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PERFORMANCE OF THE TOURISM STATE OWNED  
CORPORATIONS IN KENYA**

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Strategy

## **EFFECT OF CHANGE MANAGEMENT DRIVER ON PERFORMANCE OF THE TOURISM STATE OWNED CORPORATIONS IN KENYA**

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### **Abstract**

**Purpose:** This study sought to provide an opportunity to test effect of management change driver on performance of the Tourism state owned corporations in Kenya.

**Methodology:** The study employed descriptive and cross-sectional research designs. The target population comprised all the Tourism state owned corporations in Kenya with the management of these firms being the respondents. A census study was carried out due to small nature of the target population. Data collection involved the use of questionnaires which attracted both quantitative and qualitative responses. The questionnaires were administered through drop and pick method. The respondents were all the Chairmen, CEO, managers and assistant managers of all Tourism state corporations in Kenya. The quantitative data was analyzed using regression analysis. ANOVA test was carried out to test the significance of the model.

**Results:** The findings of the study indicated that change management driver affects performance of most tourism state corporations in Kenya. The study further found out that positive organization culture, change execution and consistency in change vision affected performance of

the Tourism state corporations in Kenya to a great extent respectively. Having consistency in change vision, consensus in decision making and practicing positive organization culture were positively and significantly related to performance of the Tourism state corporations in Kenya. The findings of the study further indicated that change management driver was positively correlated to organization performance and it explains 17% of the changes in performance of the organizations. The regression model results indicated that the coefficient for change management capability was significant at 5% level of significance which indicated that change management capability has a significant effect on performance in the Tourism state corporations in Kenya.

**Policy recommendation:** Tourism state corporations in Kenya should embrace and practice positive organization culture, change execution and consistency in change vision since they influences performance positively.

**Keywords:** *Change management driver,*

## 1.0 INTRODUCTION

### 1.1 Background of the Study

Tourism comprises the activities of persons travelling to and staying in places outside their usual environment for not more than one consecutive year for leisure, business and other purposes not related to the exercise of an activity remunerated from within the place visited (WTO, 2012). From demand stakeholders' perspectives, accepted definition of tourism is "the activities of persons travelling to and staying in places outside their usual environment for not more than one year consecutively for leisure, business and other purposes". The Kenyan Tourism Bill 2010 concurs with the demand stakeholders' definition and defines tourism as "a person travelling to and staying in a place outside his or her usual abode for more than twenty-four hours, but not more than one consecutive year, for leisure, business or other purpose, not being a work (Ragui, 2013).

Tourism demand depends above all strongly on the economic conditions in major generating markets. When economies grow, levels of disposable income will usually also rise. A relatively large part of discretionary income will typically be spent on tourism, in particular in the case of emerging economies. Tourism is the fastest changing industry in the world because of technological changes. It also has the highest multiplier effect. Rowe, Smith and Borein (2002) highlight the multiplier effect from the tourism industry as being caused by the direct and indirect economic impact, where the direct includes benefit to the tourism industry players like tour and travel operators, transporters, accommodation, attraction sites and other tourist attractions. Indirectly, tourism promotes the economy through goods and services like laundry supplier, food supplier, shops and banks used by tourists during their visits. This in return creates employment thus eradicating poverty and hunger in the society (Ragui, 2013).

### **1.1.1 Strategic Management Drivers**

According to Uzel (2012) states that there is intense competition in today's hotels which requires managers to adopt strategic drivers of performance in order to improve hotel services. Chen and Popovich (2003) state that hotels that maintain long run performance are the ones that is able to build customer loyalty and retention. Zablahet.al., (2004) established that CRM brings benefits in terms of improved performance which results from acquiring new customers as well as sustaining customers for competitive advantage.

Leadership is a critical management skill, involving the ability to encourage a group of people towards common goal. Leadership focuses on the development of followers and their needs. Managers exercising transformational leadership style focus on the development of value system of employees, their motivational level and moralities with the development of their skills (Ismail et al., 2009). It basically helps followers achieve their goals as they work in the organizational setting; it encourages followers to be expressive and adaptive to new and improved practices and changes in the environment (Azkaetet al, 2011).

