management in changing achievement management. It was revealed that the leadership must plan and facilitate training amongst their team members on the impact of change on their functions and work within an organization. This will enable a quicker embracing of the change adoption in an organization.

### **2.3.2 Resources Management and Performance**

The role of resources in the managing change has been examined by diverse scholars. In this context, Mugambi (2017) did a survey of Kenya Police Service's strategic change leadership procedures. The study analyzed its data using content analysis and presented the findings in prose form. The study found out that Kenya Police Service had three strategic plans, namely; 2008-2012 strategic plan, 2013-2018 strategic plan and 2015-2019 strategic plan and whereby each strategic plan had stipulated objectives to achieve. The study found out that in achieving the objectives of the

strategic plans, the Kenya Police Service has set resources such as modern equipment and systems to monitor the progress training of employees in the execution of strategic plans, additional staff and staff welfare among others.

Abdullahi (2011) studied the role of leadership in change management based on perceptions of managers in the Kenya's mobile telephony sector. The role of resources in strategic change management was conceptualized in two diverse ways: the availability of diverse resources and the utilization of the available resources. In this context, the study indicated that change management involves the use of diverse resources including human resources, and information technology as well as the manner in which they are utilized in the organization.

Meja (2009) In the Equity Bank Change Management Study, the various ways in which funds have affected performance have been observed. The research indicated the need for economic and non-financial resources for purposes of undertaking diverse support services required in the process of change management. The study noted that financial resources help in rolling out training programs for diverse staff on the impact of change in their work environment. In this context, consultants may be required for the purposes of conceptualizing training programs as well as implementation of those training programs.

The role of resources on the change management was further examined by Maboko, (2012) in a study on change management an ministry of finance, Kenya. The study noted that resources are critical in enhancing change management success in diverse ways. The effective utilization of diverse resources such as human resources and finance resources are key in the success of change management. Human resource

management in an organization is highly critical in undergoing change as employees may sabotage change management if not undertaken well.

Maboko (2012) examined the importance of leadership aspects in change management at the Ministry of Finance. The research observed that manager in an organisation play a critical position as agents of change. Amongst roles of leaders in change management include intervention for new solution whenever challenges occur, experimentation with new solutions for emerging issues, and reinforcement of positive results and best practices. In people management, the study found that the leaders must act to reduce stress that the employees feel due to diverse changes occurring in the organization.

In a research on strategic change management at the Teachers Service Commission (TSC), Kimaita (2013) further examined the role of governance in strategic change management and found that the leaders assist in change management through their understanding that change management is a continuous process. Therefore, the leaders must be versatile and flexible in their actions and management of the organization. They must be in a position to react decisively to occurring changes in the organization. The study noted that effective leaders during strategic change management must actively examine their operating environment for change and actively manage their daily routines for change. They must then actively communicate the vision of changes to the stakeholders.

### **2.3.3 Culture and Performance**

Culture has diverse impact on strategic change in organizations. In a research on TSC's strategic change management, Kimaita (2013) observed that organizational culture has an impact on change management of an organisation. The study found that

change can stall in an organization if there is no supportive culture that enables change to occur.

Guchu (2014) examined the importance of organizational culture on Kenya Post Savings Bank's performance. Change was conceptualized as organizational symbols and routines as well as political processes and harder aspects of organizations such as structure and control systems. The study indicates that for successful strategic change to occur there is need for an evaluation of the culture within an organization and how change aspects fit within the culture. This is with a view of reducing the employee resistance aspects in an organization when change occurs.

In a study focusing on media industry, Wanjohi (2014) determined the impact of culture in an organization on the methods of change management. The research introduced a cross-sectional census survey design. The study targeted six media houses in Kenya and collected its data by use questionnaire. It was established that organization cultural aspects such as organization's strategic direction, goals, objectives and vision (mean of 4.567), adaptability in creating change (mean of 4.427), organizational history (mean of 4.200) and belief system (mean of 3.980) affected change management in the media houses.

In the context of organizational culture influence on strategic change management, Wambua (2014) in a study on the performance at Kenya Wildlife Service noted their correlation. The study noted that the management must try to transform the organization's culture through a continuous monitoring of staff work, improvement on systems, staff training and sensitization programs, and performance management aspects.

Sambo (2014) examined how culture influences the strategic change. The study was based at the international center for research in agroforestry noted the benefit culture in an organization. The study indicates that organizations must change their culture in order to undertake prudent change management.

Okeyo (2010) examined the extent to which corporate culture influenced the Kenya's commercial banks management of strategic change. The study noted that organizational culture offers a shared system of values that forms a platform for uniformity of understanding in an organization. The study noted the importance of organizational culture in change management. The research observed in this context that the culture changes within an organisation enable the organization to influence its employees' attitudes and perceptions about work hence improving its performance. The culture also provides standards and values that nurture and motivate people to do their jobs resulting in good strategy execution.

Wanjohi (2014) examined the relationship between organizational culture and management of strategic change. The study noted that amongst the organizational culture aspects that impacts on strategic change management include flexibility-oriented value systems emphasize decentralization and differentiation.

#### **2.3.4 Legal Framework and Performance**

The legal framework has an influence of the strategic change management around the world. Githumbi (2013) study on strategic change noted that the legal environment may make the strategic change ineffective. Study on change management procedures in the Kenyan media industry by Wanjohi (2014) observed the significance of the legal framework for strategic change management achievement. The research examined the impact of legal elements on strategic change leadership using a five-

point likert scale and a sample size of 153 participants. The study found that legal aspects influence strategic change management to a great extent within the media industry.

A study by Kimathi (2011) examined the factors effecting the implementation of change strategies at parliamentary service commission in Kenya. Qualitative data approaches were carried out. To obtain its study data, the study used personal interviews. The interviews were conducted on 7 members of parliamentary service commissions. The study found out that the constitution of Kenya guided all the change strategy implementation by the parliamentary service commissions. Change management practises entailed the evaluation of previous strategic plans and the provisions of the constitution of Kenya and its amendments.

Focusing on judiciary, Ekhubi (2015) conducted a survey on change management methods taken in the context of judicial development in Kenya. Among its objectives was to identify change management practices and factors influencing change management in Kenyan judiciary. The study applied longitudinal research design and obtained its data from conducting interviews and also analysing State of the Judiciary Report (2012-2013).The study found out that there was lack of clear legal framework to guide some strategic changes in the judiciary as a result of new constitution of Kenya. The local of clear legal framework I guiding the transformations in judiciary resulted into delayed decision making and prolonged case files within court of appeal.

On the same context, Yogo (2017) explored performance at Abdul Mullick associates limited consulting engineers in Kenya. In this study research design of a case study was used where primary data used was gathered from interviews with top management of the organization and secondary data through the use of minutes from

strategic management meetings and strategic plans on the organization and information found on company's website. The study found out that unpredictable legal framework in regard to construction industry made the organizational inflexible to changes to the company setting. Also laws and regulations passed by the parliament and case conclusion in Land and Environment Courts affected the way Abdul Mullick associates limited consulting engineers responded to performance.

The role of the legal framework is extremely curial in a governmental institution. Mutua (2015) study on change management at Kenya Ports Authority (KPA) noted that political interference undermines the management of change in the organization. The study noted that there was an extremely high turnover of the Chief Executive Officers at the organization due to political interference. These changes greatly interfere with the required changes at the KPA.

