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Aucmen (2016) asserts that the outcomes against the set targets should measure an organization's performance. Although performance can be measured using productivity, effectiveness, profitability, and quality amongst others Profitability being whether an organization can earn profits for a long time and it's expressed as a fraction of the gross profit to sales (Woodward 2010). While the ratio of output and input termed as productivity (Stoner, 2007). This productivity measures the conversion of input resource in the form of services and goods that have been made by industry, organization and the individual.

Richard *et al.* (2009) noted that organizational performance should be related to factors such as profitability, improved service delivery, customer satisfaction, market share growth, and improved productivity and sales. Organization performance is therefore affected by a multiplicity of individuals, group, and task, technological, structural, managerial and environmental factors. He claims that there can be no change management without a modicum of information as to performance information in basis period and, ideally, a targeted performance in a future period. He refers to four dimensions of evaluating performance in hotels; the customer dimension, employee dimension, internal process dimension, and the financial dimension. Different approaches used in managing change will result in either a decrease or increase in the variables under each dimension. Telecoms should therefore aim to ensure the effective management of change to improve the overall organizational performance.

Another performance measure is the balanced scorecard which is more robust than other performance measurement systems. The balanced scorecard as a noble idea has developed over time to become a strategic management system. It determines the position of the firm both the financial and non-financial aspects (Mchenzie, 2015). When more strategic objectives are designed there is bound to be an increase in the indicators of performance (chang, 2016). In the balanced scorecard, customer perspective, growth and learning are measured as indicators of financial details. Financial performance depends on the satisfaction of customers (Zendedel, 2006).

High levels of performance in firms may result in strategic change, as a strategic change in organization strategies allows for change of taking a different course of action to ensure achievement of organization goal (Welch, (2000). Mintzberg (2004) puts it "only rich organizations can afford planning or at least planners. While Rhyne (2005) in his study found that firms which adopted strategic change were found to exhibit superior long-term performance, both relative to their industry and in absolute terms, he concluded that "strategic change resulted in superior performance, increased profit, increased market share, customer base and increased asset base (Rhyne, 2005) .

2.5 Theoretical Review

The study reviewed theories and models relevant to Strategic change including; Contingency Theory which is my lead theory, Organizational Change Theory, ADKAR model, Kotter's change management theory, Kübler-Ross Five-Stage Model, and Kurt Lewin's Change model.

2.5.1 Contingency theory

Contingency theory is a behavioural theory that claims that there is no single best way to design organizational structure. The proponent of the contingency theory was Joan Wood (1956) who argued that technologies directly determine organizational attributes such as span of control, centralisation of authority, and the formalization of rules and procedures to be followed by

employees. She found that there are many variations in organization structure associated with differences in manufacturing techniques which bring considerable change to employees' performance and firms' performance at large. Contingency theory is based upon various constraints in an organization. The constraints may include the size of the organization, how to adapt to its environment, differences among resources and operations activities, managerial assumptions about strategies.

Contingency theory turns away from the classical organization theory assuming that there are general principles which make organizations run effectively (Doch, 2009). Instead, Contingency theory argues that the best structure for an organization varies with respect to their environment. In detail, the efficiency of each structural aspect would depend on "contingency factors" like – size, technology, human resource and strategy (Donaldson 1996). These contingency factors are characteristics of an organization and reflect in turn the influence of Organizations. Contingency theory identifies each contingency factor of which the structure under consideration is dependent upon (Donaldson, 1996).

Task uncertainty is the most studied contingency factor. The factor is a focal point since it involves employees for meaningful change to be realized. Pennings (1992) argues if the organization is concerned with a lot of uncertain tasks than the organization is less centralized and instead more richly joined structures are necessary to generate and communicate the larger amount of knowledge and communication to employees“ remarkable performance. In contrast, if an organization is very certain about their tasks, the tasks get more centralized. Another contingency factor is size. Pugh *et al.* (1969) assume that small- sized organizations with few employees are optimally productive and efficient hence easy to change. These factors result in changes in organizations that require sensitivity in managing the changes emanating from the new structures. According to the theory, it's evident that changes that are experienced in organizations during restructuring can well be explained in the concept of the theory.