### **1.1.2 Organizational Performance**

A firm's organizational performance is a measure of how well a firm uses its assets from its core operations and generates revenues over a given period of time. This measure is thus compared to some given industrial average standard of similar firms in the same industry. Brealey, Myers and Marcus (2009) indicate that organizational performance can be measured in terms of profitability, liquidity, solvency, financial efficiency and repayment capacity. Profitability is the measures of the profit generated by a firm through the use of its productive assets; liquidity measures the ability of a firm to meet its obligations when they fall due; solvency measures a firm ability to pay all its financial obligations if all of its assets are sold. Therefore, a firm organizational performance can be measured using net income or net operating income, its assets performance or even its cash flows.

### **1.1.3 Tourism in Kenya**

Kenya is one of the most popular tourism destinations in Africa and tourism is a key foreign exchange earner for the country. Kenya's tourism is founded on the country's rich wildlife resources (Sindiga, 1999), although beach tourism along the Indian Ocean coast is now equally important. Indeed, the coastal areas generate the highest number of bed occupancies, particularly from Germany and the United Kingdom. Sindiga (1999) notes a number of other assets and attractions that could be further developed to diversify the industry, (Kenya Economic Survey, 2014). With this facts, the number of visitors to national parks and game reserves declined from 2,492.2 thousand in 2012 to 2,337.7 thousand in 2013. This impact was mostly felt at Nairobi Mini Orphanage, Impala Sanctuary in Kisumu, Tsavo East and Lake Bogoria national parks. This was mainly attributed to the decrease in international visitor arrivals. However, visitors to Lake Nakuru National Park increased from 253.5 thousand in 2012 to 262.5 thousand in 2013 (RoK,2014).

## **1.2 Statement of the Problem**

The greatest challenge as stated in the background of the study is the poor performance of the tourism industry (Economic survey of Kenya, 2014). It is also notable that the tourism industry has not emerged very strong in Poverty Alleviation (Kareithi, 2003). Kenyan vision 2030, regional stability and security, and a stable global economic environment, together with the effectiveness and efficiency of State Corporation however can be a platform of the Tourism sector revival (KIPPRA, 2013). The Group of Twenty (also known as the G-20) an international forum for the governments and central bank governors from 20 major economies, has identified Tourism as one of the sectors that can spur the global economic recovery (WTO, 2012).

The tourism state corporations capability is therefore critical in improving the industry performance. The drivers that are involved in the translation of business strategies into deliverable results in the State Corporations are of concern with the mediating role of strategy implementation in order to maximize organizational performance (Miriam & Wario, 2014).

Kiprutto, Kigio and Riungu, (2011) conducted a study on adoption of technology. The study focused on technology as the only driver of performance. O'Reilly, Caldwell, Chatman, Lapiz and Self (2010) did a study on the effects of leaders' alignment on strategy implementation. The study was conducted in the context of health care organization physicians. Shafie, Baghersalimi and Barghi (2013) investigated the relationship between leadership style and performance in the Real Estate Registration in Tehran province. The study was conducted in a developed economy thus presenting a contextual gap. Zakaria and Taiwo (2013) did a study on the effect of team leader skills and competencies team based on the assumption that leadership skills do affect team performance. This study focused on leadership as the only driver of performance. It also presents a contextual gap since it was conducted in Universiti Teknologi Petronas (UTP). From the above studies, it is evident that there is no study which has been conducted on Strategic Management Drivers and Performance of the Kenya owned Tourism State Corporations. The mediating Role of Strategy Implementation. Thus this study was conducted to bridge the research gap.

## **1.3 Study Objectives**

To establish the effect of management change driver on performance of the Tourism state owned corporations in Kenya.

## **1.4 Research Hypotheses**

**H<sub>01</sub>:** Change Management driver does not have an effect on performance of the Tourism state owned corporations in Kenya.

## **2.0 LITERATURE REVIEW**

### **2.1 THEORETICAL REVIEW**

#### **2.2.1 The Resource-Based View**

Researchers such as Ansoff (1965) and Chandler (1962) made important contributions towards developing the Resource-Based View of strategy (Hoskisson *et al.*, 2009). From the 1980s onwards, according to Furrer *et al.*, (2008), the focus of inquiry changed from the structure of the industry, like Structure-Conduct-Performance (SCP) paradigm and the five forces model to the firm's internal structure, with resources and capabilities (the key elements of the Resource-Based View (RBV)). The resource-based view of the firm (RBV) draws attention to the firm's internal environment as a driver for competitive advantage and emphasizes the resources that firms have developed to compete in the environment. During the early strategy development phase of Hoskisson's account of the development of strategic thinking (Hoskisson *et al.*, 2009), the focus was on the internal factors of the firm. Since then, the resource-based view of strategy (RBV) has emerged as a popular theory of competitive advantage (Furrer *et al.* 2008; Hoskisson *et al.*, 2009).