## 2.4 Research Gaps

**Table 2.1: Research Gaps**

Study	Objectives	Methodology	Major Findings (Summary)	Research Gap
<p>Change Management Practices in the Kenyan Department of Immigration. Author: Omar (2008)</p>	<p>-To determine how the immigration department has managed changes relating to its reform and modernization programme, the perceived impact of these changes and whether the changes adopted are in line with the strategic goals.</p>	<p>-Descriptive survey design -Target population; Department Heads -Sample size: 10 respondents -Data collection; Interview guide -Content Analysis used for analysis</p>	<p>-The department formulates committees to deal with the issue of change and the uses internal change agents to manage change. -The level of resistance to change is low and manifest in terms of complaints not sabotage. -Various regulatory mechanisms in the immigration department help safeguard transformation from arbitrariness such as corruption at the point of delivery or patronage in, monitor output performance, and evaluate links between outputs and outcomes.</p>	<p>-The study focuses on how the immigration department has managed changes in the aspect of modernization while this current study will focus on various factors that influence performance as far as change management practices are concerned.</p>
<p>Relationship between Strategic Change Management and Employee Performance At The Ministry of Finance, Kenya. Author; Maboko, (2012)</p>	<p>-To find out how strategic change promotes employee performance at the Ministry of Finance.</p>	<p>-Case study of the Ministry of Finance, Kenya. -Target population; departmental heads -Sample used 5 key policy makers in the Ministry -Instrument to gather information; interview guide</p>	<p>-Employees job performance is crucial to the ministry' overall performance as highly performing employees was able to facilitate the ministry to achieve its strategic aims thus sustaining the organization competitive advantage. -There is a lack of continuing skill support during post implementation of change, which undermines future performance of employees and the achievement of the strategic change.</p>	<p>-The study examined the relationship between strategic change management and performance of employee while the current study evaluates effective change management practices and performance.</p>

<p>Strategic Change Management at the Kenya Citizens and Foreign Nationals Management Services. Author; Githumbi (2013)</p>	<p>-To determine how strategic change is managed at the Kenya Citizens and Foreign Nationals Management Service. -To establish the challenges faced in the change process and identify the strategies adopted in managing the change management challenges.</p>	<p>-Target population staff responsible for developing and implementing change management programs. -Sample used 6 heads of department and 4 section heads -Data collection instrument was the interview guide and secondary data sources. -Secondary data from Kenya Citizens and Foreign Nationals Management Services documents such as strategic plan, mission, vision statement and website was also used. -Content analysis used for analysis</p>	<p>-The interdepartmental steering committee was inclusive and regularly monitored the change process leading to a better performance for the organization. -Lack of effective channels of communication led to resistance of change from lower cadre employees.</p>	<p>-Purpose of study was to establish how strategic change was managed while this study will be focusing on change management practices effectiveness on performance.</p>
<p>Management of Strategic Change at Kenya Post Office Savings Bank (KPOSB). Author; Guchu (2014)</p>	<p>-To examine post bank strategic change management process and to determine whether the strategic change met the management objectives.</p>	<p>-Target population; managers, cashiers and customer relations officers -Sample used 12 respondents -Interview guide and secondary data used for data collection. -Secondary data collected from archival records and published manuals on KPOSB strategic change management - Content analysis used for analysis</p>	<p>-Planned change transformed the bank into a modern bank, reduced costs, increased efficiency, and attracted young generation customers.</p>	<p>-Study focuses on KPOSB which is a bank while the current study focuses on KEMSA which provides drugs and medical supplies to health institutions.</p>

## **2.5 Summary of Literature**

The leadership of an organization is critical in the strategic change management of those organizations. Leadership enables the employees to embrace the vision of change therefore reducing employee resistance to the changes. Change leadership success depends on the leadership being united while modeling the change required in an organization. Therefore, leadership of an organization must initiate, guide and champion change through engagement with their team members. This will occur through constant communication to the employees on the change processes and adequate addressing of the arising issues.

The leaders must create the desired vision, empower their staff, build adequate teamwork and convey the organisation's vision to their employees. Leadership must plan and facilitate training amongst their team members on the impact of change on their functions and work within an organization. This will enable a quicker embracing of the change adoption in an organization.

Change management involves the use of diverse resources including human resources, and information technology as well as the manner in which they are utilized in the organization. Financial resources and non-financial resources are required for the purposes of undertaking diverse support services in the process of change management. Financial resources are required for the purposes of rolling out training programs for diverse staff on the impact of change in their work environment. Human resource management in an organisation is highly critical undergoing change as employees may sabotage change management if not undertaken well.

Change can stall in an organization if there is no supportive culture that enables change to occur. Organizations must have a culture that expects and reacts to change

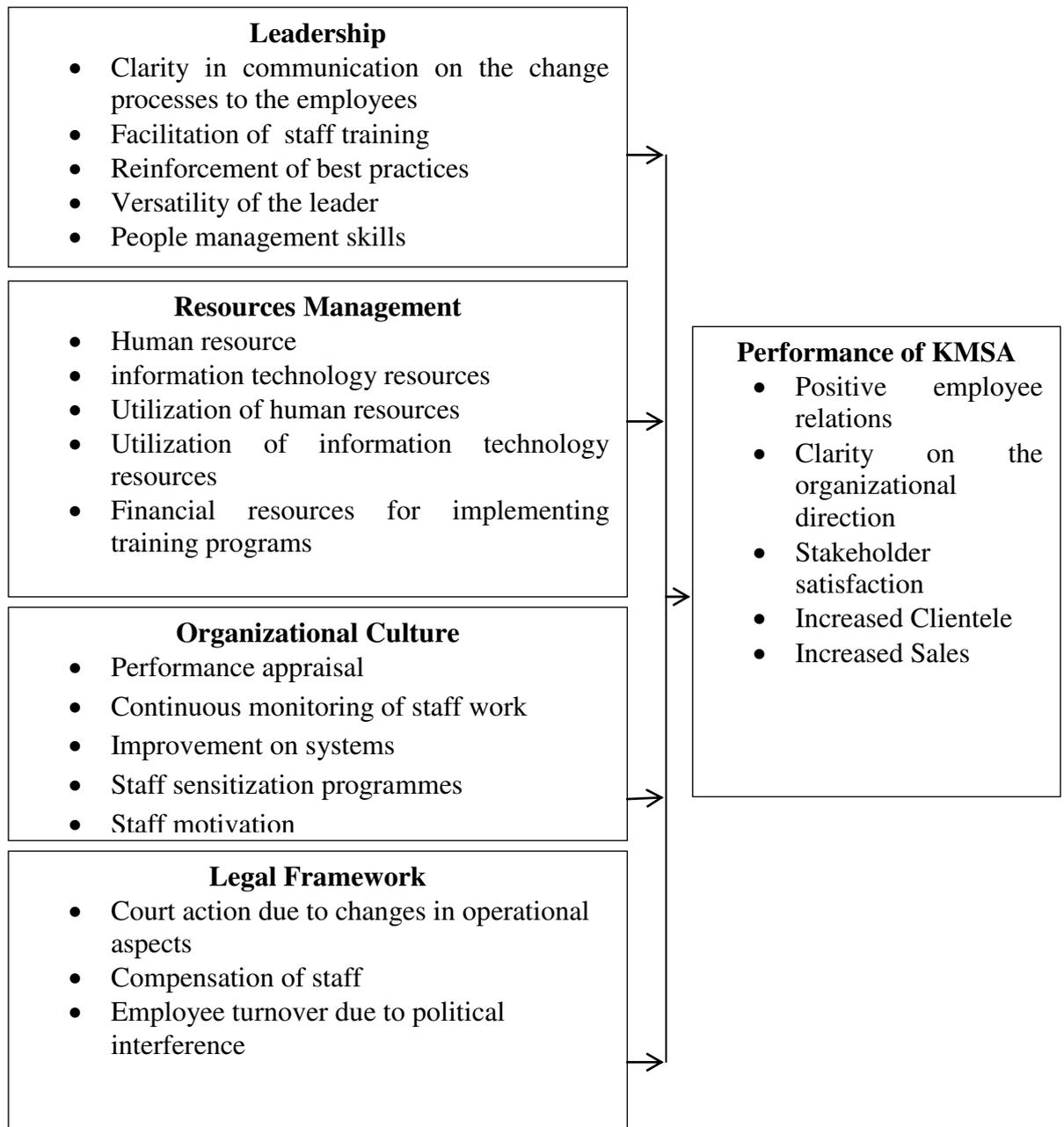
with and have tools and techniques and perspectives that make change seamless and effortless. The management must try to adjust the organization culture through a continuous monitoring of staff work, improvement on systems, staff training and sensitization programs in line with performance management aspects.

