



## **INFLUENCE OF STRATEGIC CHANGE MANAGEMENT ON PERFORMANCE OF PRIVATE UNIVERSITIES IN NAIROBI COUNTY**

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### **ABSTRACT**

The study sought to investigate influence of strategic change management on performance of Private Universities in Nairobi County. The study was guided by the following specific objectives which also form the research questions; to determine the influence of organizational culture on performance of private Universities in Nairobi County, and to ascertain the influence of human resource capital on performance of private Universities in Nairobi County. The study adopted a descriptive research design to measure the influence of strategic change management on performance of Private Universities in Nairobi County, and the target population for the study was 20 private universities within Nairobi County. The sample size of 222 was determined using Taro Yamane's formula and respondents were drawn from Private universities targeting top level academic affairs management, departmental deans, and dean of students and the students' body who was selected using purposive sampling. Pilot study was carried out using 10% of the sample size. The study used structured questionnaire to collect primary data and SPSS was used to analyze data. Descriptive such as mean, frequencies, standard deviation, and percentages were used to profile major patterns emerging from the data. The relationships between the variables were determined using inferential statistics. The regression analysis was used to gauge the intensity of the association between the independent and dependent variables, while the correlation coefficient was used to gauge the link between the independent and dependent variables. Data was presented in form of tables, graphs. . The findings established that strategic change management had a positive and significant influence on performance of Private universities in Nairobi Kenya. The predictor values were found to explain 62.8% of the dependent variable. The study recommended that private universities to capitalize on competent leaders who would help the institutions build a positive and adaptive culture to help drive the mission of the institution, the study also recommends an in depth investment in technological trends to help keep up with the market trends since they have a strong and positive influence on performance.

**Key Words:** Strategic Change Management, Organizational Culture, Human Resource Capital, Performance, Private Universities

## **Background of the study**

The process of changing something from its initial state entails facing the strange and letting go of the comfortable. It suggests a significant disruption in established patterns of behavior and/or expectation, and may lead to the discontinuity, destruction, and replacement of well-known social structures and relationships, according to Carr et al. (2006). It may alter established patterns of behavior, how people relate to one another, how work is done, and what skills are required for a job. All of this could provide people with novel circumstances, problems, and difficulties, along with ambiguity and uncertainty. On an organizational level, they may lead to modifications to policies, practices, sunk costs, organizational structures, and industrial processes and flows (Harvey and Brown 2001). Undoubtedly, change will have an effect on the authoritative allocation of both human and material resources, as well as stimulate competition.

In businesses today, management's significance has multiplied. Strategic outcomes depend on organizational management practices, thus crucial management tasks including learning to delegate, planning, organizing, properly communicating, and encouraging it is essential for employees to be flexible and to consistently come up with new, creative ideas. In today's firms, change is inevitable, thus understanding how it affects employees' performance is crucial (Board, 200). We are forced out of our comfort zones by change, and it will happen (Ahmad, 2018). According to this perspective, change can occur in a company in a variety of ways, including through mergers, acquisitions, joint ventures, new leadership, and the adoption of technology, organizational restructuring, and changes to goods or regulatory compliance. A change in the environment may force an organization to make the change, or it may be planned out years in advance. Organizational change can be drastic and affect how an organization functions, or it can be gradual and change how things are done over time. According to Aguinis (2016), change management is a management approach that tries to help individuals and organizations deal productively with changes in the workplace.

According to Banjoka (2016), managing change is essential to the success of every company because it is unavoidable. Organizations that can adapt to change and capitalize on its energy was crucial and successful. Every department of an organization may experience change management. Organizational changes common in today's competitive markets include the introduction of new technology, workforce restructuring, job redesign, and downsizing. The research is unambiguous in its assertion that how change is managed directly influences employee behavior and organizational performance. In order to comprehend how the perceived appraisal of change affects the relationship between the individual and the organization, it is crucial to understand the relationship between perceived change administration and organizational performance. A change management exercise calms members' shock and opposition to the process of change while also facilitating easy participation in the change. According to some, change is the law of nature and is distinct from the known. Humans like the comfort and familiarity, though, and this inertia keeps people from altering their routines. Organizational inertia, conventional culture, effective approximation reaction tactics learnt in the past, the expense of driving transformation, and conscious or unconscious resistance by organizations are the key elements that impede organizational change. Change often starts when the forces that encourage change outweigh the factors that prevent change.

