CULTURAL CHANGE MANAGEMENT AND PERFORMANCE OF EMPLOYEES OF THE PARLIAMENTARY SERVICE COMMISSION IN KENYA

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Abstract

Purpose: The purpose of this study was to examine effect of Cultural Change Management on performance of employees of the Parliamentary Service Commission in Kenya.

Methodology: The study employed descriptive research design. The target population was all the 914 employees of the Parliamentary Service Commission (PARLSCOM) in Kenya on permanent and pensionable terms. The study used stratified and simple random sampling techniques to draw a sample of 91 employees from the target study population. Self-administered questionnaire and interview guides were used to collect primary. Secondary data was obtained from PARLSCOM's annual reports, government publications and earlier research. Reliability of the instruments was tested using Cronbach's alpha reliability where Cronbach's alpha of 0.94 was obtained which was greater than 0.7 which implied that the instrument had a high level of internal consistency. Data was analysed using descriptive and inferential statistics. Descriptive statistics was used to summarize data while inferential statistics, specifically multiple linear regression was used to test hypotheses. The analysis was done using Microsoft Excel 2013 Analysis ToolPak.

Findings: The results indicated that Cultural Change Management has a positive significant effect on performance of employees. Cultural Change Management was found to play a large role in determining whether the organization is a happy and healthy environment for employees to work in.

Unique Contribution to policy and practice. The study recommends Human Resource managers should ensure that the organization has same norms and value as those employees in order to increase employees' performance towards achieving the overall organization goals.

Key words: *Cultural change, organizational change, employee performance*

1.0 INTRODUCTION

1.1 Background of the study

Wright and McMahan (2011) defined Employee Performance as those job-related activities expected of a worker and how well those activities are executed. A study by Madan, Jasleen and Bajwa (2016) in India found that employees are the main component of an organization without which accomplishment of objectives is rarely possible. The study further found that cultural change management influenced the performance level of employees. Organizational culture refers to those commonly held beliefs, attitudes and values that exist in an organization that influence how people behave and how things get done. It plays a large role in determining whether the organization is a happy and healthy environment for employees to work in (Tsai, 2011). According to Kopar (2015) culture represents the 'social glue' and generates a 'we-feeling', thus counteracting process of differentiations which are an unavoidable part of organizational life. Organizational culture offers a shared system of meanings which is the basis for communications and mutual understanding. If these functions are not fulfilled in a satisfactory way, culture may significantly reduce the performance of employees.

The Parliamentary Service Commission (PSC) was established through an Act of Parliament in the year 2000. The mandate of the Commission is to facilitate the members of parliament to efficiently and effectively perform their roles of legislation, oversight, budget making and representation of the people of Kenya. The new constitutional dispensation had far reaching implications on the leadership, structure, roles and functions of Parliament.
This entailed availing all the infrastructure including, offices and other amenities required for the two Houses of Parliament in time for the new Parliament (Republic of Kenya, Constitution, 2010). The study investigated the effect of management of these changes on performance of employees.

1.2 Problem Statement

Declining employee performance a major cause of poor performance of the public sector organizations when compared to their private counterparts (Shah, Ali, Najabat & Zulfiqar, 2015). Public sector reforms are advocated by scholars as a necessary remedy for poor employee performance for many developing countries. The new constitutional dispensation had far reaching changes in the commission's culture aimed at improving service delivery (Republic of Kenya, National Assembly 2010). However, previous scholarly studies have not focused on this area especially the relationship between culture change management and performance of employees. This is the gap in scholarly literature is what this study sought to fill.

1.3 Research Objective

The objective of this study was to determine the effect of cultural change management on employee performance of the Parliamentary Service Commission of Kenya

1.4 Study Hypotheses

Based on the above research objective, the null-hypothesis below was formulated tested on five percent level of significance ($\alpha = 0.05$)

H_0: Cultural Change Management has no effect on employee performance of the Parliamentary Service Commission of Kenya

2.0 LITERATURE REVIEW

2.1 Theoretical Review

2.1.1 Lewin's Three-Step Change Theory

Lewin viewed behaviour as a dynamic balance of forces working in opposing directions. Driving forces facilitate change because they push employees in the desired direction. Restraining forces hinder change because they push employees in the opposite direction.