The legal environment an organization operates in may make the strategic change ineffective. Legal aspects influence strategic change management to a great extent. These include legal challenges where changes in operational aspects have been challenged in court which derails any meaningful changes that can be undertaken. Legal framework has a strong influence on the performance in respect to the compensation of staff, the rights of workers and customers, and diverse aspects such as workplace safety. The role of the legal framework is extremely curial in governmental institutions. Political interference undermines change management in the organization through high turnover levels of the employees. These changes greatly interfere with the required changes at the organization.

## 2.6 Conceptual Framework

### Independent Variables

### Dependent Variable



**Figure 2.1; Conceptual Framework**

The relationship between the variables is presented in Figure 2.1 which shows strategic change management conceptualised as leadership, resource management, organizational culture and legal framework towards dependent variable which is the performance of KEMSA.

## **CHAPTER THREE**

### **RESEARCH METHODOLOGY**

#### **3.1 Introduction**

The methodology of the study is based on research design, target population, sampling procedure and sample size, research instruments, data collection procedures, data analysis techniques, and ethical considerations.

#### **3.2 Research Design**

For this study, a descriptive research design has been used. Descriptive research is a leading study in which components are studied in their natural form without altering them. In line with this study, the respondents' insight on how effective the management of the practices of change management and performance at KEMSA after devolution was not manipulated. Mugenda and Mugenda (2003) state that qualitative analysis involves interviews and evidence gathering enquiries and is applicable where the experiment requires quantitative variables in the field of study and the case at hand has no influence over the variables and the author can only disclose what has occurred or what is occurring. The nature of the detailed survey research will therefore be selected because it is expected to help generalize the results to a larger population and is more precise and accurate since it requires a carefully planned description of events.

#### **3.3 Target Population**

KEMSA formed the unit of analysis and the employees of the organization who were the managers, assistant managers, supervisors and operations team formed the unit of observation. These are the people tasked with formulating and initiating change management practices, ensuring that they are implemented in the institution on an

ongoing basis as well as executing the diverse initiatives. There are 235 staffs within KEMSA.

### **3.4 Sampling Size and Procedure**

The research adopted 30% of the population as a sample as recommended by Mugenda and Mugenda (2008) who observe that in descriptive studies a sample size ranging from 10 to 50 percent is representative of the accessible population. Using simple random method a sample size of 71 respondents was obtained which represented a 30% of the total population. The respondents were selected in respect to different subgroups, that is, senior management, supply chain department, procurement department and finance department.

### **3.5 Data Collection Instrument**

Questionnaires were used to collect data from the field. The structured questionnaire with closed ended questions was used to address specific research objectives (Orodho, 2003). The structured questionnaires provided structured responses which will ease the data collection process and facilitate tangible recommendations. Additionally, varied responses was provided and questions was asked in the same way which made the data collected to be reliable (Bergh & Ketchen, 2009). Responses from the closed format of the structured questionnaire make it easy to code data from the questionnaire which eases data analysis (Saunders et al., 2009).

The questionnaires were structured into six parts. The first part (Part A) consisted general information of the respondents. The second to sixth parts (Parts B, C, D, E and F) consisted the variables of the study which included leadership, resource management, organizational culture, legal framework and performance of KEMSA respectively. Responses to the closed format questions was on Likert scale which

respondents used to rate the indicators regarding specific variables, that is, both the independent and dependent variables.

### **3.6 Pilot Study**

Pilot test helped the researcher evaluate study feasibility and test logistics including time and cost in order to improve quality and efficiency of the larger study. The pilot study was conducted on seven employees of KEMSA who were excluded in the final research to prevent information contamination. Also tested was the legality and credibility of the study tool as far as this research is concerned.

#### **3.6.1 Validity of the Research Instrument**

Content validity was used to determine validity through the views of specialists and study supervisors on strategic change management and procedures. Every item in the questionnaire was scored by the supervisor and subject matter experts on whether or not it measured what it was meant to measure by a tick or cross respectively. Subsequently, a coefficient of the items that actually measure what they are supposed to were computed and items that were found to be irrelevant in addressing the research objectives (poorly scored) were edited and eliminated.

#### **3.6.2 Reliability of the Research Instrument**

The questionnaire reliability was evaluated to find out whether it is reliable on both item and scale level. As a measure of scale reliability, an internal consistency test is regarded to be used to assess the degree to which various sample items of a group measured an equal attribute. This study aimed at obtaining a correlation coefficient of more than 0.7 which shows that the instrument is reliable for data collection as recommended by Mugenda and Mugenda (2003)..

Cronbach’s alpha coefficient was utilized to obtain a correlation coefficient of the test scores to assess the reliability of the instrument used for data collection and the results are presented in Table 3.1.

**Table 3.1: Reliability Test Results**

<b>Research Variable</b>	<b>Cronbach's Alpha Index (<math>\alpha</math>)</b>	<b>Comment</b>
Leadership	0.742	Reliable
Resource management	0.854	Reliable
Organizational culture	0.807	Reliable
Legal framework	0.814	Reliable
Performance	0.719	Reliable
<b>Average</b>	<b>0.787</b>	Reliable

**Source: Pilot Study (2019)**

The findings from Table 3.1 show that resource management had the highest alpha coefficient at  $\alpha=0.854$  which was followed by legal framework ( $\alpha=0.814$ ), organizational culture ( $\alpha=0.807$ ), leadership ( $\alpha=0.814$ ) and performance ( $\alpha=0.719$ ). The average alpha coefficient was at 0.787 which satisfies the recommendation made by Mugenda and Mugenda (2003) that an alpha coefficient score of above 0.7 shows that the instruments are highly reliable.

### **3.7 Data Collection Procedures**

The procedure of collecting data entails a plan of how the researcher will access and gather information from participants. An introductory letter was sought from Kenyatta University which indicated that the researcher intended to carry out an academic research. The researcher then sought a National Commission for Science, Technology and Innovation’s (NACOSTI) permit for clearance to conduct a research in Kenya. These two authorities were used to approach the management of KEMSA with a request to allow data collection from KEMSA employees. After authority had been given by KEMSA management to collect data in the institution, the researcher

required each respondent to sign a consent statement which was to demonstrate their readiness to take part in the research. Questionnaires were dropped and left with participants for completion and were collected at a later date.

### **3.8 Data Analysis Techniques**

Analysis of data is the process where extracting, compiling, and modeling raw data into usable information is done. The raw data was edited to ensure there is completeness and consistency of the data. The coding was then performed by assigning the raw information numerical values to the Statistical Package for Social Sciences software that made data analysis easier. Analysis and tabulation of results was then done so as to get organized data that paved way for the interpretation of results. Descriptive statistics (frequency distributions, means, and standard deviations) was used to derive patterns from the data while inferential statistics (multiple linear regressions) assisted to make predictions where the conclusions were drawn.