## **Statement of the problem**

Private universities just like public universities in Kenya have the moral obligation of contributing to the intellectual, cultural, and economic betterment of society in general. In Kenya, the Kenya Vision 2030 which is a blueprint meant to catapult the country to a developed status by 2030 singles out two areas where the sub-sector plays an influential role as a foundation for socio-

economic transformation: Science, Technology and Innovation (STI) and human resource development to provide high-level manpower (Republic of Kenya, 2007:12). The government has placed a prominent role on STI in increasing the competitiveness of the productive sectors. This places the university sub-sector at the Centre due to the concentration of highly experienced research staff in these institutions (Waweru, 2013). Private universities play a big role in meeting the increasing learning demands in higher institutions after the expansive basic and secondary education in Kenya. Universities are a source of growth of cities in Kenya.

Despite their numerous benefits, the learning institutions are faced with a lot of challenges in the rapidly changing business environment. These challenges require that they change tactic to continue to survive in the future, some challenges come as a form of new dynamics emerging in current trends. The private universities have been facing challenges with declined revenues, insignificant programs which do not attract international students, inadequate research resources, high rate of staff turnover, declined number of students and increased cost of operations (Orucho, 2018). CPS Research International (2021) report revealed that over 60% of the private universities in Kenya were in debt crisis with more the 80% of the universities having closed at least one of their satellite campuses between 2016 and 2018. Ministry of Education (2021) report points out that over 40% of the private universities in Kenya have laid-off more than 60% of their workforce in a span of five years since 2014.

Several research has been done to show how change management has been used to achieve organizational performance. Nyabala (2018) examined the effects of change management on financial performance of Sony Sugar Company Limited which stated that Business Process reengineering is very crucial for firm performance in the change process. Kinoti (2019) studied effects of change management on employee performance in co-operative bank of Kenya limited. The study revealed that employee performance was highly attached on how effective change management practices were carried out and managed. Kurgat, (2019) studied the Effect of Change Management on Organizational Performance of Media Companies in Kenya. From the empirical evidence it is obvious that change management has been focused across different sectors with less focus on the private universities. Therefore, this study aims to study the effects of change management on performance of private universities in Nairobi County.

### **Research objectives**

This study was guided by the following specific objectives;

- i. To determine the influence of organizational culture on performance of private Universities in Nairobi County
- ii. To ascertain the influence of human resource capital on performance of private Universities in Nairobi County

## **LITERATURE REVIEW**

### **Theoretical Framework**

#### **Kurt Lewin's Model**

The model is a planned approach to organizational change that was first mentioned by Kurt Lewis 1951, relating to how group decisions are made, implemented and how social change occurs. Lewin's three-step change model portrays an organizational system's change process as a sequence of transitions between different phases of unfreezing, transition state, and re-freezing. Unfreezing entails changing the current stable equilibrium that maintains existing behaviors and attitudes. This method must consider the inherent hazards that change poses to people, as well as the necessity to inspire those affected to achieve a natural state of equilibrium by accepting change. Changing

entails coming up with fresh reactions based on new facts. Refreezing entails stabilizing the change by instilling the new responses in the personalities of individuals affected.

Unfreezing includes a reduction in field forces that preserve an existing organizational culture and operational method. It entails dissolving psychological attachment to the past by the use of facts demonstrating the existence of difficulties (Graetz et al 2016). The premise is that before old behavior can be rejected (unlearned) and new behavior can be successfully acquired, the equilibrium must be destabilized (unfrozen). Burnes (2014) elaborates on Lewin's theories, stating that the key to unfreezing is to acknowledge that change, whether at the individual or collective level, is a profound psychological dynamic process.

According to Fullan (2011), the transition state is a stage in the change process when people are no longer acting as they used to, but have settled into a new pattern of behavior. The urge to relieve anxiety fuels a strong motivation to seek out, process, and use information in order to create a new state of stability or revert to the previous condition. One constant finding about the change process is that there is an initial drop in an organization's performance as change is introduced into the organization's ongoing activities.

