BUILDING EMPLOYEE PERFORMANCE THROUGH STRATEGIC MANAGEMENT CHANGE IN STATE OWNED UNIVERSITY IN NIGERIA

*Isioma Jennifer **ORANYE**,*

Department of Business Administration, Faculty of Management Sciences
Delta State University, Abraka, isiomaoranyee@gmail.com

*Damaro **ARUBAYI**,*

Department of Business Administration, Faculty of Management Sciences
Delta State University, Abraka

&

*A.Anthony **KIFORDU**,*

Department of Business Administration, Faculty of Management Sciences
Delta State University, Abraka,
aakifordu@delsu@edu.ng, anthony.kifordu@yahoo.com

Abstract

This study reviewed employee performance through strategic management change using state -owned universities in Delta State. The determining objectives were employee involvement and organizational culture use. The study used a cross-sectional survey research design. The target population consists of 2820 staff (Academic and Non-Academic) of selected tertiary institutions in Delta State. A sample size of 338 employees was selected using simple random sampling technique. Primary data was collected using questionnaires. Analysis was done using descriptive statistics and presented using graphs and tables. The STATA Software package (Version 13.0) was used to analyze the data collected for this study. The results showed that there is a significant relationship between change leadership, change communication and employees' performance. The study further revealed that employee involvement has a great impact on employees' performance. A strong organizational culture creates synergy and momentum that encourages teamwork and enhances employee performance. The study concluded that employee involvement and organizational culture, influence the performance of employees positively. Also, the study demonstrated that though organizational culture is invisible, it has a subtle and far-reaching tangible effect on any change effort.

Keywords: *Employee Performance, Change Management, Employee Involvement, Organizational Culture.*

1. INTRODUCTION

The world economy has become more dynamic because of increasing globalization. In today's business environment, it is obvious that nothing remains the same. The rate of change which business organizations face has increased over the last five decades (Olubayo 2014). This can be attributed to increased advancement in information and communication technology, increasing democratization and liberalization of economies across the globe. Change has become inevitable and a regular feature of business life. Since change has been identified as a constant in business life, it is necessary that the needed attention should be given to change management to guarantee increased business performance.

Managing the effect of change on employees consists of a hard side and a soft side. The hard side refers to the processes, systems, strategies, tactics, and technologies that will help to implement changes and the soft side involves behavioral and attitudinal changes (such as persuading, reassuring, and communicating, identifying, and addressing emotional reactions, influencing, and motivating) that will allow the hard changes to be successful (Chien, 2015). Although change has become accepted as critical to institutional survival, most change activities fail to achieve projected results (Cropanzo, Anthony, Daniels & Hall, 2017). In any case, one thing is to deliver a transitory change and another thing is to support it. For sustained performance, must be competent enough to oversee change. This study focused on the soft side of the change and how effective management of the human side of change can result in improved employee performance. This was done by looking at some variables of Change Management (Change Leadership, Change Communication, Employee Involvement in the change process, Employee Training and Development and Organizational Culture) and Employee Performance.

In Africa, like the rest of the world, change is inevitable. Most African countries have undergone series of changes. Universities in Africa have gone through tremendous changes due to growth and expansion of institutions of higher learning. To compete globally, universities have embraced change management factors such as culture, technology, leadership, and structure which affects both employee and organizational performance.

They still must embrace change based on the current dynamics of university education worldwide. The institutions are still in the process of restructuring to meet the requirements of

the Nigerian University Commission. They must implement and constitute new structures, technology, culture, and leadership changes to meet their goals and objectives.

The problem.

Identifying the need for organization-wide change and leading organizations through change is widely recognized as one of the most critical and challenging responsibilities of organizational leadership. Implementing successful change programs in organizations is quite problematic. The low success rates of change programs are often attributed to resistance to change on the part of employees. Although planned change is intended to make the organization more effective and efficient, resistance from members of the organization is expected as they foresee potential threats that can affect their future. This study seeks to address this by examining the human aspect of the change process and how effective change management strategies can affect employee performance. Employees react to change based on its personal impact on them. Perceived favorable impacts generally lead to support for the change and perceived unfavorable impacts may lead to change resistance.