The regression model was in the following form;

$$X = \delta_0 + \delta_1 M_1 + \delta_2 M_2 + \delta_3 M_3 + \delta_4 M_4 + \varepsilon$$

Where; X= Strategic Change Management

$\delta_0$  =constant;

$\delta_1, \dots, \delta_4$  = Coefficients of estimates,

$M_1$  = Leadership

$M_2$  = Resources Management

$M_3$  =Organizational Culture

$M_4$  = Legal Framework

$\varepsilon$  is the estimated error of the model

### **3.9 Ethical Considerations**

Ethical factors were used, according to Sekaran(2003), to safeguard the freedoms of study respondents as well as integrity of the research. A declaration of approval was released in this context to each participant to read through the contents and indicate they consent to participate by appending their signature on the form. The consent statement was to indicate that the researcher did not coerce any person into participating in the study and did not place respondents at a danger of damage as a consequence of their involvement. The confidentiality of the responses as well as anonymity of the participants was assured by not requiring any identifying information to be recorded by them. The researcher also ensured that any information from the study was only to be used for academic purposes.

## CHAPTER FOUR

### RESEARCH FINDINGS AND DISCUSSION

#### 4.1 Introduction

This chapter presents the data analysis, its interpretation and discussion of the findings. The chapter covers the responses rate of the questionnaires, demographic findings of the study, descriptive statistics and concludes with regression analysis. The study sought to examination of change management practices and performance of Kenya Medical Supplies Authority.

#### 4.2 Response Rate

The study sought to collect data from 71 respondents and therefore distributed 70 questionnaires to the respondents. Of the 71 questionnaires distributed, 62 were filled out properly and returned. This implied that 62 questionnaires were analyzed instead of 71 questionnaires issued to respondents.

**Table 4.1: Response Rate**

Sample Size	Questionnaires	Respondent	Response Rate
71	71	62	87.3%

**Source: Field Data (2019)**

The response rate for the study was found 87.3%. As per Mugenda and Mugenda (2003) at least 80% rate of response is sufficient for generalization of study findings. The achieved 87.3% response rate in the current study is therefore sufficient for generalization purposes. The high response rate was due to Appropriate time was permitted for participants to attend to the questionnaires. This implied that the findings in this study can be generalized to other organizations with similar characteristics.

### 4.3 Demographic Findings

The study aimed to determine demographic factors of the respondents such as gender, education level and working experience.

#### 4.3.1 Gender of the Respondents

**Table 4.2: Gender of the Respondents**

<b>Gender</b>	<b>Frequency</b>	<b>Percent</b>
Male	39	62.9%
Female	23	37.1%
<b>Total</b>	<b>62</b>	<b>100.0%</b>

**Source: Field Data (2019)**

The study established that male respondents accounted more at 62.9% while female respondents accounted for 37.1%. This implied that men dominated senior management positions in the organization. This is as per a study by Kitur (2015) who found out discrepancies in gender distribution high cadre job positions.

#### 4.3.2 Respondents Level of the Respondents

**Table 4.3: Education Level of the Respondents**

<b>Gender</b>	<b>Frequency</b>	<b>Percent</b>
College	13	21.0%
Graduate Level	38	61.3%
Post Graduate Level	11	17.7%
<b>Total</b>	<b>62</b>	<b>100.0%</b>

**Source: Field Data (2019)**

Table 4.3 indicates that 61.3% were graduates from the university, 21.0% college certificate and lastly those with post graduate level of education at 17.7%. This is an indication that the respondents had the necessary training needed in the duties they performed at the Authority. Gwengi (2010) notes that high educational levels leads to better leadership as opposed to low education levels.

### 4.3.3 Work Experience of the Respondents

**Table 4.4: Work Experience of Respondents**

<b>Years</b>	<b>Frequency</b>	<b>Percent</b>
0-5 Years	5	8.1%
6-10 Years	36	58.1%
11-15 Years	17	27.4%
Above 15 Years	4	6.5%
<b>Total</b>	<b>62</b>	<b>100.0%</b>

**Source: Field Data (2019)**

The research found that most of the participants worked for the Kenya Medical Supplies Authority for between 6-10 years. The study found out that those with a working experience of between 11-15 years were 27.4%. It was also revealed that those with the minimum working experience of 0-5 years in the Authority were 8.1%. Only 6.5% of the respondents had worked for Kenya Medical Supplies Authority for over 15 years. This is an indication that most of the senior management of departments in Kenya Medical Supplies Authority had worked for more than 5 years in the same organization and therefore had a better understanding on the operations of the organization. Mutuku (2016) found a positive relationship between job cadre and working experience.

### 4.4 Descriptive Findings

The descriptive findings will describe the findings of the study for each of the variables.

#### 4.4.1 Influence of Leadership on the Performance

In respect to this leadership variable, the following indicators were used; Clarity in communication on the change processes to the employees, facilitation of staff training, reinforcement of best practices, versatility of the leader and people management skills.

**Table 4.5: Leadership**

<b>Statement</b>	<b>Mean</b>	<b>Std. Deviation</b>
Clarity in communication on the change processes to the employees	3.85	0.674
Facilitation of staff training	3.63	0.996
Reinforcement of best practices	3.84	0.944
Versatility of the leader	3.84	0.772
People management skills	3.61	1.046
<b>Composite Scores</b>	<b>3.78</b>	<b>0.886</b>

**Source: Field Data (2019)**

According to Table 4.5, mean and standard deviation for clarity in communication was 3.85 and 0.674 respectively. In regard to the achieved mean score, it indicated that participants tended to agree on average that there was clarity in communication on the change processes to the employees. This was because the mean score ranged between 3.5 and 4.5. The standard deviation of 0.674 implied that there was consensus among the respondents in regard to clarity in communication on the change processes to the employees at Kenya Medical Supplies Authority. This is due to a standard deviation below 1.0. These results are consistent with those of Gwengi (2010) who examined the importance of leadership to strategic change at Frigoken Kenya limited. The study clearly indicated that leadership plays a major role to assist the employees embrace the vision of change through constant communication to the employees on the change processes and adequate addressing of the arising issues.

A mean score of 3.63 and a standard deviation of 0.996 was obtained in regard to facilitation of staff training. The mean obtained score was between 3.5 and 4.5 and therefore it shows that averagely most respondents were in agreement with each other that there was facilitation of staff training at Kenya Medical Supplies Authority. The obtained standard deviation was below 1.0 and this meant there was an agreement

between the two the respondents in consideration whether there was facilitation of staff training at Kenya Medical Supplies Authority. This is supported by Mutuku (2016) study observed that the leadership must plan and facilitate training amongst their team members on the impact of change on their functions and work within an organization.

On rating the statement on whether there was reinforcement of best practices, a mean score of 3.84 and a standard deviation of 0.944 was obtained. The mean 3.5-4.5 score meant that participants tended to agree on the average there was reinforcement of best practices at Kenya Medical Supplies Authority. A standard deviation below 1.0 meant that there was consensus amongst the respondents in rating whether there was reinforcement of best practices. The results are in support of Kitur (2015) study found out that advertisements and promotions were done as a strategy to communicate the changes to the customers.

Table 4.5 further shows that a mean score of 3.84 which is in the range between 3.5 to 4.5 was obtained and therefore implying that the leaders agreed on the average of the participants at Medical Supplies Authority were versatile. 0.772 standard deviation was acquired with respect to the same statement. This standard deviation was below 1.0 and therefore implying that respondents were in consensus in respect to whether leaders at Medical Supplies Authority were versatile. This is supported by Aketch, (2015) in a study that examined the importance of leadership to the success of management of change. The study indicated that successful change management is dependent on versatility of firm's leadership. In regard to this, it was revealed that the leadership of an organization must initiate, guide and champion change through engagement with their team members in diverse ways in order to achieve great performances.