Refreezing entails cultural reinforcement of newly learned behaviors. The goal of refreezing is to guarantee that the new behaviors are coherent with the rest of the learner's behavior, personality, and surroundings in order to avoid a new cycle of disconfirmation (Burnes, 2014). It is implied here that Lewin considered successful change as a collective activity since changes in individual behavior will not be sustained until group norms and routines are modified (Graetz 2016).

### **Resource Based Theory**

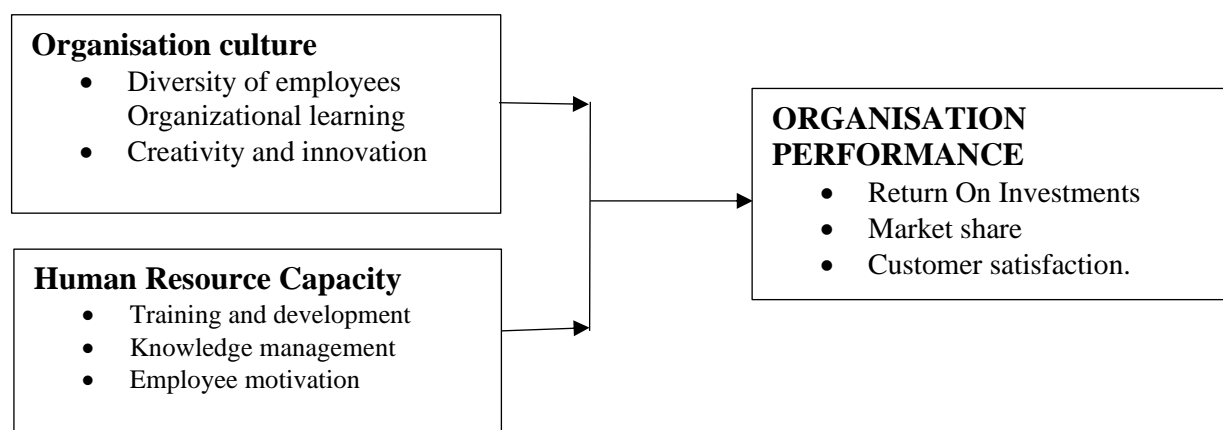
The work of Penrose (1959) provides the foundation upon which the modern understanding of the RBV exists. Penrose identified that each firm constitutes a pool of interchangeable resources, hence firm heterogeneity, and that while possession of unique resources were fundamental in attaining firm performance, which also gave rise to imperfect competition and supernormal profits, mere resource possession was insufficient. Instead, Penrose found a link between resource application, revenue creation, and firm performance. Wernerfelt (1984) was another early researcher to find a link between the resources of firms and competitive advantage, and he coined the phrase the 'resource-based view'. Building upon Penrose (1959), Wernerfelt (1984) considered firms as resources and not product markets and developed ways of examining the relationship between firm resources and profitability. Crucially, resources and capabilities should also prevent losses, yet the recurring financial ill- performance of airlines and their very low ROIC questions the resources and capabilities of airlines (IATA, 2018). The RBV suggests that the resources possessed by a firm are the primary determinants of its performance, and these may contribute to a sustainable competitive advantage of the firm (Hoffer & Schendel, 1978; Wenerfelt, 1984). The concept of resources includes all assets, capabilities, organizational processes, firm attributes, information, knowledge, that is controlled by a firm that enable the firm to conceive of and implement strategies that improve its efficiency and effectiveness (Barney, 1991; Daft, 1983). Resource based view is used to aid understanding how well organizations ought to mobilize resources to enhance the capabilities that enable an organization to achieve success in their operations (Kogo & Kimencu, 2018). The theory explains that organization resources are a source of organization capabilities, where organization capability is the capacity of employees to perform some tasks or activities (Mweru & Muya, 2015). The resource-based view of the firm predicts that certain types of resources owned and controlled by firms have the potential and promise to generate competitive advantage and eventually superior firm performance (Ainuddin et al., 2017). This theory concentrates on the chief resources of the organization as the principal source of success and of competitive advantage. However, this does not mean that all resources of an organization

will provide competitive advantage, but some resources must be able to distinctive advantage in the market place. This theory was first brought in light by the US and Japanese strategists in the 1960s and 1970s whose focus was on operations-manufacturing- and on total quality management. The Resource based strategy according to Wernerfelt (1984), Peteraf (1993), Dierickx and Cool (1989), have placed emphasis on the organization resources, its physical resources such as the plant and machinery, its people resources, such as its leadership and skills and above all the way that such resources interact because competitive advantage is brought about by the way these resources and attributes are combined in years that may be difficult for other organization to copy. The Resource based theory draws a distinction between the general available resources within an organization such as the accounting skills and basic technology and those that are special, unique and rare. This theory has argued that only those resources that are rare and unique have the capacity to bring competitive advantage.