This study was, therefore, be anchored and based on the contingency theory to expound on the relationship between the theory and the strategic change on firms performance concept as a constraint.

2.5.2 Organizational Change Theory

Businesses have been changing at a breakneck speed, so managers must reorganize their firms to gain a competitive advantage. According to the organizational change theory, change is of utter necessity in an organization. The theory explains that change of organizational culture, structure, and design would help an organization to adopt efficient and effective change strategies. Indeed, according to McDonald (2000), Darwin's theory of survival for the fittest, has been continuously applied to the organizational theory. In this light, Vaill (1989) points out that organizations have to implement change, when it is inevitable, or risk elimination from the competition. The theory also stipulates that organizations have to put in place change that is results driven, and an important result for businesses in a competitive environment is profitability.

2.5.3 Adkar change management model

Adkar is a goal-oriented change management model that allows change management teams to focus their activities on specific business results. The model was initially used as a tool for determining if change management activities like communications and training to employees had the desired results during organizational change for employee's performance. The model discusses: awareness of the need for change, what is the nature of the change, why is the change happening? And the risk of not changing. The ADKAR model can help to find out why changes are not functioning and help the organization take the essential steps to make the change successful. Organization will be able to break down the change into parts that can understand where the change is not functioning and address that impact point (Change Management Learning Center, 2007).

The limitation for ADKAR model fails to see the macro level of programme management (Warrilow, 2010). The author points out that the business environment now the restructuring, refocusing and re-engineering is only the start. Business leaders have to face the equally as it will have more problems of getting the staff to deliver their new vision that achieve the revenue forecasts. The fact is that people are not similar in the ways they behave.

2.5.4 Kotter's change management theory

Kotter developed a model, which can be used at the strategic level of an organization to change its vision and subsequently transform the organization. Studies using this model have shown that the change process goes through a set of phases (Kotter, 1996 & 1998). This model proposes transforming organizations must create an artificial void for establishing a sense of urgency for a change to be accepted and driven by the people.

This dynamic model is comprised of eight stages that can be organized into three phases. The first phase is "creating a climate for change" and includes establishing a sense of urgency, creating a guiding coalition, and developing a vision and strategy. The second phase is "engaging and enabling the organization" and includes communicating the vision, empowering action, and creating short-term wins. The final phase is "implementing and sustaining the change" and includes consolidating gains and producing more change and anchoring new approaches in the culture.

2.5.5 Kübler-Ross Five-Stage Model

The model was first introduced Kübler-Ross 1969. Kübler-Ross noted that the stages are not a linear and predictable progression and that she regretted writing them in a way that was misunderstood. "Kübler-Ross originally saw these stages as reflecting how people cope with illness and death," observed grief researcher Kenneth J. Doka, "not as reflections of how people grieve. The stages, popularly known by the acronym **DABDA**, include; **Denial** – The first reaction is denial. In this stage, individuals believe the diagnosis is somehow mistaken, and cling to a false, preferable reality, **Anger** – When the individual recognizes that denial cannot continue, they become frustrated, especially at proximate individuals. Certain psychological responses of a person undergoing this phase would be: "Why me? It's not fair!"; "How can this happen to me?"; "Who is to blame?"; "Why would this happen?", **Bargaining** – The third stage involves the hope that the individual can avoid a cause of grief. Usually, the negotiation for an extended life is made in exchange for a reformed lifestyle. People facing less serious trauma can bargain or seek compromise. Examples include the terminally ill person who "negotiates with

God" to attend a daughter's wedding or an attempt to bargain for more time to live in exchange for a reformed lifestyle., **Depression** – "I'm so sad, why bother with anything?"; "I'm going to die soon, so what's the point?"; "I miss my loved one; why go on?". During the fourth stage, the individual despairs at the recognition of their mortality. In this state, the individual may become silent, refuse visitors and spend much of the time mournful and sullen, **Acceptance** – "It's going to be okay."; "I can't fight it; I may as well prepare for it." In this last stage, individuals embrace mortality or inevitable future, or that of a loved one, or other tragic events. People dying may precede the survivors in this state, which typically comes with a calm, retrospective view for the individual, and a stable condition of emotions. This model has been widely used by various strategic change scholars in their studies to explain the adaptation of change in the organization.