According to Lewin, the first step in the process of changing behaviour is to unfreeze the existing situation or status quo. During the unfreezing stage awareness of how the status quo is hindering the organization in some way is created. Communication is important during the unfreezing stage so that employees can become informed about the imminent change, the logic behind it and how it benefits each employee. The idea is that the more the employees know about a change and the more they feel it is necessary and urgent, the more motivated they are to accept it (Brisson-Banks, 2010). This changing is marked by the implementation of the change; the change becomes real. During the changing step people begin to learn the new behaviours, processes and ways of thinking. During this step, education, communication, support and time are critical for employees as they become familiar with the change (Hamel & Prahalad, 2013)

The final stage of Lewin's three-step change model is the stage of reinforcing, stabilizing and solidifying the new state after the change. The technological, cultural, structural changes made are accepted and refrozen as the new norm or status quo. Lewin found the refreezing step to be especially important to ensure that people do not revert back to their old ways of thinking or doing prior to the implementation of the change (Wambua, 2012; Vincent, 2013; Coghlan, Rashford & Figueiredo, 2015). Efforts must be made to guarantee the change is not lost; rather, it needs to be cemented into organization's culture and maintained as the acceptable way of thinking or doing.

2.2 Empirical Literature Review

2.2.1 Cultural Change Management and Employee Performance

Organizational culture describes the attitudes, experiences, beliefs and values of an organization. It refers to specific collection of values and norms that are shared by people and groups in an organization and that control the way they interact with each other and with stakeholders outside the organization (Aycan, Kanungo & Mendonca, 2014). Cultural differences have a huge impact on human behaviour and also hold potential for misunderstandings in business contacts, which might become barriers to change in an organization (Smith, Mackie & Claypool, 2014).

Organization's Culture change relies on a common framework which can be used in various ways to get people to share stories about how employees in the organization deliver superior performance. Organizations develop competency frameworks, which are sets of words and phrases that outline the skills, knowledge, attitudes, and behaviours that the organization respects and that employees need to perform their jobs well (Alvesson, 2012).

Organizational culture defines the way employee's complete tasks and interact with each other in an organization. The cultural paradigm comprises various beliefs, values, rituals and symbols that govern the operating style of the people within a company. Corporate culture binds the workforce together and provides a direction for the company. In times of change, the biggest

challenge for any organization may be to change its culture, as the employees are already accustomed to a certain way of doing things (Dwirantwi, 2012). Ehrhart, Schneider and Macey (2013) pointed out that organizational cultures can have varying impacts on employee performance. He argued that employees work harder to achieve organizational goals if they consider themselves to be part of the corporate culture.

Frank (2011) in a study; examined five factors that may influence pay for performance beliefs among federal workers in the United States of America. Multivariate logit analysis found that federal employees were significantly more likely to believe in the promise of pay for performance if they consider their performance evaluation system to be fair and accurate, feel they are treated fairly on all personnel matters, believe their immediate supervisor makes pay for performance decisions fairly, and have positive perceptions of their organizational culture.

A quantitative, cross-sectional survey study to determine whether there is a relationship between organizational culture and organizational commitment in a consulting firm in South Africa found statistically significant relationships between the existing role culture, affective and normative commitment, as well as a relationship between the existing support culture and affective and normative commitment. The results were analyzed using Pearson's correlation analysis (Naik, 2011). A study by Auma (2014) whose aim was to measure organizational culture and its impact on employee performance of Moran East Africa publishers, through an analysis of existing empirical studies and models found that organizational culture had a deep impact on the variety of organizations process, employees and its performance.