### Conceptual Framework

According to (Saunders, Lewis & Thornhill 2019), defined conceptual framework as written or visual relationship between various variables mostly obtained from one or more theories and traces the input-process-output paradigm of the study. (Smith, 2014), refers to conceptual framework as a structure from a set of broad ideas and theories that help researcher to identify a problem, frame their questions and find suitable answer. It as well provide a broad and abstract understanding of a particular phenomenon.

Variables has been defined as anything that can take the differing or varying values, which can differ at various times for the same person, objects, or differ in time for different objects or persons (Sekaran & Bougie, 2019). Variables have been classified into different groups depending with their location in a causal relationship, that is: independent variable or the cause variable, it is used to identify forces or conditions that act on something else, or have an impact on the on other variables (Neuman, 2016). According to Sekaran and Bougie (2019), described independent variable as one that has an influence to the dependent variable in either a positive or a negative way, and it can lead to an increase or decrease in the dependent variable. The dependent variable is of primary interest to the researcher, because it lends itself for investigation as a viable and main factor and through its analysis it provides answers or solutions to the problem at hand (Sekaran & Bougie, 2019).



### Independent Variables

### Dependent Variable.

#### Organisation Culture

According to Awadh & Saad (2013), culture is a combination of values, sets, beliefs, communications, and explanations of behavior that offers people direction. The unwritten

practices, attitudes, and beliefs that govern power dynamics, organizational structure, and decision-making make up organizational culture (Wambugu, 2014). She holds the opinion that an organization's culture is founded on its collective history, traditions, and present leadership principles. Certain aspects of organizational culture might increase durability based on efficacy. Employee commitment increases as productivity rises because norms, values, and goals contribute to an organization's improved culture. The foundation of the organizational structure is the successful creation of a culture that supports a positive learning and working environment.

According to Raduan (2018), an organization that has a strong culture with an effective set of values, beliefs, and behaviors is more likely to function effectively as a whole. However, numerous studies agree that a culture would only continue to be associated with greater performance if it could adapt to changes in the external environment (Stewart, 2015). Armstrong (2019) lists four crucial components of organizational culture. These include the following; work practices, leadership style, organizational values, and climate. No change will result in sustained success unless the culture of the organization and its people are completely supportive of it. Some businesses must alter their organizational cultures in order to thrive in the contemporary economic climate. Changes can be difficult and time-consuming for a company, but the benefits that follow are undeniable. Without changing the culture, there is little chance of a long-lasting change in organizational performance, Cameron and Quinn (2016) stressed in their paper, "Diagnosing and Changing Organizational Culture: Based on Competing Values Framework".

### **Human Resource Capital**

Human capital has been identified as a critical driver of an organization's performance, described as employees' productive abilities, knowledge, and skills. According to Baron and Armstrong (2017) human capital is described as the stock of collective knowledge, skills, experience, creative mind and other significant workforce characters. Human capital is spine of intangible resources and is considered as a vital element in organizations' value (Chen et al., 2011). It includes all intellectual resources of organizations like employees' knowledge and ability which enables them to solve organizational problems and state customers issues (Ditillo, 1998). HC includes employees' knowledge like their capabilities, skills and abilities (Bontis et al., 2020). This forms the basis for intellectual capital.