The study further sought to establish whether the leaders had skills on people management. In respect to this, 3.61 mean score and 1.046 standard deviation score were obtained. The mean score above 3.5 and below 4.5 indicated that the participants agreed on average that leaders at Medical Supplies Authority had skills on people management. However, the standard deviation obtained was above 1.0 and therefore it implied that the respondents were not in consensus on the question on whether leaders at Medical Supplies Authority had skills on people management. This is also supported by Kimaku (2010) in a study on change management at Barclays Bank. The leaders within an organization must proactively strategize to persuade their employees on behavioural change that is critical in supporting diverse change initiatives. The leaders must create the desired vision, empower their staff, build adequate teamwork and communicate the vision of the organization to their employees.

In general, the participants tended to agree with all the assertion that the achievement of Kenya Medical Supplies Authority was influenced by management. This was due to an average composite rating of 3.75 and a normal composite deviation of 0.886. On clarity in communication on change processes for employees, average score of 3.63 and a standard deviation of 0.996 on staff training facilitation, average score of 3.84 and a standard deviation of 0.944 on best practice strengthening.

#### **4.4.2 Influence of Resources Management on Performance**

With respect to resources management variable, the following indicators were used; human resources availability, information technology resources, utilization of human resources, information technology and lack of financial resources for implementing training programs. Table 4.6 shows the frequency and percentages for resources management aspects in Kenya Medical Supplies Authority.

**Table 4.6: Resources Management**

<b>Statement</b>	<b>Mean</b>	<b>Std. Deviation</b>
Availability of human resources	3.87	0.839
Availability of information technology resources	3.90	1.003
Utilization of human resources	3.81	0.807
information technology resource utilization	3.94	0.597
Lack of financial resources for implementing training programs	3.76	0.918
<b>Composite Score</b>	<b>3.85</b>	<b>0.833</b>

**Source: Field Data (2019)**

A mean score of 3.87 which is above 3.5 and less than 4.5 It meant that the participants agreed on average that was availability of human resources at Kenya Medical Supplies Authority. A standard deviation of 0.839 which was below 1.0 implied that there was a consensus among the respondents in citing whether there was enough human resources. This is in agreement to that by Abdullahi (2011) on leadership functions in change management based on managers' perceptions in the Kenya's mobile telephony sector and revealed that change management involves the use of diverse resources including human resources.

In rating the availability of information technology resources at Kenya Medical Supplies Authority, the mean score was between 3.5 and 4.5 and therefore It meant that the participants tended to agree on the average there was availability of information technology resources at Kenya Medical Supplies Authority. A mean score of 1.003 implied that there slightly lack of consensus amongst the respondents in rating this aspect at Kenya Medical Supplies Authority. This is supported by Mugambi (2017) study found out that in achieving the objectives of the strategic plans, setting out resources such as modern equipment and systems to monitor the

progress in strategic plan execution, personnel training, additional staff and staff welfare among others was important.

The research also attempted to determine whether Kenya Medical Supplies Authority. In respect to this aspect, the study obtained a mean score of 3.81 and a standard deviation of 0.807. The mean score obtained was above 3.5 but below 4.5, the participants agreed that Kenya Medical Supplies Authority used human resources. A standard deviation from this indicator meant that there was agreement among the participants in assessing the use of human resources. This is in agreement to that by Abdullahi (2011) who indicated that change management involves the use of diverse resources including human resources as well as the manner in which they are utilized in the organization.

A mean rating of 3.5-4.5 meant that people tended to agree on the average there was utilization of information technology resources at Kenya Medical Supplies Authority. A standard deviation of less than 1.0 obtained in respect to this aspect implied that the respondents were in consensus in rating the utilization of information technology resources within the Authority. The findings are in agreement to that by Abdullahi (2011) who indicated that change management involves the use of diverse resources such as information technology as well as the manner in which the resources are utilized in the organization.

Table 4.6 further shows frequencies and percentages of responses in regard to availability of financial resources for implementing training programs at Kenya Medical Supplies Authority. A mean score of 3.76 meant that the participants averagely agreed that financial resources to be used for implementing training programs at Kenya Medical Supplies Authority were not sufficient. A standard

deviation below 1.0 meant that the participants were agreed on availability of financial resources for implementing training programs. This is disagreement to Meja (2009) noted financial resources are required for the purposes of conceptualizing training programs as well as implementation of those training programs.

In general, the study established that the participants were generally in agreement with the various aspects of resources management. This is due to an average rating of 3.87 on human resource availability, mean of 3.90 on Availability of information technology resources, Average human resource usage score of 3.81, average information technology resource usage score of 3.94 and average score of 3.76 on absence of economic funds to implement training programmes. This gave a mean composite rating of 3.87 and a composite deviation of 0.833 as the result. Maboko, (2012) study observed that resources are critical in enhancing change management success in diverse ways.

#### **4.4.3 Influence of Organizational Culture on Performance**

Focusing on organizational culture variable, the following indicators were used; performance appraisal, continuous monitoring of staff work, improvement on systems, staff sensitization programmes, and staff motivation. Table 4.7 shows the frequency and percentages for organizational culture aspects in Kenya Medical Supplies Authority.

**Table 4.7: Organizational Culture**

<b>Statement</b>	<b>Mean</b>	<b>Std. Deviation</b>
Performance appraisal	3.76	0.987
Continuous monitoring of staff work	3.90	0.804
Improvement on systems	3.58	0.984
Staff sensitization programmes	3.73	0.978
Staff motivation	3.73	0.944

<b>Composite Scores</b>	<b>3.74</b>	<b>0.939</b>
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**Source: Field Data (2019)**

Table 4.7 indicates the average performance rating and standard deviation appraisal at Kenya Medical Supplies Authority was 3.76 and 0.987 respectively. This meant that participants tended to agree on the average that Kenya Medical Supplies Authority carried out performance appraisal for its employees because of the average score between 3.5 and 4.5. It was further determined consensus among participants in the assessment of the level of performance assessment. This agrees with Kimaita (2013) study that observed that organizational culture has an impact on change management of an organization. The study also found that change can stall in an organization if there is no supportive culture that enables change to occur.

Continuous monitoring of staff work has been employed by organization across the globe as an organizational culture strategy. The study established that at Kenya Medical Supplies Authority, there was continuous monitoring of staff work due to a mean score of 3.90. Consequently, this meant that on average participants tended to agree that Kenya Medical Supplies Authority had continuous monitoring of personnel job. The research further disclosed that there was agreement among the participants in assessing the level of personnel monitoring. This is in agreement with Wanjohi (2014) study that established that organization cultural aspects such as organization's strategic direction, goals, objectives and vision.

The study also sought to determine whether systems at the Kenya Medical Supplies Authority were improved. The research acquired an average score of 3.58 and a standard deviation of 0.984 in this regard. On average, this meant that the participants agreed there was an improvement in systems at Kenya Medical Supplies Authority. It was further established that, because of a standard deviation of less than 1.0 (standard

deviation=0.984), there was consensus among respondents in rating the statement. These findings are also supported by Wambua (2014) in a study on the performance at Kenya Wildlife Service noted their correlation. The study noted that the management must attempt to modify the organization's culture through a continuous monitoring of staff work, improvement on systems, staff training and sensitization programs, and performance management aspects.

Staff sensitization programmes may affect the level of strategic change management. In this study, it was established that on average staff sensitization programmes were carried out at Kenya Medical Supplies Authority due to a mean score 3.73 which was between the range of 3.5 and 4.5. In addition, there was consensus among the respondents in rating this aspect due to a standard deviation of 0.978. A standard deviation less than 1.0 show that majority of responses were around the mean. This is also supported by Wanjohi (2014) who examined organizational culture and strategic change management practice in Kenyan media. The study noted that amongst the organizational culture aspects that impacts on strategic change management include flexibility-oriented value systems emphasize decentralization and differentiation.