Objectives

1. to establish how Employee Involvement in the change process influences Employee Performance.
2. to determine the relationship between Organizational Culture and Employee Performance.

Hypotheses

H_01 There is no significant relationship between Employee Involvement in the change process and Employee Performance.

H_02 There is no significant relationship between Organizational Culture and Employee Performance.

2. LITERATURE UNDERPINNINGS

Change Management

According to Greener (2010) in Schutte-Lyth, Chetty and Karodia (2016), all employees will go through change management at some point in their working life. Managers must understand

that change does not always mean improvement, but improvement always means change. Managers become true leaders by understanding team motivation and encouraging engagement thereby laying the foundation for the positive impacts of successful change management.

To obtain the right business target, any change should have the right process to follow by way of acknowledging the technical and people side. The objective is to help the individuals impacted by the change to be successful by building support, addressing resistance, developing the required knowledge and ability to implement the change, and ultimately making successful personal transitions resulting in the adoption and realization of change.

Employee Involvement

Employee involvement is a process for empowering employees to participate in the process of managerial decision-making and improvement activities appropriate to their levels in the organization because at the end of the day the only thing that differentiates one organization from another is its people (Thomas, Tendai, Zororo & Obert, 2019). Change management research (Zhou, Hu, & Shi, 2015) indicates that if a proposed change cannot be aligned with the core vision, mission or goals of an organization then the collective commitment of organisation members to the change may be difficult to obtain. Any proposed change would be more readily accepted if it promises to benefit those who are involved. Employee participation and involvement increases workers' input into decisions that affect their well-being and organizational performance. A growing body of research suggests that employee involvement in planning phase has a positive impact on change implementation (Muia, 2015). Employees that are allowed to participate meaningfully in change are more committed to its success because their relevant contributions are integrated into the change plan.

Nowadays employee involvement and participation in corporate decision-making process has been increasing. Many organizations like Addidas and Tata Consultancies are focusing on employee's participation and involvement to create a feeling of importance among the employees and to create organizational environment in which they feel proud for contributing in planning and making decisions for achieving strategic goals (Tavakoli, 2010).

Organizational Culture

The ability of an organization to successfully implement change is largely affected by its values, assumptions and the interplay between organizational culture and environment.

Organizational culture comprises the unwritten customs, behaviours and beliefs that determine the rules of the game for decision-making, structure, and power (Wambugu, 2014). The performance of employees improves by establishment of strong culture of an organization. Employee performance would be considered as the backbone of an organization as it leads to its development effectively.

Although organizational culture can significantly contribute to organizational performance, it can become a major disadvantage to successful implementation of a new strategy in organizational change. The business world includes many examples of failures in organizational transformation as a result of culture clashes (Torlak, 2015). Cultural obstructions in change management are a significant issue that is worrisome for managers. Organizations that support strong adaptive cultures valuing creativity, innovation, experimentation, and risk taking are able to adapt to changes in the environment, perform better and survive.

Change has to do with the human being, and sometimes great effort must be spent on changing the values that people have internalized. When there is a change within the organization it may affect their behavior, shared beliefs, the way they do their jobs or the rules that shape mental models. Shared mental models are a part of organizational culture (Gill, 2003), so to achieve the desired result, it is important for change leaders to consider human factors and organizational culture.

Resistance to Change

Organizations by their very nature are resistant to change and conservative in adapting to changes. No matter how successfully perfects a proposed change may be, accepting and implementing the change might pose great challenges to management. The instinct of people to defend the status quo presents a set of challenges that management need to overcome in order to bring about change.

Although organizational change can be initiated by management or imposed by specific changes in policy and procedure or because of external pressure, organizational change is management's attempt to have organization's members think, behave and perform differently (Kreitner & Kinicki, 2010). However, people respond to change differently. Some people readily embrace change initiatives while others fight change (Aryee, Chen, & Budhwar, (2014).