An inclusive approach to managing and developing human capabilities in order to reach an outstanding level of performance is known as human capital management. Practices in human capital management are a group of procedures targeted at meeting the needs of the organization for particular capabilities. It is a method of hiring employees that views workers as assets with a current worth that can be quantified and a future value that can be increased via investment. It is a "set of practices related to people resource management," specifically in the areas of personnel acquisition, management, and optimization, according to Gartner (2015). In addition to the customary administrative duties, it also involves employee training, workforce planning, and strategy, recruitment onboarding, and reporting. What therefore is the reason for the existence of and management of human capital. Human Resource capital is made up of the store of knowledge propensities, social and psychological qualities, inventiveness, performance ability, and ability to generate economic value in the fierce competition among organizations. A different definition of health care is that it is a collection of resources, including knowledge, talents, skills, abilities, experience, training, judgment, and intelligence, both individually and collectively within a population. These resources can be coordinated to achieve the objectives of the nation or state as a whole and of specific organizations. (Fehmena and Daleep, 2020).

## Performance

Every business, whether for profit or nonprofit, has regarded organizational performance as its most crucial concern. Knowing the elements that affect an organization's success has been crucial for managers in order to implement the necessary changes. However, it has not been simple to define, conceptualize, and measure performance. Different definitions of performance are held by researchers among themselves, and this continues to be a contentious issue among organizational researchers. The main topic is whether diverse approaches to the concept of usage and measurement of organizational performance are adequate (Ubolo Onuche, 2021). An organization, according to Anyadike (2018), is a group of people who actively work together to pursue shared goals. The idea of organizational performance, which is linked to goal achievement, is also known as organizational success or organizational worth. According to Nwadukwe & Court (2019), organizational performance is the process of determining the extent of an organization's performance level. According to Iwu et al. (2015), organizational performance refers to how well a social structure known as an organization, using the resources and tools at its disposal, accomplishes its goals without exhausting its resources or putting undue burden on its members. Performance is frequently used in an indiscriminate manner to refer to everything from effectiveness to improvement. Determining and attaining specified goals is related to an organization's performance (Enos, 2017). According to Enos (2017), an organization's performance is a sign of how well it is doing at achieving goals that are concrete, precise, quantitative, valuable, and personally relevant. Performance, according to McCloy, Campbell, and Cudeck (1994), refers to acts or behaviors that are thought to be relevant to the objectives of the organization in question. They contend further that a performance itself might be considered an action rather than an outcome, consequence, or effect of actions or behaviors. Therefore, they claimed that performance is often multidimensional, which means that for any particular kind of work, there are always a number of important performance factors that stand out based on their cross-correlations and co-variation patterns with other factors.

## Empirical Review

### Organisational Culture and Organisational Performance

According to Rusilowati (2020), organizational culture is a set of beliefs, attitudes, core values, and behavior patterns that individuals in the organization follow. Beliefs are all assumptions and impressions that are accepted as true and legitimate about something, a person, or an organization as a whole. Organizational culture has been defined as long-term patterns of shared values and beliefs that result in behavioral norms used to solve challenges (Owens 1987; Schein 1990). The internal environment of a company is reflected by its culture, which is shaped by the assumptions and attitudes of its management and employees (Aycan et al., 1999). Organizational culture, manifested in its members' beliefs and assumptions, values, attitudes, and behaviors, is a valuable source of a firm's competitive advantage (Hall, 1993; Peteraf, 1993) because it shapes organizational procedures, unifies organizational capabilities into a cohesive whole, provides solutions to problems faced by the organization, and thus hinders or facilitates the organization's achievement of its goals.

According to Kandula (2016), a strong culture is the cornerstone to good performance. He contends that due to differences in organizational culture, the same techniques do not provide the same results for two firms in the same industry and region. A positive and powerful culture can drive an average person to perform and achieve excellently, yet a negative and weak culture can demotivate an outstanding employee, causing them to underperform and achieve nothing. As a result, organizational culture plays a direct and active part in organizational performance. Fellows and Liu (2013) contend that culture affects behavior and, in turn, behavior modifies culture,

promoting learning among employees of the organization and, as a result, the production of new answers to performance-related challenges confronting the firm. The dominant leadership styles, communication, organizational procedures, structures, systems, and the unique concept of success in the eyes of specific companies all contribute to an organization's culture. Values and beliefs shape the structures and systems that are built within an organization, as well as how people interact with one another. Structures and systems, on the other hand, influence organizational members' attitudes.

At KCB, Omega (2022) investigated the perceived association between organizational culture and employee job satisfaction, using a descriptive approach employing only primary data which was the questionnaires found that organizational culture characteristics have a direct impact on organizational performance; if managers get culture right, it can result in a happy, pleased organization, which breeds quite deep devotion to corporate goals.