The term 'resource-based view' was coined much later by Wernerfelt (2004), who viewed the firm as a bundle of assets or resources which are tied semi-permanently to the firm. Barney (2008) also argued that the resources of a firm are its primary source of competitive advantage.

Early researchers simply classified firms' resources into three categories: physical, monetary, and human. These evolved into more detailed descriptions of organizational resources (skills and knowledge) and technology (technical know-how). Barney (2008) suggested that other than the general resources of a firm, there are additional resources, such as physical capital resources, human capital resource and organizational capital resources. Later, Barney and Wright (2008) add human resource management-related resources to this list of additional resources of a firm.

These resources can be tangible or intangible (Ray *et al.*, 2004). Wernerfelt (2004) also discussed that resources might be tied semi-permanently to the firm. Barney (2008) drew attention to 'all assets, capabilities, organizational processes, firm attributes, information, knowledge etc., controlled by a firm that enable the firm to conceive of and implement strategies that improve its efficiency and effectiveness'. Ultimately, firms that are able to leverage resources to implement a 'value creating strategy not simultaneously being implemented by any current or potential competitor' (Barney 2008) can achieve competitive advantage.

Researchers subscribing to the RBV argue that only strategically important and useful resources, competencies and capabilities should be viewed as sources of competitive advantage (Barney, 2008). Terms like core competencies, distinctive competencies and strategic assets indicate the strategically important resources and competencies, which provide a firm with a potential competitive edge. Strategic assets are, 'the set of difficult to trade and imitate, scarce, appropriable and specialized resources and capabilities that bestow the firm's competitive advantage'. Powell (2011) suggested that business strategy can be viewed as a tool to manipulate such resources to create competitive advantage. Core competencies are distinctive, rare, valuable firm-level resources that competitors are unable to imitate, substitute or reproduce (Barney, 2008).

Distinctive competencies refer to all the things that make the business a success in the marketplace. Wang (2004) outline an approach to firm-level analysis that requires stocktaking of

a firm's internal assets and capabilities. The assets in question could be physical assets, knowledge assets (intellectual capital) as well as human resources, which in turn determine the capabilities of a firm in the long run. Maier and Remus (2002) use the term 'resource strategy' and define three steps in a firm's resource strategy - competence creation, competence realization and competence transaction. Competence creation defines and analyses the markets, product and service. Competence realization involves the execution of services, procurement, and production. Competence transaction involves market logistics, order fulfillment and maintenance (Maier & Remus, 2002). The above issues therefore motivate the study hypothesis. The Tourism state corporations should therefore be bestowed with enough resources and capabilities for effective performance. This theory is relevant to this study since it informs the independent variables (Strategic Management Drivers).

## 2.2 Conceptual Framework



**Fig 1: Conceptual Framework**

## 2.3 Change Management Driver

Change Management Drivers are expected to have a positive effect on performance of organizations (Graetz, 2010; Clarkson, 2011; Luecke, 2013 and Burnes, 2004). Change management is the methodology, approach or modus operandi to shifting/ transitioning individuals, teams and organization from a current state to a desired future state (Graetz, 2010). The goal is to maximize benefits and minimize distractions. Change Management refers to the process, best practice tools and techniques to manage the people-side of change to achieve the required business outcomes (Clarkson, 2011). It is something that presses the organization and the people from comfort zones. It is destiny filled, heart grown and faith based. Most of the positive change may result into growth and development. Change comes with a prize to it. Some scholars argue change simply means to cause to be different in form and appearance (transform).

## 2.4 Empirical Review

Change management has been defined as 'the process of continually renewing an organization's direction, structure, and capabilities to serve the ever-changing needs of external and internal customers' (Moran and Brightman, 2001). According to Burnes (2004) change is an ever-present feature of organizational life, both at an operational and strategic level. Thus, there should be no doubt on the importance of organizations on its ability to identify where it needs to be in the future, and how to manage the changes required getting there.