The study also sought to find out the level of staff motivation at Kenya Medical Supplies Authority. In respect to this, the study obtained a mean 3.73 as a mean score and 0.944 as the standard deviation. The average score above 3.5 but below 4.5 meant that averagely participants seemed to agree that Kenya Medical Supplies Authority had employee motivation. 0.960 variance implied that there was consensus among the respondents in regard to whether there was staff motivation at motivation. This is in support of the findings by Okeyo (2010) study noted that organizational culture provides standards and values that nurture and motivate people to do their jobs resulting in good strategy execution.

The study computed the composite scores for the statements rating various statements in regard to organizational culture. It was further established that the composite mean score for statement rating organizational culture was 3.74 and composite standard deviation of 0.939. This meant that in general, respondents were in agreement with all statement rating various statements in regard to organizational culture. This further indicates that the organization considers all aspects of organizational culture in strategic change management. This is supported by Kimaita (2013) noted that organizational culture impacts on change management in an organization.

#### 4.4.4 Influence of Legal Framework on Performance

In regard to legal framework, the following indicators were used; court action due to changes in operational aspects, compensation of staff, rights of workers, workplace safety, and employee turnover due to political interference. Table 4.8 shows the frequency and percentages for legal framework aspects in Kenya Medical Supplies Authority.

**Table 4.8: Legal Framework**

<b>Statement</b>	<b>Mean</b>	<b>Std. Deviation</b>
Court action due to changes in operational aspects	3.85	0.721
Compensation of staff	3.92	0.874
Rights of workers	3.69	1.001
Workplace safety	3.73	0.890
Employee turnover due to political interference	3.65	0.960
<b>Composite Scores</b>	<b>3.77</b>	<b>0.889</b>

**Source: Field Data (2019)**

The mean score was above 3.5 and below 4.5 implying that The participants tended to agree on the average that there were court action due to changes in operational aspects

by Kenya Medical Supplies Authority. The standard deviation of less than 1.0 implied that there was consensus among the respondents on the aspect for court actions. Focusing on rights of workers of workers, the research had a mean score of 3.69 and thus implied that on average participants agreed that the Kenya Medical Supplies Authority honored its workers ' rights. It was further established that most of the responses given by the respondents were relatively spread. Due to this spread of the responses, a standard deviation of 1.001 was obtained. This standard deviation above 1.0 the implication was that the participants lacked consensus on the adherence dimension to the rights of works at Kenya Medical Supplies Authority. This is consistent with Kimathi (2011) study that found out that the constitution of Kenya guided all the change strategy implementation by the parliamentary service commissions.

Safety in work place has been a key for organizations in time of strategic change. This study sought to establish whether there is safety in the workplace. In respect to this, the study established a mean score of 3.73 and a standard deviation of 0.890 on workplace safety. A mean score of 3.73 the implication was that the participants tended to agree on the average safety in work place at Kenya Medical Supplies Authority. A normal deviation of 0.890 means agreement among participants due to the standard deviation falling below 1.0. This is supported by Ekhubi (2015) study that found out that there was lack of clear legal framework to guide some strategic changes in the judiciary as a result of new constitution of Kenya.

The research also attempted to determine whether there existed employee turnover due to political interference. In respect to this, the study established a mean score of 3.65 and a standard deviation of 0.960. This meant that the participants tended to agree on the average turnover of employees to political interference as evidenced by a

mean score falling within 3.5-4.5 range. A standard deviation less than 1.0 the implication was that there was agreement among the participants as to whether there is employee turnover due to political interference at Kenya Medical Supplies Authority. This concurs with Mutua (2015) study noted that there was an extremely high turnover of the Chief Executive Officers at the organization due to political interference.

Focusing on the composite scores, the study established in general, the respondents were in support that there was court action due to changes in operational aspects (mean=3.85), compensation of staff (mean=3.93), honouring of the rights of workers (3.69), workplace safety (mean=3.73) and that there was employee turnover due to political interference (mean=3.65). This resulted to a composite mean score of 3.77 and a composite standard deviation of 0.889. This is in line with a study by Githumbi (2013) on strategic change noted that legal aspects influence strategic change management to a great extent. This is also supported by Kimathi (2011) who examined the factors effecting the implementation of change strategies at parliamentary service commission in Kenya. The study spells out that the constitution of Kenya guided all the change strategy implementations by the parliamentary service commission. Change management practices entailed the evaluation of previous strategic plans and the provisions of the constitution of Kenya and its amendments.

#### **4.4.5 Performance of Kenya Medical Supplies Authority**

Performance at Kenya Medical Supplies Authority was measured under the following indicators; increased profits, decentralization and differentiation of roles, positive employee relations, clarity on the organizational direction and stakeholder satisfaction. Table 4.9 shows the frequencies and percentages for performance in Kenya Medical Supplies Authority.

**Table 4.9: Performance**

<b>Statement</b>	<b>Mean</b>	<b>Std. Deviation</b>
Increased profits	3.69	0.916
Decentralization and differentiation of roles	3.87	0.689
Positive employee relations	3.82	0.950
Clarity on the organizational direction	3.79	0.908
Stakeholder satisfaction	3.81	0.920
<b>Composite Scores</b>	<b>3.80</b>	<b>0.877</b>

**Source: Field Data (2019)**

According to Table 4.9, Kenya Medical Supplies Authority increased profits due to a mean score of 3.69 and a standard deviation of 0.916. This meant that participants tended to agree on the average that there was increase in profits at Kenya Medical Supplies Authority because of a mean rating of 3.5-4.5. The standard deviation of 0.916 the implication was that there was agreement among the participants on this issue. Bennett, Lance and Woehr (2014) described organizational performance measurement as a process of assessing progress towards achieving pre-determined goals including information on the efficiency with which resources are transformed into goals and services, the quality of those outputs and outcomes, and the effectiveness of the organizational operations in terms of their specific contributions to organizational objectives.

Decentralization and differentiation of roles is an indicator of change management practices and performance and in this regard, the study demonstrated that there was decentralization and differentiation of roles in Kenya Medical Supplies Authority. The average score above 3.5 and below 4.5 showed that participants tended to agree on the average that there was decentralization and differentiation of roles in Kenya Medical Supplies Authority. There was consensus in rating this statement as evidenced by a standard deviation of below 1.0. Parmenter (2015) observe that the

performance of an organization is used to measure firm's overall financial and non-financial well-being over a given period of time. Therefore, the success of an organization is gauged from several indicators both qualitative and quantitative.

Focusing on employee relations at Kenya Medical Supplies Authority, a mean score of 3.82 was obtained that meant that the participants tended to agree on the average Kenya Medical Supplies Authority collects a good relation with its employees. A standard deviation of less than 1.0 (Standard Deviation=0.950) the implication was that there was agreement among the rating participants whether there was positive relations with employees. Olagunju and Obademi (2012) observe that organizational performance refers to the degree to which a firm's objectives are being or have been accomplished.

A mean score of 3.79 and a standard deviation of 0.908 was obtained in regard to clarity on the organizational direction. This meant that the participants tended to agree on the average that clarity on the organizational direction at Kenya Medical Supplies Authority. A standard deviation less than 1.0 it meant that the participants agreed on the rating of the declaration. This was also attributable to small spread of the responses in the five point Likert scale. According to Kibue (2013) change management is critical in the management of the employee aspects in the achievement of project goals. Finally, Pradesh (2012) refers to change management as an organized way of ensuring that a firm's employees are able to get to the desired future state.

KEMSA performance was also measured in terms of stakeholder satisfaction. In respect to this, 3.81 as the mean score and 0.920 as the standard deviation was obtained. This clearly showed that on average the respondents tended to agreed that stakeholders were satisfied due to a mean sore in the range of 3.5-4.5. Respondents

were found to be in consensus in respect to satisfaction of stakeholders as evidenced by a standard deviation less than 1.0 in a five point likert scale. According to Nzuki, (2016) change management refers to Systematic techniques for ensuring that change takes place in a scheduled manner, cost effective and achieves desired results. On the other hand, Van der Voet (2014) conceptualizes change management an organized and orderly approach to change in employees' behavioural dynamics in a firm.