Kiiru (2014) investigated the influence of organizational culture on performance of hospitals in Nairobi. The findings revealed that majority of the respondents agreed that organizational values, employees' attitudes towards work and the cultural traits influence various aspects of their performance such as employee satisfaction, the quality of their services, their revenue growth and overall performance in a positive way. The study recommended that organizational culture development programs be implemented at all levels of the organizations in order to help employees develop a better understanding of the importance of organizational culture and to foster a cohesive organizational culture.

3.0 RESEARCH METHODOLOGY

3.1 Research Design

The study was carried out through a descriptive research design. According to Kothari (2014) the purpose of descriptive research design, is to collect detailed and factual information that describes an existing phenomenon. It attempts to describe such things as possible behaviour, attitudes, values and characteristics as they exist. Explanatory research design was also be used in giving clarifications as to why and how the variables are interdependent and also explain the relationship between the variables and the results of the research.

3.2 Target Population of the Study

The study was conducted at the Parliamentary service commission offices in Nairobi Kenya. The target population of study was all the 914 permanent and pensionable employees of Parliamentary service commission.

3.3 Sampling Method

Stratified sampling was used because it was possible to sub-divide the target population into three mutually exclusive strata that were based on the sector of service. The three sectors included the National Assembly, the Senate and the joint Service.

3.4 Sampling technique

The sampling technique that was used in this study was simple random sampling. All the employees had equal chances of being included into the sample.

3.5 Sample Size

A total of ninety one respondents were identified and questionnaires were administered to them. This is in consistent with Mugenda (2003), that 10% of the accessible population is enough for a sample size that is a representative of the study population. This was then distributed proportionally in the strata as per Pedhazur and Schmelkin's (1991) formula below:

$$R = \frac{C \times S}{P}$$

Where

R is respondent required from a stratum

C is stratum population (category)

S is the desired size (91)

P is the total population (914)

Through the above formula, the sample size is as per the table below

Table 3.1:   Sampling and Sample Size Distribution Table

Level of Management	Services in Parliament	No. of Employees (C)	$R = \frac{C \times S}{P}$
Top Level	National Assembly	12	1
	Senate	11	1
	Joint Service	08	1
	Sub-Total	**31**	**3**
Middle Level	National Assembly	16	2
	Senate	13	1
	Joint Service	14	1
	Sub-Total	**43**	**4**
Low Level	National Assembly	148	15
	Senate	80	8
	Joint Service	612	61
	Sub-Total	**840**	**84**
Total Number of Employees And Sampling Size		**914**	**91**

3.6 Data collection Instruments

The research used questionnaires and interviews as guides to collect primary data. The study was use questionnaires with both structured and unstructured questions. The questionnaires were self-administered. Interviews were conducted to three key informants; one from the top management. One interviewee were recruited from each service; the National Assembly service, the senate service and the parliamentary joint service. The study was also utilize secondary data. The sources of this data included: Government documents and records, official statistics, Newspapers and journals, Web pages and text book. The secondary data was useful in complementing primary by availing data that may have not been obtained from the primary sources.

3.7 Data collection procedure

The researcher used pilot testing and Cronbach's alpha methods to address validity and reliability of the study instrument. Questionnaires were administered using self-administered method. Every questionnaire was accompanied by a transmittal letter which contained a brief about the research. The researcher engaged two assistants to hand deliver the questionnaires to the respondents using a drop-and-pick method and collected after two weeks. The researcher also conducted interviews with the key informants at their workplace.