Although the successful management of change is accepted as a necessity in order to survive and succeed in today's highly competitive and continuously evolving environment (Luecke, 2013),

Balogun and Hailey (2004) report a failure rate of around 70 per cent of all change programmes initiated. It may be suggested that this poor success rate indicates a fundamental lack of a valid framework of how to implement and manage organizational change as what is currently available to academics and practitioners is a wide range of contradictory and confusing theories and approaches (Burnes, 2004).

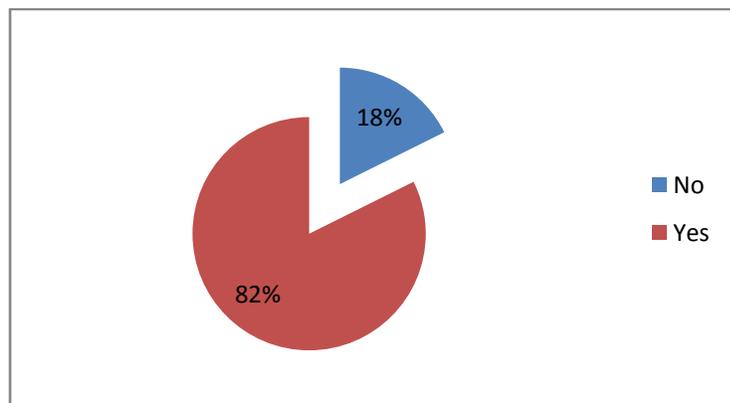
### 3.0 METHODOLOGY

The study employed descriptive and cross-sectional research designs. The target population comprised all the Tourism state owned corporations in Kenya with the management of these firms being the respondents. A census study was carried out due to small nature of the target population. Data collection involved the use of questionnaires which attracted both quantitative and qualitative responses. The questionnaires were administered through drop and pick method. The respondents were all the Chairmen, CEO, managers and assistant managers of all Tourism state corporations in Kenya. These data was analyzed using content analysis for qualitative data. The quantitative data was analyzed using regression analysis. ANOVA test was carried out to test the significance of the model.

### 4.0 RESULTS FINDINGS

#### 4.1 Effect of Change management Driver on Performance

The objective of the study was to establish the effect of change management driver on performance in the Tourism state corporations in Kenya. The respondents were asked to indicate whether their organization empowers its employees towards learning the organization processes and procedures. The Results indicates that majority of the respondents, 82% agreed that their organization empowers its employees towards learning the organization processes and procedures. The results are summarized in Figure 4.7 below.



**Fig 1: Empowering employees towards learning the Organization processes**

The study findings imply that majority of the tourism state corporations empowers its employees towards learning the organization processes and procedures as part of managing change. Change management was associated with performance of the state corporations.

**4.1.1 Attributes of Change Management Driver**

The respondents were also asked to rate the effect of various attributes of change management driver on performance of the organization. The rating was on a five point likert scale of 1 to 5 ranging from not at all to very great extent. Results in indicate that 28.2% of the respondents stated that Consensus in decision making affected performance to a great extent while 65.7% indicated that positive organization culture did. The number of respondents who agreed that employee empowerment affected performance to a great extent were 23.3% while 49.0% and 39.2% agreed that change execution and consistency in change vision affected performance to a great extent respectively. The results are presented in Table 4.23 below.

**Table 1 Attributes of Change Management Driver**

|                               | Not at all | Little extent | Moderate extent | Great extent | Very great extent | Mean        | Std Dev     |
|-------------------------------|------------|---------------|-----------------|--------------|-------------------|-------------|-------------|
| Consensus in decision making  | 20.60%     | 18.60%        | 22.50%          | 18.60%       | 19.60%            | 2.98        | 1.41        |
| Positive organization culture | 13.70%     | 5.90%         | 14.70%          | 35.30%       | 30.40%            | 3.63        | 1.34        |
| Employee empowerment          | 18.60%     | 22.50%        | 25.50%          | 10.80%       | 22.50%            | 2.96        | 1.41        |
| Change execution              | 15.70%     | 15.70%        | 19.60%          | 18.60%       | 30.40%            | 3.32        | 1.45        |
| Consistency in change vision  | 20.60%     | 21.60%        | 18.60%          | 23.50%       | 15.70%            | 2.92        | 1.38        |
| <b>Average</b>                |            |               |                 |              |                   | <b>3.16</b> | <b>1.40</b> |

These findings are consistent with arguments by Senior (2002) and Graetz (2000) who explained the importance of managing change by empowering employees so as to have a growing knowledge workforce, embracing positive organization culture because of the shifting social and demographic trends and consistency in change vision due to rapid pace of technological innovation. The findings are also consistent with Doyle (2002) who established the nature of contemporary organizational change management.