Employee Performance

Employee performance suggests employee productivity, efficiency, and effectiveness at work. (Khan & Jabbar, 2013). Sinha (2001) in Kwizera, Olutayo, Irau, Wandiba, Abiria. & Bayo (2019) defined employee performance as depending on the willingness and the openness of the employee to do the job. Employee performance in the organization is very important in determining company's success and profitability. According to Chien (2015), a successful organization requires employees who are willing to do more than their usual job scope and contribute performance that exceed goal's expectations. Employees' performance is imperative for organizational effectiveness in an increasingly competitive environment (Aryee, Chen & Budhwar, 2014). In the contemporary business environment, most of the companies facing challenges are obligated to put more emphasis on enhancing employees' performance (Gruman & Saks, 2011 in Kwizera et. al. 2019). It is argued that to achieve effective performance, management needs to empower employees to design their job and roles.

Employee Involvement and Employee Performance

The involvement, participation, and empowerment of employees in decision-making are among the important antecedents to the people side of change management. Employees are either the change implementers or the change recipients thus their ultimate commitment does determine the extent to which the change initiatives will be a success making them a critical change ingredient (Georgalis, 2015 in Thomas et al., 2019). If employees take part in decision making, they are more likely to implement and support the change initiatives (Al-Jaradat, Nagresh, Al-Shegran, & Jadellah, 2013).

Employee involvement promotes more effective communication and reduces industrial friction. Levels of employee morale are known to improve through employee involvement as it creates a sense of belonging. Where there is employee involvement, levels of commitment amongst employees towards goal attainment tend to be high. Employee involvement works for the good of any given change plan. The people side of change management is as important as the technical side thus the human element cannot be ignored (Thomas et al., 2019). If an employee's contributions are taken on board, the final output may surpass the initially anticipated outcome.

Involvement of employees increases motivation, ownership, and commitment to the organization and ultimately it helps to retain your best employees and to create an environment

for managing change. By promoting employee initiative and even employee involvement in decision-making, managers can help restore employee trust and commitment and help increase employee motivation.

Organizational Culture and Employee Performance

Culture is defined as a mixture of values, sets, beliefs, communications, and explanation of behaviour that provides guidance to people (Ahmed, Khuwaja,, Brohi, , & Othman, bin 2018). Organizational culture comprises the unwritten customs, behaviors and beliefs that determine the rules of the game for decision-making, structure and power (Wambugu, 2014). Culture is based on shared history and traditions of the organization combined with current leadership values. Organizational culture has certain factors that improve sustainability based on effectiveness. The improvement in productivity leads to employee commitment as norms, values and objectives helps in improving culture of an organization. The system of organization is based upon effective establishment of culture that keep learning/work environment strong.

3. THEORETICAL FOUNDATION

McKinsey 7S Model

The 7S Model has been extensively used by consultants and managements across organizations. The McKinsey 7S Model is hinged on the belief that an organization is made up of interconnected elements namely: Structure, System, Strategy, Staff, Skill, Style and Shared values (Armenakis, and Harris, 2022),. Of these seven elements, three namely structure, strategy and systems are referred to as the hard elements while the remaining four elements namely skill, staff, shared values and style are the soft elements. Due to the interconnectivity that exists among the seven elements, each one of them affects the others hence the need to align them strategically in order for change to be successfully managed. Any change in one of these elements will have repercussions on the other elements. For example, a change in the organization's systems will have an implication on the skills, staff, structure and in turn will have an implication on the strategy. Trying to change just one element and maintain the others static will result in the other elements resisting thus the status quo will be maintained. In this regard, any form of change is seen best as a shift in the whole picture (Udeh, & Igwe, 2013).

To successfully introduce and implement change management so as to bring about improved employee performance, managers need to balance between structures and existing systems

(Hard factors) and style, skill, right and staff (soft factors) within a shared values framework, hence this theory is quite important for the study topic.