2.5.6 Kurt Lewin's Change model

Kurt Lewin (1951) introduced the three-step change model. This social scientist views 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. Therefore, these forces must be analysed, and Lewin's three-step model can help shift the balance in the direction of the planned change.

According to Lewin, the first step in the process of changing behaviour is to unfreeze the existing situation or status quo. The status quo is considered the equilibrium state. Unfreezing is necessary to overcome the strains of individual resistance and group conformity. The use of the three methods can achieve unfreezing. First, increase the driving forces that direct behaviour away from the existing situation or status quo. Second, decrease the restraining forces that negatively affect the movement from the existing equilibrium. Third, find a combination of the two methods listed above. Some activities that can assist in the unfreezing step include: motivate participants by preparing them for change, build trust and recognition for the need to change, and actively participate in recognising problems and brainstorming solutions within a group (Robbins,2005). Lewin's second step in the process of changing behaviour is movement. In this step, it is necessary to move the target system to a new level of equilibrium. Three actions that can assist in the movement step include: persuading employees to agree that the status quo is not beneficial to them and encouraging them to view the problem from a fresh perspective, work together on a quest for new, relevant information, and connect the views of the group to well-respected, powerful leaders that also support the change.

The third step of Lewin's three-step change model is refreezing. This step needs to take place after the change has been implemented for it to be sustained or "stick" over time. It is highly likely that the change will be short lived and the employees will revert to their old equilibrium (behaviours) if this step is not taken. It is the actual integration of the new values into the community values and traditions. The purpose of refreezing is to stabilise the new equilibrium resulting from the change by balancing both the driving and restraining forces. One action that can be used to implement Lewin's third step is to reinforce new patterns and institutionalise them through formal and informal mechanisms including policies and procedures (Robbins, 2005). Therefore, Lewin's model illustrates the effects of forces that either promote or inhibit change. Specifically, driving forces promote change while restraining forces oppose change. Hence,

change will occur when the combined strength of one force is greater than the combined strength of the opposing set of forces (Robbins, 2005).

3.0 Proposed Conceptual Frame Work

In light of the theoretical and empirical gaps in the review, this study presented the following theoretical model that will assist in finding out the influence of strategic change on firm performance.

The conceptual framework developed here to categorize the change management is drawn from contingency theory, the thematic concerns, the philosophical foundations of the concept, academic and management perspective of the concept as captured in the study. The conceptual framework provides means to analyze change on firm performance in a holistic approach. It has observed that forces need to be internal as well as external (Beckhard& Harris 1987) to the organization or system in order to have sufficient impetus to drive effective change in organization. The conceptual framework for any meaningful change to be realized the following variables according to the study form strong pillars to understand the change management on firm performance concept, namely: strategic change, resisting forces, leadership, firm performance.