A composite mean score of 3.80 and composite standard deviation of 0.877 was obtained in regard to strategic change management. This implied that in general The participants were more likely to agree with all indicators of strategic change management. The mean scores obtained on the statements rating strategic change management ranged between 3.69 to 3.87 and therefore implying a tendency to agree to the indicators. All standard deviation scores were below 1.0 and therefore implying that there was agreement among participants in the Kenya Medical Supplies Authority's assessment of elements of change management procedures and performance. According to Kibue (2013) there are diverse aspects that can change in an organization including organizational mandates and means of achieving these mandates as well as the strategy in confronting operational challenges.

#### **4.5 Regression Analysis**

Regression analysis was used in the study to predict change management practices and performance in Kenya Medical Supplies Authority using legal framework, resources management, organizational culture and leadership as predictor variables as shown in the Model Summary Table 4.10. below.

**Table 4.10; Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.909 <sup>a</sup>	.827	.814	.100110

**Source: Field Data (2019)**

Model summary provides estimated R, R Square, Adjusted R Square and standard error. R is used to demonstrate the power of the correlation between the values of dependent variables observed and expected. It demonstrates the fitness of the model to the information used in the evaluation of regression. The R value of 0.909 obtained indicates that the observed and predicted values of strategic change management were strongly correlated. This means that the model gives the data a good fit. R Square indicates the variance level in the dependent variable described by the regression predictor factors. The R Square value of 0.827 meant that 82.7% of the difference in the leadership of strategic change was explained by changes in legal framework, resources management, organizational culture and leadership. It therefore means that the model offers a better forecast of leadership of strategic change. Only 18.6% of variance on strategic change management was explained by other factors not investigated in the current study.

Adjusted R Square value shows the expected improvement of the model when a predictor variable is added to the regression. An adjusted value of 0.814 for R Square means that any additional predictor variable would improve the model less than expected since the Adjusted R Square value was less than R Square Value. Standard estimate error shows the regression model's precision, whereby a high error term would imply that the regression models not accurate in its prediction and vice versa. The obtained error term was 0.100110 and therefore it implied the model was

accurate. The significance of the model as a whole was also established. This was established through the use of ANOVA as shown in Table 4.11.

**Table 4.11:ANOVA<sup>a</sup>**

	Model	Sum of Squares	df	Mean Square	F	Sig.
1	Regression	2.777	4	.694	67.929	.000b
	Residual	.583	57	.010		
	Total	3.360	61			

**Source: Field Data (2019)**

The table indicates whether the regression model as a whole provides a better prediction than that of a model that contains zero predictor variables. The results for the ANOVA was  $F(4,57)=67.929$  and  $p<0.05$ . This implied that the regression model provides a better prediction than a model without predictor variables. The regression model was therefore discovered to be statistically important predictors of strategic change management using legal framework, resources management, organizational culture and leadership as predictor variables.

**Table 4.12:Coefficients<sup>a</sup>**

	Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
		(Constant)	-.169	.244		
1	Leadership	.269	.036	.428	7.568	.000
	Resources Management	.289	.038	.431	7.599	.000
	Organizational Culture	.271	.034	.443	7.921	.000
	Legal Framework	.218	.033	.362	6.510	.000

**Source: Field Data (2019)**

An unstandardized beta coefficient shows the influence of each predictor variable on the predicted variable when other factors are held constant. Standardized beta coefficients shows the influence predictor variables when variances are assumed to be

1. The t-statistics and its associated p-values indicates the significance of each of the predictor variable in predicting the dependent variable.

In respect to leadership, the study discovered that there was a positive influence of leadership performance in an organization due to a beta coefficient of 0.269. It was therefore established that a single unit increase in the level of leadership skills at Kenya Medical Supplies Authority resulted into 0.269 units increase in strategic change management. This influence was statistically important at 5% level of significance due to  $p < 0.05$  and thus the rejection of the first hypothesis. Kitur (2015) and Aketch, (2015) study found organizational leadership positively influenced the performance aspects of the organization in the midst of strategic changes.

On performance the study established that it was also influenced positively by proper resources management, due to a beta coefficient of 0.289. It was therefore established that one unit increase in the level of resources management at Kenya Medical Supplies Authority resulted into 0.289 units increase in strategic change management. This influence was found to be statistically noteworthy at 5% significance level due to  $p < 0.05$  and thus the rejection of the second hypothesis. This concurs with Mugambi (2017) who noted that effective utilization and management of diverse resources such as human resources and finance resources affected the performance of change management.

In line with the organizational culture, the study deduced that there was a great notable positive influence of organizational culture on performance at Kenya Medical Supplies Authority due to a beta coefficient of 0.271. It was therefore noted that a single unit increase in the level of organizational culture at Kenya Medical Supplies Authority resulted into 0.271 units increase in strategic change management. This

influence was found to be statistically considerable at 5% significance level due to  $p < 0.05$  and hence the rejection of the third hypothesis. This is in agreement with Wanjohi (2014) who found out that organizational culture aspect impacts on strategic change management and hence organizational performance. 0716887916

In regard to legal framework, the study established there was a positive influence of legal framework on performance of the organization due to a beta coefficient of 0.218. It was therefore established that one unit increase in the level of legal framework at Kenya Medical Supplies Authority resulted into 0.218 units increase in strategic change management. This influence was statistically significant at 5% level of significance due to  $p < 0.05$  which led to rejection of the fourth hypothesis. This is in line with the findings by Githumbi (2013) who noted that legal aspects influence strategic change management to a great extent within an organization. Yogo (2017) also found out that laws and regulations in an organization affected the way organizations responded to performance and hence affecting the performance of the organizations.

The following regression equation was formulated based on the regression analysis findings;

$$Y = -0.169 + 0.269 X_1 + 0.289 X_2 + 0.271 X_3 + 0.218 X_4 + 0.100110$$

Where;

Y= Strategic Change Management

$X_1$  = Leadership

$X_2$  = Resources Management

$X_3$  = Organizational Culture

$X_4$  = Legal Framework

## **CHAPTER FIVE**

### **SUMMARY, CONCLUSIONS AND RECOMMENDATIONS**

#### **5.1 Introduction**

From the summarized findings the chapter presents conclusions and recommendations. The chapter concludes the giving a suggestion for further studies that can be done in the context of the current study.

#### **5.2 Summary of Study Findings**

##### **5.2.1 Effects of Leadership Style on Performance of Kenya Medical Supplies**

The study examined how leadership influence the performance of Kenya Medical Supplies Authority and found that leadership had a positive significance on performance of KEMSA. On aspects of leadership at performance, the study found that there was clarity in communication on the change processes to the employees. The respondents also agreed that Kenya Medical Supplies Authority facilitated staff training and also reinforced best practices on the organization. The study further established that leaders at Kenya Medical Supplies Authority were versatility and had skills on management of people. There was consensus in the rating among the respondents the leadership aspects of the organization except on possession of people management skills by leaders.

##### **5.2.2 Influence of Resources Management on Performance of Kenya Medical Supplies**

The study established how resource management influences the performance of Kenya Medical Supplies Authority and revealed that resource management had a positive significance on performance of KEMSA. Respondents agreed to all resource management aspects that the study sought to establish. In respect to this, the study

established that there was enough human and information technology resources at Kenya Medical Supplies Authority. Respondents further agreed that there was proper utilization of the human and information technology resources at Kenya Medical Supplies Authority. It was however established that there was a shortage of financial resources in the organization. There was high consensus among the respondents in rating these aspects except on the metric that availability of the organizational information technology resources.