According to Oduol (2015)'s study on the effect of organizational culture on the performance of subsidiaries of selected regional commercial banks in Kenya, using a descriptive approach. The research used primary data to obtain its findings and established that leaders should develop a good organizational culture that encourages employees and involves them in decision making. As a result, the work force will exert more effort since they will experience a feeling of ownership in the company, reducing the top-down communication strategy. A good corporate culture should align with the organization strategies and customs. This could be interpreted to mean that workers will afterwards perform their tasks attentively, eliminating errors and leading to higher performance on both their part and that of the bank. According to the study's findings, current organizational cultures must support and be consistent with targeted plans as well as the day-to-day operations of employees if company performance is to improve. Banks need to support a corporate culture that inspires workers and makes them feel like they belong to the company if they want to stay competitive.

Owino and Kibera (2019) did on a study on organizational culture and performance evidence on microfinance institutions using a descriptive approach with data obtained from both primary and secondary sources and established that organizational culture is linked to non-market performance urging that financial independence and sustainability is promoted by organizational culture. They concluded that a good culture aligned with structure and strategy ensures a competitive advantage.

### **Human Resource Capital and Organisational Performance**

The most successful businesses in the knowledge economy are those who make the best use of their human capital value based on the operation of their organization. (Sujata & Supriyo, 2020). The biggest assets of any company are its people, and businesses invest a lot of money in enhancing the skills of its staff members (Andrews & Boyne, 2010). Employees are more equipped to accomplish corporate goals thanks to human resources capacity enhancement. According to Sanda and Sraha's (2011) argument, in order to properly develop Ghana's public sector's human resource capability, critical requirements are training and empowerment. The company's mission and commercial objectives are primarily served by employee empowerment and training. It is well acknowledged that the concepts of training, education, and human resource development are all intimately tied to human resource capacity building. Building human resource capacity takes into account people's evolving knowledge, abilities, and attitudes.

Atieno and Kyongo (2017) carried out research on how change management techniques affect an organization's performance. They came to the conclusion that it is impossible to implement a significant change within an organization without the support of one or more change agents, such as key personalities or individuals who are either internal or external and whose main goal is to



nurture, encourage, and monitor change. This means that the strategies must be implemented with the help of change agents.

E.A Olatubosun et al, (2015) studied Influence of Human Capital Management on Organizational Performance. The main objective of the study was to examine the extent to which human capital management influence organizational performance, and examine whether management disposition to human capital management has any relationship with career development of employees and organizational performance. The study adopted descriptive research design of correlation type to determine if there is relationship between human capital management and organizational performance in the banking industries in Ondo town. the study found that t human capital management significantly influence organizational performance, it further concluded that organizations adopting the high-involvement human capital development system will enhance specific human capital and in turn, increase higher creative performance of employees and eventually enhanced the achievement of the overall goal of positive organizational performance.

Amin et al (2022) studied Human capital and organizational performance: A moderation study through innovative leadership. The present study employed a quantitative research approach and found that Human capital is one of the most crucial resources for the organisation, especially for those operating in the hospitality sector. Since the hospitality sector is highly human power dependent, their skills, knowledge, and capabilities are also crucial for hospitality organisations. For management staff, organizations must focus on the leadership to keep the operation streamlined since their work is being done in layers, from reception to service providers to managers

## **RESEARCH METHODOLOGY**

This study used a descriptive research design, which is a sort of research approach used to explain the characteristics or behavior of a certain population or phenomenon (Gall et al., 2018). The population of the study was 20 private universities in Nairobi County. The sampling structure for the study was generated from private Universities, ranging from management through subordinates and students. The Yamane formula is a statistical technique for determining sample size for a survey or research study. The sample was 222 respondents.

This study used both primary and secondary data (annual reports, journals), with the primary using questionnaires, which are research instruments that may be used to ask a large group of questions at the same time. The questionnaire included both closed and open-ended questions.