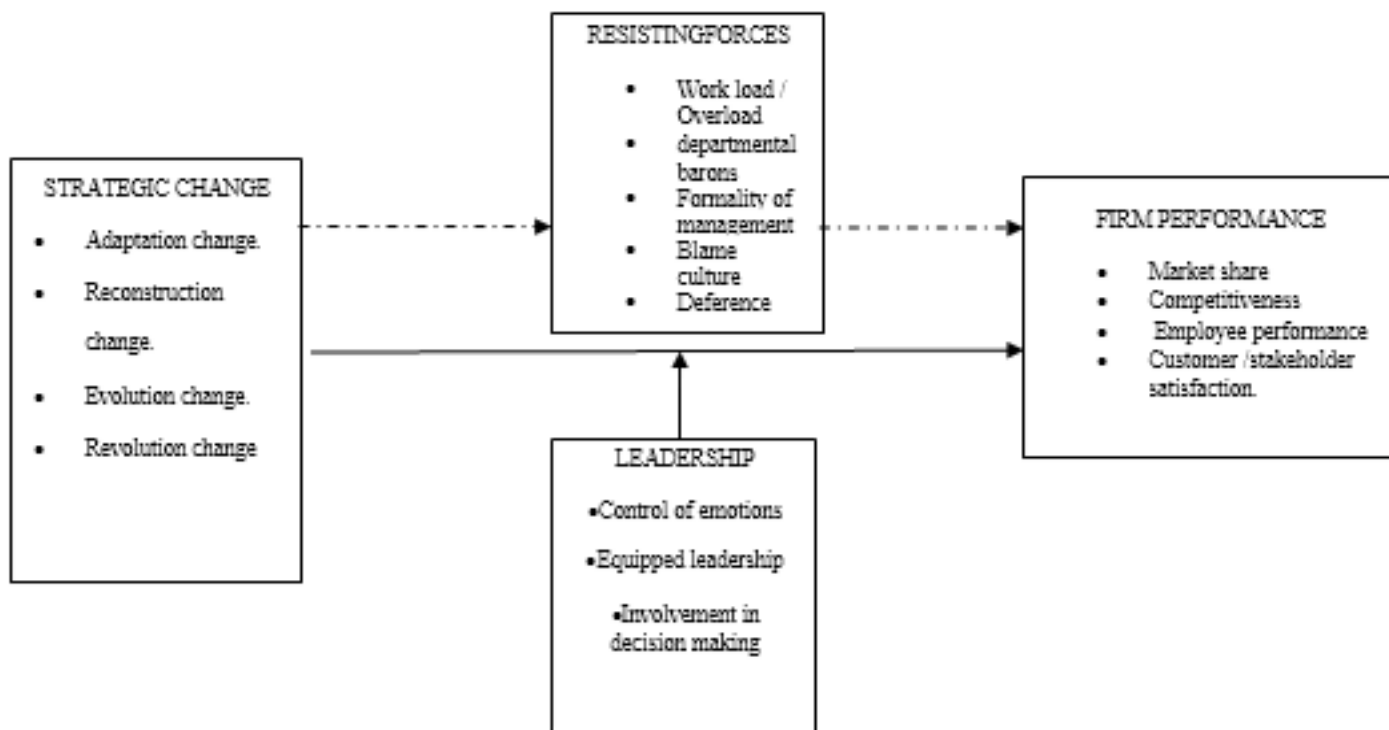


Figure 1: Theoretical model linking Strategic Change, Leadership, Resisting Forces and Firms Performance.

3.1 Strategic change and Firm performance

Change introduces a high degree of uncertainty (Lines *et al.*, 2005), and the degree of uncertainty is even higher when the change is radical (Buchanan & Badham, 1999.). The reviewed literature in study attests to this concern and introduces this to be a crucial variable in the study.

Change is a permanent phenomenon. It is necessary due to external forces like technology, systems, and social changes interacting with the internal variables of the organization. To implement change Kurt Lewin's model of unfreezing the situation, implementing a change and refreezing must be implemented. Individual, group and organizational changes takes place continuously. Individual change refers to change in attitude, perception and also acquiring new skills to cope up with external environment. Group is the important unit of organization. In the present scenario, group undertakes work. It is completed because of group norms and groupthink. Organizational level changes can be implemented by clearly defining objectives and plans for change. Driving forces and restraining forces must be evaluated while implementing change. Change is structured when planned and unstructured when change is implemented as a reaction to some situation.

There is vast knowledge on strategic change. Kaplan and Norton (1992) developed a system in which measurements are meant to drive performance where they cited productivity, employees' motivation and cost efficiency as the rightful measure of performance. Davenport and Harris, (2007) on the other hand, suggest that organizations will determine the level of performance by the overall organizational performance. They argue that the frontier for using data is not just in measurement but also in identifying the most profitable customers, determining the right price, accelerating product innovation, optimizing supply chains, and identifying the true drivers of financial performance (2007). More high-performance studies are likely to emerge in the future, partly because the business environment continues to shift and partly because the science of analysis continues to improve.

Preposition 1: There is a correlation between strategic change and firm performance.