### **5.2.3 Influence of Organizational Culture on Performance of Kenya Medical Supplies**

The study established how the organizational culture influences the performance of Kenya Medical Supplies Authority and revealed that resource management had a positive significance on performance of KEMSA. It was established that respondents on average agreed to all metric measuring organizational culture. In this regard, respondents indicated that performance appraisal and continuous monitoring of staff work were done. It was also noted that there was improvement on systems in the organization. It was further established that staff sensitization programmes and staff motivation were frequency done. There was consensus among the respondents in rating all the statements on organizational culture.

### **5.2.4 Influence of Legal Framework on Performance of Kenya Medical Supplies**

The study established how legal framework influences the performance of Kenya Medical Supplies Authority and revealed that resource management had a positive significance on performance of KEMSA. The study established that on average the respondent agreed with all statements rating legal framework aspects at Kenya Medical Supplies Authority. It was in line to this established that Kenya Medical

Supplies Authority compensated its staff, respected the rights of workers, and ensured that there is workplace safety. It was however noted that the Authority faced court action due to changes in operational aspects and employee turnover due to political interference. There was consensus among the respects on all metrics except on honouring the rights of workers.

In respect to performance, the following indicators were used; increased profits, decentralization and differentiation of roles, positive employee relations, clarity on the organizational direction and stakeholder satisfaction. On average, respondents tended to agree with all performance statements. In respect to this, the study established that benefits of performance were increase in profits as well as decentralization and differentiation of roles. It was also noted that there were positive employee relations and as well as clarity on the organizational direction due to management of strategic change. It was also disclosed that leadership of strategic change enhanced the satisfaction of stakeholders. There was agreement in the rating of the results among the participants.

### **5.3 Conclusions of the Study**

Motivation, management, inspiration, remuneration, and analytical skills involve effective leadership. The organizations record increased employee satisfaction when all of these are present, which positively influences productivity and hence improves organizational performance. Leaders inspire people within an organisation to work harder to aim for the highest performance standards.

In respect to leadership, the study concluded that leadership positively influenced the performance of the organization. Clarity in communication on the change processes to the employees was the leadership aspect that showed extremely high level of agreement by the respondents. Generally, the study determined that the respondents

tended to agree with the different aspects of resources management of the organization. This was due to a composite mean score above 3.5 and composite standard deviation above 0.5.

Focusing on resources management, the study concluded resources management positively influenced the performance of the organization. Utilization of information technology resources was highly rated by the respondents in regard to resources management aspects. In general, respondents were in agreement with all statement rating various statements in regard to organizational culture. This further indicates that Kenya Medical Supplies Authority considers all aspects of organizational culture in performance.

In the context of culture of an organization, it was concluded that organizational culture positively influenced the performance of the organization. Among organizational culture aspects, continuous monitoring of staff work received the highest agreement level by the respondents. In general, the respondents were in support that there was court action due to changes in operational aspects, compensation of staff, honoring of the rights of workers, workplace safety and that there was employee turnover due to political interference.

In regard to legal framework, the study concluded legal framework positively influenced the performance of the organization. Compensation of staff was highly rated by respondents among the legal framework aspects of the organization. In general the respondents tended to agree with all indicators of strategic change management. The mean scores obtained on the statements rating strategic change management implied a tendency to agree to the indicators. All standard deviation

scores implied that there was agreement in the rating among the participants on the aspects of change management at Kenya Medical Supplies Authority.

#### **5.4 Recommendations of the Study**

In respect to leadership aspects, the study recommends training of management team of Kenya Medical Supplies Authority on human resource management skills. The training would improve the management of strategies and hence the performance of the organization. The voices of people within the organization must be harnessed by managers as a source of new knowledge, suggestions, and problem solving. An important function of leadership is to insure that employees understand what job they are going to do and the planned results of this work.

In the context of resource management, the study provision of enough financial resources for implementing training programs in Kenya Medical Supplies Authority. Enough financial resources will be utilized to improve the performance of the Kenya Medical Supplies Authority in the leadership of strategic change elements.

Focusing on organizational culture, the study improvement on organizational systems in order to improve on the performance of the organization. Management must reinforce a philosophy of transparency by making their workers responsible so that they can know that they are liable for everything they do. Define a common language, values and standards so those at the company need to speak the same language and be on the same page about what the beliefs are to be effective in a society. Everyone in the company needs to understand this common language.

Concerning legal framework, it is recommended that the management team at Kenya Medical Supplies Authority to ensure that there is smooth transition in event of strategic change to avoid court action due to changes in operational aspects. Finally,

in making strategic changes of the organization, the study recommends priority to be assigned to resources management aspects, followed by organizational culture aspects, then leadership aspects and lastly on legal framework aspects.

### **5.5 Suggestions for Further Studies**

The current study focused on how strategic change management practices which was conceptualized as leadership, resource management, organization and legal framework on performance of Kenya Medical Supplies Authority in Nairobi City County, Kenya. Therefore, it is suggested that further studies to be carried focusing on different conceptualization to find out the extent to which the performance of KEMSA might be influenced by the application of strategic management practices.

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## APPENDIX I

### INTRODUCTION LETTER

Dear Sir/Madam

My name is Nding'uri Daniel Maina. I am a student at Kenyatta University pursuing Master's degree in Business Administration. I am conducting a research on **Change Management on Organizational Performance; a Case of Kenya Medical Supplies Authority**.

Please notice that your involvement is voluntary and no punishment or loss of advantages to which you or your organisation are otherwise entitled will result from your reluctance to join. The data acquired from this practice was kept confidential and used only for scholarly reasons

Yours' faithfully,

Nding'uri Daniel Maina

## APPENDIX II

### ORGANIZATIONAL DETERMINANTS OF SUCCESSFUL PERFORMANCE AT KENYA MEDICAL SUPPLIES AUTHORITY QUESTIONNAIRE

#### PART A: BACKGROUND INFORMATION

- |  |                     |     |
|--|---------------------|-----|
| 1) What is your gender?                  | Male                | [ ] |
|  | Female              | [ ] |
| 2) What is your highest education level? | College             | [ ] |
|  | Graduate Level      | [ ] |
|  | Post Graduate Level | [ ] |
| 3) How long have you worked at KEMSA?    | 0-5 Years           | [ ] |
|  | 6-10 Years          | [ ] |
|  | 11-15 Years         | [ ] |
|  | Over 15 Years       | [ ] |

#### PART B: LEADERSHIP

For each of the following parts, please tick where applicable to the extent to which you agree using the following Likert scale.

SA= Strongly Agree    A=agree    U=Uncertain    D=Disagree    SD=Strongly Disagree

		SA	A	U	D	SD
4)	Clarity in communication on the change processes to the employees					
5)	Facilitation of staff training					
6)	Reinforcement of best practices					
7)	Versatility of the leader					
8)	People management skills					

**PART C: RESOURCES MANAGEMENT**

		SA	A	U	D	SD
9)	Availability of human resources					
10)	Availability of information technology resources					
11)	Utilization of human resources					
12)	Utilization of information technology resources					
13)	Lack of financial resources for implementing training programs					

**PART D: ORGANIZATIONAL CULTURE**

		SA	A	U	D	SD
14)	Performance appraisal					
15)	Continuous monitoring of staff work					
16)	Improvement on systems					
17)	Staff sensitization programmes					
18)	Staff motivation					

**PART E: LEGAL FRAMEWORK**

		SA	A	U	D	SD
19)	Court action due to changes in operational aspects					
20)	Compensation of staff					
21)	Rights of workers					
22)	Workplace safety					
23)	Employee turnover due to political interference					

**PART E: STRATEGIC CHANGE MANAGEMENT**

		SA	A	U	D	SD
24)	Increased profits					
25)	Decentralization and differentiation of roles					
26)	Positive employee relations					
27)	Clarity on the organizational direction					
28)	Stakeholder satisfaction					