The findings imply that there is consensus in decision making among the tourism state corporations in Kenya. The findings also imply that there is positive organization culture,

employee empowerment, change execution plan and consistency in change vision among the tourism state corporations in Kenya. This had a further implication that change management driver existed in tourism state corporations in Kenya. The existence of change management driver may have had an influence on the performance of tourism state corporations in Kenya.

#### **4.1.2 Qualitative analysis for Change management driver**

The respondents who had indicated that their organization empowered employees towards learning its processes and procedures were further asked to explain what constitutes the empowerment plans of their organization. From the results, it was indicated that all inclusive decision making constitutes the empowerment plans of the majority of tourism state corporations. Other themes that constitute empowerment plans were staff training and staff benefits and allowances as indicated by the respondents. The percentage number of mentions of all inclusive decision making was 27%, staff training was mentioned by 20% of the respondents and staff benefits and allowance was mentioned by 53% of the respondents. The results are presented in Table 2 .

**Table 2: Qualitative Analysis for Change management Driver**

| <b>Main Theme</b>             | <b>Percentage number of mentions</b> |
|-------------------------------|--------------------------------------|
| All inclusive decision making | 27%                                  |
| Staff training                | 20%                                  |
| Staff benefits and allowance  | 53%                                  |

The findings strengthened the previous results and are consistent with arguments by O'Reilly, Caldwell, Chatman, Lapiz and Self (2010) who did a study on the effects of leaders' alignment on strategy implementation and found out that most organizations have multiple layers of leaders, implying that any single leader does not lead in isolation. The study confirmed that leader behavior influences group and organizational behavior. The findings also established that it was only when leaders' effectiveness at different levels was considered in the aggregate, significant performance improvement occurred.

The findings imply that performance of tourism state corporations in Kenya can be improved by ensuring empowerment of employees through all inclusive decision making. The findings further imply that the performance of tourism state corporations in Kenya can be improved by ensuring empowerment of employees through staff training and provision of better benefits and allowances.

#### **4.1.3 Correlation Analysis of attributes of Change Management Driver**

The association of the attributes of change management driver and organization performance was also established. The results indicate that all the attributes of change management driver were positively associated with organization performance. The association between having consensus in decision making, Positive organization culture and practicing consistency in change vision with organization performance was found to be significant though weak with Pearson coefficient of 0.313, 0.236 and 0.264 respectively. The results are in Table 3 below.

**Table 3 analysis of attributes of Change management driver**

|                               |                 | Consensus in decision making | Positive organization culture | Employee empowerment | Change execution | Consistency in change vision | Performance |
|-------------------------------|-----------------|------------------------------|-------------------------------|----------------------|------------------|------------------------------|-------------|
| Consensus in decision making  | R               | 1                            | -0.004                        | 0.005                | -0.045           | .212*                        | .313**      |
|                               | Sig. (2-tailed) |                              | 0.969                         | 0.964                | 0.652            | 0.033                        | 0.001       |
| Positive organization culture | R               | -0.004                       | 1                             | 0.107                | -.202*           | -0.048                       | .236*       |
|                               | Sig. (2-tailed) | 0.969                        |                               | 0.284                | 0.042            | 0.633                        | 0.017       |
| Employee empowerment          | R               | 0.005                        | 0.107                         | 1                    | -0.081           | 0.079                        | 0.057       |
|                               | Sig. (2-tailed) | 0.964                        | 0.284                         |                      | 0.42             | 0.428                        | 0.569       |
| Change execution              | R               | -0.045                       | -.202*                        | -0.081               | 1                | 0.067                        | 0.073       |
|                               | Sig. (2-tailed) | 0.652                        | 0.042                         | 0.42                 |                  | 0.503                        | 0.465       |
| Consistency in change vision  | R               | .212*                        | -0.048                        | 0.079                | 0.067            | 1                            | .264**      |
|                               | Sig. (2-tailed) | 0.033                        | 0.633                         | 0.428                | 0.503            |                              | 0.007       |
| Performance                   | R               | .313**                       | .236*                         | 0.057                | 0.073            | .264**                       | 1           |
|                               | Sig. (2-tailed) | 0.001                        | 0.017                         | 0.569                | 0.465            | 0.007                        |             |

The findings are also consistent with Burnes' (2004) and Balogun and Hope Hailey's (2004) who termed equilibrium change management as important to steady performance.