3.2 Leadership

Participation is expected to have a higher positive effect on people's emotions and paves the way to accept the change (Lines, 2004; Hayes, 2007). Because it leads to commitment (e.g. Burke, 2002; Hayes, 2007, Lines, 2004), trust (Lines *et al.*, 2005, Pugh, 2007) and attenuation of resistance (e.g. Hayes, 2007) Lines, 2004; Self and Schraeder, 2009). Lines (2004) asserts that participation will most likely have higher positive effect when changes are less congruent with organizational culture. He further notes that the level of job multiplicity is important for the staff; if they feel that change will reduce the level of job variety, they can show negative attitude towards change, so in this case, but not when change has no or positive influence on job multiplicity, applying an approach that allows higher level of staff involvement can be useful to appease the negative attitudes. This has well been outlined in the reviewed literature in the study, where it has been well argued.

It should be noted that leadership is not same with management, but both are needed to realize the change. Recall from the study according to Senior & Fleming (2006) managers tend to focus more on “strategy, structures and the systems”, whereas leaders give more attention to „soft“ issues such as people issues, shared purpose, communication and motivation. They define the role of leadership as: “leadership is about influencing others in pursuit of the achievement of organizational goals” (Senior & Fleming, 2006).

Proposition 2: Leadership has a moderating effect on the relationship between strategic change and firm performance.

3.3 Resisting Forces

From the literature review, various writers have talked about resistance. Keller & Aiken (2009) talks about some stereotypes which are prevalent about change management. They based their research on John Kotter research which was published in 1995. They basically identified some of the mistake which managers in all the organizations make when they are administrating change in the organization. They concluded that what motivates you asa person might not motivate most of the employees in the organization and therefore special attention should be given to the things that motivate the employees. Secondly they identified that the leaders/ managers who are bringing about the change should not believe that they are “the change” and just because a manager/ leader is influential you cannot guarantee effective change within the organization. They also went on to point out that good intentions of the managers are not enough to ensure that the change management will be effective. Employees all need some kind of monetary reward to ensure maximum compliance.

Proposition 3: Resisting forces has a mediating effect on the relationship between strategic change and firm performance.

4. Conclusion

In conclusion, strategic change on firm performance is a concept that is likely to be more sustainable over the long term if the process is constructed systematically, Dolny, Helena (2001). A conceptual framework is developed in order to facilitate analysis of strategic change on firm performance. This framework incorporates a number of facets of strategic change on firm performance with a view to promoting a holistic approach to analysis. Change management on firm performance has been explored in terms of the context of complexity, resistance to change, and principles transformation. The study was able to identify the following variables as ideal in conceptualizing strategic change on firm performance: Strategic Change, participatory leadership, resistance to change, firm performance.

The forces driving change are categorized as internal and external to the organization or system (Kotter 2008). Further categorization of these forces into social, political, technological, legislative, and economic dimensions has been undertaken using a framework modified from Fahey (1994). In addition, the ADKAR model has been analyzed and focused on.

Contingency theory has also been brought forward to ascertain the crucial elements in strategic change and performance. Empirical gaps diagnosed are shown and presented, giving room for

more scientific research to be done in the identified areas. Various research methods used are well presented as well as data analysis tools used clearly shown.

4.1 Recommendation and Proposed Future Research

The study established that there is a relationship between strategic change on firm performance and the general environment affecting change. Journals reviewed pointed to the direction that strategic change on firm performance is an all-inclusive phenomenon. Conceptualizations of strategic change on firm performance vary depending on the perspective and position taken by the researcher. A well-informed conceptualization is vital and critical to facilitate proper and in-depth insight in regards to the strategic change in modern organizations. Considering that drivers influencing strategic change on firm performance directly affects employees and organizations differently, therefore strategic change on firm performance is therefore a broad-spectrum initiative that requires more emphasis.

To ensure the success of the change program it is appropriate to focus on organizational structure, human relations and technology, and there must be balance between these aspects to improve the employee performance and this in turn reflects the quality of productivity thus influencing firm performance.

Training courses for managers about change and how to manage this change and the necessary steps to be followed for change to be realized. The need to activate the informal means of communication to communicate with employees and find out glitches in action, and get new ideas that may contribute to performance. Upgrading more researches and studies should be carried towards achieving a commanding threshold as regards the concept. Strategic Change therefore contributes a great deal in determining the level of performance of many companies and firms.

More researches and studies should be carried towards achieving a commanding threshold as regards the concept. Strategic Change therefore contributes a great deal in determining the level of performance of many companies and firms.

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