3.8 Data Analysis

Data analysis is the process of systematically searching and arranging materials obtained from the field (questionnaires filled by respondents and interviews forms filled by interviewers) with the aim of increasing understanding of collected data and enabling the researcher to present them to others. Analysis involves working with data, organizing them, breaking them into manageable units, synthesizing them and searching for patterns (Silverman, 2015). After collecting the questionnaires from the field, data cleaning was done to correct any error that might have occurred during data collection and data was coded for analysis. Quantitative data was analyzed using descriptive and inferential statistics. Descriptive statistics was used to describe and summarize the data. Descriptive statistics of mean and standard deviation were computed to make it possible to interpret the information. Inferential statistics; multiple linear regression analysis was carried out using Microsoft excel 2013 Analysis ToolPak. The regression results was used to test the hypotheses. Qualitative data collected using interview schedules was analyzed using thematic analysis. The linear regression was conducted using empirical model below.

$$E_P = \beta_0 + \beta_1 CCM + \varepsilon$$

Where;

E_P	=	Employee Performance
β_0	=	Constant
CCM	=	Cultural Change Management
E	=	Error Term

3.9 Data Management and Ethical Considerations

Authority to carry out research on this topic was sought from the National Commission for Science, Technology and Innovation (NACOSTI) for which the researcher got the authorization. The commission's authority also required the researcher to report to the county

commissioner and the county director of education, Nairobi City County before embarking on research project. The researcher met all these requirements before conduction the study.

Participants were guaranteed privacy, confidentiality and anonymity in carrying out the research. The researcher assured them that their names will not be used in the report. The data collected from the field was scrutinized and processed in order to ensure proper data management.

4.0 RESEARCH FINDINGS

4.1 Response Rate

The sample size on which the questionnaires were administered was ninety-one employees of the parliamentary service commission who had worked for the commission for at least three years on permanent and pensionable terms. Therefore a total of 91 questionnaires were administered to 18, 10 and 63 employees serving in the National Assembly, the Senate and the Joint Service of the Parliamentary Service Commission respectively. Out of the 91 questionnaires that were distributed, 76 were correctly filled and returned while 15 questionnaires were not received even after follow-up. The results are show below.

4.2 Demographic Profile of the Respondents

This section presented the demographic characteristics of respondents, based on gender, age, educational qualification and length of service.

Table 4. 1 Gender of the Respondents

Parliamentary Service	Male	Female	Total
National Assembly	10	6	**16**
Senate	4	4	**8**
Parliamentary Joint Service	29	23	**52**
Total	43	33	**76**
Percentage	**57**	**43**	**100**

Source: (Researcher, 2018)

Table 4.1 shows that 57% of the respondents were males and 43% were females.

Table 4.2 Age of the Respondents

Age Group (Years)	Male		Female		Total	
	n	%	n	%	N	%
18 – 30	18	24	12	15	30	40
31 – 45	14	18	15	20	29	38
Above 45	11	15	6	8	17	22
Total	**43**	**57**	**33**	**43**	**76**	**100**

Source: (Researcher, 2018)

Table 4.2 shows that 40% of the respondents were in age bracket of 18 – 30 years, 38% were in age bracket of 31 – 45 years and 22% were of age 45 years and above.

 A majority of the respondents (78%) were of age between 18 – 45years.

Table 4. 3 Level of Education

Level of Education	Frequency	Percentage
High School	17	**22**
College Diploma	31	**41**
Bachelor's Degree	22	**29**
Postgraduate Degree	6	**8**
Total	**76**	**100**

Source: (Researcher, 2018)

Table 4.3 shows that 22% of the respondents had High School level of education, 41 percent of the respondents were Diploma holders, 29 % had a Bachelor's Degree and 8% had a Postgraduate Degree. This shows that the parliamentary service commission in Kenya is managed by highly skilled individuals. This guarantees reliable responses and therefore reliable findings by the study.

Table 4.4 Duration of Service

Level of Education	Frequency	Percentage
Below 5 years	30	39
5 – 10 years	21	28
Above 10 yrs	25	33
Total	76	100

Source: (Researcher, 2018)

Data in Table 4.4 above showed that 30 out of the 76 sampled respondents (39%) had served the parliamentary service commission for a length of not more than 5 years. Further, 28 % of the respondents had served for at least five years and not more than 10 years and (33%) of the respondents had served for more than 10 years. Therefore, the respondents' responses can be relied upon for analysis of the effect of organizational change management on employees' performance.