The findings imply that consensus in decision making is practiced in tourism state corporations in Kenya. The findings also imply that tourism state corporations in Kenya practice positive organization culture, employee empowerment, change execution and consistency in change vision which are positively associated with performance.

#### **4.1.4. Relationship between change management driver and performance in the Tourism state corporations in Kenya**

The study sought to establish the relationship between change management driver and performance in the Tourism state corporations in Kenya. To do this, the study used an Ordinary least square regression model. The results in Table 4.26 below indicate the model summary for change management capability model.

**Table 4 Model Summary – Change management driver and performance**

| Model | R     | R Square | Adjusted R Square | Std. Error of the Estimate |
|-------|-------|----------|-------------------|----------------------------|
| 1     | .465a | 0.216    | 0.175             | 0.35658                    |

The results in Table 4 indicated that all the attributes of change management driver combined were positively associated with performance as indicated by a correlation coefficient of 0.464. The results further indicated that change management driver explains 21.6% of the changes in performance as indicated by an R-square of 0.216. 78.4 percent of variation in performance was not explained by Change management driver which is due to other factors not included in the study. The ANOVA results are presented in Table 4.27 below.

**Table 5 ANOVA – Change management driver and performance**

|            | Sum of Squares | df  | Mean Square | F     | Sig.  |
|------------|----------------|-----|-------------|-------|-------|
| Regression | 3.363          | 5   | 0.673       | 5.289 | .000b |
| Residual   | 12.206         | 96  | 0.127       |       |       |
| Total      | 15.569         | 101 |             |       |       |

To confirm that the foregoing model was a good fit, the researcher carried out a test of significance on the model. Results indicated that the model fitted well since the p-value was found to be less than the chosen significance level of 5%.

Further results in Table 4.28 below indicated that having consistency in change vision, consensus in decision making and practicing positive organization culture were positively related to performance of tourism organizations as indicated by coefficients of 0.077, 0.079 and 0.059 respectively. The relationship between these attributes of change management driver and performance was also found to be significant at 5% level of significance as indicated by P-values of 0.004, 0.004 and 0.027 respectively.

**Table 6 Regression Coefficients – Change management driver and performance**

| Performance                   | B     | Std. Error | T      | Sig.  |
|-------------------------------|-------|------------|--------|-------|
| (Constant)                    | 2.655 | 0.187      | 14.172 | 0.000 |
| Consensus in decision making  | 0.077 | 0.026      | 2.974  | 0.004 |
| Positive organization culture | 0.079 | 0.027      | 2.921  | 0.004 |
| Employee empowerment          | 0.006 | 0.025      | 0.225  | 0.822 |
| Change execution              | 0.035 | 0.025      | 1.38   | 0.171 |
| Consistency in change vision  | 0.059 | 0.026      | 2.24   | 0.027 |

These findings are consistent with Luecke (2003) who argued that, rather than being forced to change their internal practices to fit in with external variables, organizations can exercise some choice over the change management plan so as to influence performance positively.

These findings imply that, consistency in change vision influences performance. A unit increase in consistency in change vision improves performance by 0.077 units. The study further implies that consistency in decision making and practicing positive organization culture influences performance and they results to an improvement in performance by 0.079 and 0.059 units respectively. Generally, change management driver influences the performance of tourism state corporations in Kenya.

#### 4.1.5 Hypothesis Testing

The study sought to test the hypothesis that change management driver does not have an effect on performance in the Tourism state corporations in Kenya. The hypothesis was tested by running an ordinary least square regression model. The results in Table 4.29 indicate the model summary.

**Table 7 Model Summary – Change management driver Hypothesis Testing**

| Model | R     | R Square | Adjusted R Square | Std. Error of the Estimate |
|-------|-------|----------|-------------------|----------------------------|
| 1     | .412a | 0.17     | 0.161             | 0.35956                    |

The results indicated in Table 4.29 indicates that change management driver was positively correlated to organization performance (R=0.412). Change management driver explains 17% of the changes in performance of the organizations. 83 percent of variation in performance was not explained by Change management driver which is due to other factors not included in the study. The study further performed the analysis of variance and the results are presented in Table 4.30 below.