Quantitative data was analyzed using descriptive and inferential analysis techniques assisted by Statistical Packages for Social Sciences (SPSS Version 23). Descriptive analysis encompassed median scores, percentages, standard deviations, frequencies and mean while inferential statistics incorporated correlation and multiple regression analysis to assist in estimation of the level of relationship between the variables. Presentation of the already analyzed data was done using tables, charts and other info- graphics considered appropriate for the study.

## **RESEARCH FINDINGS AND DISCUSSIONS**

For the final research, the study administered 200 questionnaires for the purpose of collecting data. From that 165 were dully filled and returned giving a response rate of 82.1%. Mugenda and Mugenda (2018) suggested that 50% response rate is adequate to give viable results,60% is good while 70% and above is very good response rate therefore 82.1% was excellent for analysis and giving reliable results for the study.

## Descriptive Statistics

### Human resource capacity

This study sought to determine the effect of Human Resource capacity on performance of private Universities in Nairobi County. The findings are presented as follows:

Statement	Mean	SD
The institution has HR capacity building initiatives in place to support organizational development and change.	4.27	.828
HR capacity building enhances organizational development	4.32	0.671
The institution has employee empowerment programs.	4.25	.609
Employee empowerment enhances organizational efficiency	4.10	.886
Employees at the institution are performing better because of empowerment programs	4.25	.854
Employees' work productivity has increased as a result of trainings	4.24	.738
Conducive work environment is essential for organizational development	4.30	.774

The findings present the respondents' feedback on the effect human resource capacity building on performance of private Universities in Nairobi County. The responses were tabulated in means and standard deviation derived from a Likert Scale of 1-5, where; 1-strongly disagree, 2 disagree, 3-neutral, 4-agree and 5-strongly agree. The findings revealed that the respondents agreed that private universities has human resource capacity building initiatives in place to support organizational development and change with a mean of 4.27 and SD = 0.828. The respondents agreed that human resource capacity building enhances organizational development at private universities with a mean of 4.32 and SD = 0.71. The respondents agreed that private universities has employee empowerment programs in place with a mean of 4.25 and SD = 0.609. The findings show that the respondents agreed that employee empowerment enhances organizational efficiency with a mean of 4.10 and SD = 0.886. The findings show that the respondents agreed that employees at private universities are performing better because of empowerment programs with a mean of 4.25 and SD = 0.854. The findings show that the respondents agreed that employees' work productivity at private universities has increased as a result of trainings with a mean of 4.24 and SD = 0.738. The respondents of the study also agreed that Conducive work environment is essential for organizational development at private universities with a mean of 4.30 and SD = 0.774. The findings agree with Olatubosun (2015) found that human capital management significantly influence organizational performance, organizations adopting the high-involvement human capital development system will enhance specific human capital and in turn, increase higher creative performance of employees and eventually enhanced the achievement of the overall goal of positive organizational performance.

## Organization culture

This study sought to determine the effect of organizational culture on performance of private Universities in Nairobi County. The findings are presented as follows:

Statement	Mean	SD
Organization culture is critical for organizational performance	4.61	.668
Adaptability culture is essential for implementing change	4.41	.689
Entrepreneurial culture supports and recognizes each other's efforts and provide positive rewards	4.29	.770
Adaptability culture is essential for creating superior competitiveness	4.27	.843
Entrepreneurial culture enhances search for new opportunities	4.32	.825
Mission culture encourages general direction in the organization	4.19	.769

The findings in Table 2 presents the respondents' feedback on the effect organizational culture on performance of private Universities. The responses were tabulated in means and standard deviation derived from a Likert Scale of 1-5, where; 1-strongly disagree, 2 disagree, 3-neutral, 4-agree and 5-strongly agree. The findings revealed that the respondents agreed that organization culture is critical for organizational is critical for performance of private Universities with a mean of 4.61 and SD = 0.668. Furthermore, the findings of the study show that the respondents were in agreement that adaptability culture is essential for implementing change with a mean of 4.41 and SD = 0.689. The findings also show that the respondents agreed that adaptability culture is essential for creating superior competitiveness at with a mean of 4.27 and SD = 0.843. The findings revealed that the respondents agreed that entrepreneurial culture enhances search for new opportunities at private Universities with a mean of 4.32 and SD = 0.825. The findings revealed that entrepreneurial culture supports and recognizes each other's efforts and provide positive rewards with a mean of 4.29 and SD = 0.770. The findings show that the respondents agreed that mission culture encourages general direction in the institutions with a mean of 4.19 and SD = 0.769.