4.3 Regression results

Table 4. 5 Effect of Cultural Change Management on performance of employees

Regression Statistics				
Multiple R	0.835992427			
R Square	0.698883338			
Adjusted R Square	0.681919019			
Standard Error	0.363536438			
Observations	76			
	Coefficients	Standard Error	t Stat	P-value
Intercept	0.452712103	0.266299452	1.70001139	0.093505905
Cultural Change Management	0.230117162	0.062037605	3.7093173	0.000409255

Source: (Researcher, 2018)

$E_P = 0.45 + 0.23CCM + \varepsilon$

Table 4.5 shows that the adjusted R-squared is 68.2% meaning that the independent variable explain 68.2 percent of variations in the dependent variable while the remaining 31.8% (100% - 68.2%) of the variations in Employees' Performance is explained by other variables not included in the model. Therefore, the model can reliably be used to test the influence of Cultural Change Management on Employee Performance.

4.4 Testing of Hypothesis

Multiple regression analysis was used to test the null hypothesis that was formulated and the results are as follows:

The coefficient of Cultural change management was 0.230, the t-statistic and corresponding p-value were 3.709 and 0.000 < 0.05 respectively. The null hypothesis was rejected, implying that Cultural change management has a significant effect on the performance of employees of Parliamentary Service Commission in Kenya. These findings were consistent with Auma (2014) found that organizational culture change had a deep impact on the variety of organizations process, employees and its employees' performance. These results agree with Carter, Armenakis and Mossholder (2013) whose results showed that a happy and jovial organizational environment had direct contribution to processes of organizational change, thereby increasing effective commitment to change among employees.

5.0 SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Summary

Declining employee performance is one of most cited problems facing public sector organizations and a major cause of poor performance of the public sector organizations when compared to their private counterparts. This study sought to determine the extent to which cultural change management affect employee performance of the parliamentary service commission in Kenya. This was achieved by the use of explanatory and descriptive survey design which was cross-sectional by design. Primary and secondary data was collected using structured questionnaire. The data collected was analysed using descriptive and inferential statistics. The descriptive analysis was used to describe and summarize the data. Multiple regression was used to assess the effect of the independent variable on employee performance. The findings showed that Cultural change management has a significant positive effect on the performance of employees.

5.2 Conclusion

Organizations need highly performing employees to accomplish their goals; to deliver the products and services they specialize in. Improved employee performance implies better delivery of public services to both government and the citizenry. This has the potential to improve livelihoods, and sustain good governance (Hope, 2013). In this study, the researcher examined how cultural change management affect employee performance of the parliamentary service commission in Kenya. Cultural Change Management was found to be statistically significant in influencing the performance of employees of Parliamentary Service Commission in Kenya; therefore, managers and policy makers should look for ways of motivating human resource in the organization for better performance. Organizations should encourage employees to follow organizational procedures practice the values if they want to improve employee performance.

5.3 Contributions of the Study to Knowledge

The study focused on the area of cultural change management and employee performance, particularly in the parliamentary service commission. This would be beneficial to the management in understanding key change management factors that influence performance of employees. The empirical data herein may provide evidence in formulating strategies, policies, and building effective and efficient processes for organizational change management. The

Findings from this study also are beneficial to researchers and other human resource managers by providing the scholarly literature on cultural change management and employee performance in the public sector organizations.

5.4 Recommendations for Policy Implication

These findings confirm the study's conceptual model and recommend that human resource managers place employees at the central point when managing organizational change. Human resource managers need to put more effort by investing in people through training and development to enhance knowledge and skills. They should also ensure that their employees participate in setting organizational values, rules and regulations.

5.5 Recommendation for Further Research

The researcher recommends that a similar research should be conducted in other public organizations in Kenya. The current research can be duplicated in order to compare and validate the findings of this study. Further studies should also be carried out to investigate change management factors affecting employee performance in the public sector apart from cultural change management.

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