**Table 8 ANOVA – Change management driver Hypothesis Testing**

| Model | R     | R Square | Adjusted R Square | Std. Error of the Estimate |
|-------|-------|----------|-------------------|----------------------------|
| 1     | .412a | 0.17     | 0.161             | 0.35956                    |

Results in Table 9 indicate that the model for the relationship between change management driver and organization performance fit well.

The acceptance/rejection criteria was that, if the p value is greater than 0.05, the Ho was not rejected but if it's less than 0.05, the Ho was rejected. The results are presented in table 4.31 below.

**Table 10 Regression Coefficients – Change management driver Hypothesis Testing**

| Performance              | B     | Std. Error | T      | Sig.  |
|--------------------------|-------|------------|--------|-------|
| (Constant)               | 2.673 | 0.181      | 14.761 | 0.000 |
| Change management Driver | 0.254 | 0.056      | 4.519  | 0.000 |

All the attributes of information technology driver were combined into one variable by the mean and then regressed against performance. The significance of the coefficient was used to test the hypothesis. The null hypothesis for the third objective was: Change management driver does not have an effect on performance in the Tourism state corporations in Kenya. The alternative hypothesis for the third objective was: Change management driver has an effect on performance

in the Tourism state corporations in Kenya. The results are consistent with the findings of Adegbola (2010) who identifies change that evolves slowly in a systematic and predictable way at a constant rate. This type of change is suggested to be exceptional and rare in the current environment and in the future (Senior, 2002). Bumpy incremental change, however, is characterized by periods of relative peacefulness punctuated by acceleration in the pace of change (Adegbola, 2010). The results in Table 4.31 indicates that the coefficient for change management capability was significant at 5% level of significance as indicated in Table 4.31 which indicates that the null hypothesis was rejected and hence the study established that change management driver has an effect on performance in the Tourism state corporations in Kenya.

## **5.0 SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS**

### **5.1 Change Management Driver**

The objective of the study was to establish the effect of change management driver on performance in the Tourism state corporations in Kenya. The findings of the study indicated that change management driver affects performance of most tourism state corporations in Kenya. The study further found out that positive organization culture, change execution and consistency in change vision affected performance of the Tourism state corporations in Kenya to a great extent respectively. Having consistency in change vision, consensus in decision making and practicing positive organization culture were positively and significantly related to performance of the Tourism state corporations in Kenya. The findings of the study further indicated that change management driver was positively correlated to organization performance and it explains 17% of the changes in performance of the organizations. The regression model results indicated that the coefficient for change management capability was significant at 5% level of significance which indicated that change management capability has a significant effect on performance in the Tourism state corporations in Kenya.

### **5.2: Conclusions**

The findings of the study led to the conclusion that change management driver affects performance of most tourism state corporations in Kenya. Positive organization culture, change execution and consistency in change vision affects performance of the Tourism state corporations in Kenya to a great extent. Another conclusion made by the study is that having consistency in change vision, consensus in decision making and practicing positive organization culture were positively and significantly related to performance of the Tourism state corporations in Kenya. The study also concluded that change management driver has a significant effect on performance in the Tourism state corporations in Kenya.

### **5.3 Contribution of the Study to Theory/Existing Knowledge**

The study made various contributions to theory building. First, the study developed a conceptual framework for underpinning future research work on the effect of performance drivers and the mediating role of strategy implementation in the Tourism State Corporations in Kenya. The study successfully tested hypothesis related to the original conceptual framework developed in

chapter two. Based on research findings, it was found that future conceptual frameworks and theories should focus on particular aspects of performance drivers. The study also made a contribution as far as ordering and prioritizations of performance drivers is concerned. The study noted that information Technology driver and organizational leadership driver were the most significant performance drivers. This serves to strengthen the existing theories.

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

##### **Change management driver**

Tourism state corporations in Kenya should embrace and practice positive organization culture, change execution and consistency in change vision since they influences performance positively. The corporations should also have consensus in decision making.

#### **5.5 Suggested Areas for Further Study**

Further studies can be done to ascertain the effect of strategic management drivers and the mediating role of strategy implementation in other state corporations in Kenya other than the tourism sector. The results for the multiple regression model indicated that IT driver, Change management driver, explain 63.1% of the changes in performance of the tourism corporations in Kenya. Another study can be conducted to find out the other factors which explain 36.9% of the changes in performance of the tourism corporations in Kenya.

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