The study agrees with the findings of Oduol (2015) who current organizational cultures must support and be consistent with targeted plans as well as the day-to-day operations of employees if company performance is to improve. Banks need to support a corporate culture that inspires workers and makes them feel like they belong to the company if they want to stay competitive.

## Regression Analysis

The study conducted a multivariate regression analysis so as to determine the significance of the relationship between the dependent and the independent variables.

## Model Summary

**Table 3 model summary**

Model	R	R squared	Adjusted Rsquare	Standard error of the estimate
1	.832	.693	.673	.1194

. Dependent Variable: Performance

b. Predictors: (Constant), Human Resource Capacity, Organization Culture.

Table 4 shows that there is a significant positive relationship between the dependent variables and the independent variables. The R value of 0.832 indicate that there is a perfect relationship between

the dependent variables and the independent variables. The R-squared Value of 0.693 means that 69.3% of dependent variables can be explained or predicted by independent variables.

### Analysis of Variance

The analysis of variance was used to examine whether the regression model was a good fit for the data. The F-critical (4, 169) the F-calculated was 22.345 as shown in Table below. This shows that F-calculated was greater than the F-critical and hence linear relationship between the strategic change and performance of private universities in Nairobi County, Kenya. In addition, the p-value was 0.000, which was less than the significance level (0.05). Therefore, the model can be considered to be a good fit for the data and hence it is appropriate in predicting the influence of the four independent variables on the dependent variable.

**Table 4: Analysis of Variance-ANOVA**

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	19.607	4	4.902	22.345	.058 <sup>b</sup>
Residual	28.256	169	.150		
Total	47.863	133			

Dependent Variable: Performance of Private Universities

b. Predictors: (Constant), Human Resource Capacity, Organization Culture,

### Regression Coefficients

**Table 5. Regression coefficients**

<i>Coefficients<sup>a</sup></i>	Unstandardized		Standardized	t	Sig.
	B	Std. Error	Beta		
(Constant)	1.197	1.119		1.09	0.029
H R C	0.913	.186	.895	4.806	0.000
Org culture	0.628	.268	.591	2.343	0.003

Dependent Variable: Performance

$$Y = 1.197 + 0.193X_1 + 0.628X_2$$

The equation established that considering all other independent variables constant at zero, performance of private Universities in Nairobi County will be at an index of 1.197. Also taking all other independent variables at Zero, a unit increase in Human Resource capacity leads to a 0.913 increase in performance of private Universities in Nairobi County, similarly a unit increase in Organization culture leads to a 0.628 increase in performance of private Universities in Nairobi County.

### Conclusion

This study concludes that there is a significant relationship between human resource capacity building and organizational performance. Human resource capacity building takes into consideration the development of skills, knowledge, attitudes in individuals and groups of people relevant in design, management, maintenance and development of operational and institutional

infrastructures and processes that are meaningful. This study concludes that human resource capacity building enhances employee empowerment in the organization and enhances employee productivity in the organization.

This study concludes that there is a significant relationship between organizational culture and organizational performance. This study concludes that organizational culture forms in response to the need for external adaptation and survival as well as internal integration. The study concludes that adaptability culture is essential in implementing change process within the organization. The culture encourages entrepreneurial values, norms, and beliefs that support the capacity of the organization to detect, interpret, and translate signals from the environment into new behavior responses.

### **Recommendation**

This study recommends that Private Universities should develop its employee competency based on human resource capacity building initiatives in order to attain a competitive advantage that is essential for its objectives.

This study also recommends that Private Universities should embrace an adaptability culture to enable the organization to implement change in the organization in a manner that is in line with external forces of the environment. It also recommends that private Universities should rely on both internal and external environment forces in forming organizational culture that will sustain all kinds of employees coming into the organization

### **Areas of further studies**

Future studies should widen the scope by researching on the influence of strategic change management practices in other non-governmental organizations and Public Universities. Since the predictor variable used in this study only accounted for 62.8% of the dependent variable, further studies should be carried out with different variables. Other scholars should employ a different research design. Other studies should also focus on the challenges faced when implementing change in an organization.

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