Empirical Review

Similarly, Al-Jaradat, Nagresh, Al-Shegran and Jadellah (2013) conducted a study that aimed to identify the impact of change management on employee's performance, through a case study of university libraries in Jordan. Three areas of change were addressed, the change in organizational structure, technological change and change in individuals. The researcher designed a questionnaire for the purpose of collecting the raw data, and used random samples in data collection, 220 questionnaires were distributed on the members of the sample. The study found that change in the organizational structure is not flexible, and therefore this organizational structure is not appropriate for the business requirements within the University Library, leading to overlapping powers and responsibilities. The study found a positive relationship between the areas of change (organizational structure, technology, individuals) and the performance of workers. The study recommended that in order to ensure the success of the change program, it is appropriate to focus on organizational structure, human relations and technology and there must be a balance between these aspects to improve the performance of employees and this in turn reflects the quality of productivity.

Similarly, Olajide (2014) carried out research on change management and its effect on organizational performance of Nigerian telecoms industries using empirical insight from Airtel Nigeria. A total of 300 staff of Airtel were randomly selected from a staff population of 1000. Three hypotheses were advanced to guide the study and data collected for the study were analyzed using One-way Analysis of Variance. The result revealed that changes in technology had a significant effect on performance and that changes in customer taste have a significant effect on customers' patronage. The result also shows that changes in management have a significant effect on employee's performance.

4. METHODOLOGY

This study applied a descriptive design involving quantitative method of data collection. A population of 2820 was used. Sample size of 338, using the Krejcie and Morgan Table of the sample size. The results obtained was correlated using Pearson Linear Correlation Coefficient (PLCC). The data collected was analyzed using STATA. It is a complete integrated statistical software package that provides everything needed for data analysis, data management and

graphics. The multiple linear regression technique was employed in showing the relationship between the dependent variable and the independent variables.

5. RESULTS AND DISCUSSIONS

Table 1: Regression Analysis output

```
  Source |       SS         df       MS              Number of obs =       320
---------+------------------------------             F(  5,   314) =    117.38
   Model | 154.264705       5   30.8529409           Prob > F       =    0.0000
Residual | 82.5352953     314   .262851259           R-squared      =    0.6515
---------+------------------------------             Adj R-squared =    0.6459
   Total |      236.8     319   .742319749           Root MSE       =    .51269


----------------------------------------------------------------------------
  emppef |     Coef.   Std. Err.       t    P>|t|     [95% Conf. Interval]
---------+------------------------------------------------------------------
  chgled |  .1360228   .0358169      3.80   0.000     .0655513     .2064943
  chgcom |   .215901   .0369569      5.84   0.000     .1431866     .2886155
  empinv |  .2093214   .0458505      4.57   0.000     .1191085     .2995344
  emptrn |  .1363075   .0617096      2.21   0.028     .0148909      .257724
  orgcut |  .3368998   .0619657      5.44   0.000     .2149793     .4588203
   _cons |  .0941985   .1707378      0.55   0.582    -.2417363     .4301333
----------------------------------------------------------------------------
```

Test of Hypotheses

Decision Rule

Ordinary least square (OLS) multiple regression analysis was employed as an analytical tool for testing the hypothesis formulated in chapter one. The alternate hypotheses advanced as tentative answers to the research questions of the present study were tested to see whether they are supported by the empirical data or not.

Ho3: There is no significant relationship between Employee Involvement in the change process and Employee Performance.

The regression result output in table 1 reveals that Employee involvement in the change process has a significant and positive effects on employee performance (Coef. 0.2093, p = 0.000), the p-values for employee involvement is less than 0.05, hence, we reject the null hypothesis and accept the alternate, which state that there is a significant relationship between employee involvement in the change process and employee performance in the selected tertiary institutions in Delta state**.**

Ho₅: There is no significant relationship between Organizational Culture and Employee Performance.

The regression result output in table 1 shows that organizational culture has a significant positive effect on employee performance in the selected tertiary institutions in Delta State (Coef. 0.3368, p = 0.00), since the p-values for organizational culture is less than 0.05, we reject the null hypothesis and accept the alternate, which state that there is a significant relationship between organizational culture and employee performance in the selected tertiary institutions in Delta state**.**

As indicated in Table 1, Adjusted R-Squared of the models is 0.6459 implying that 64.59% change in employee performance is accounted for by the joint predictive power of change leadership, change communication, employee involvement in the change process, employee training/development and organizational culture.

6. DISCUSSION OF RESULTS

Employee involvement and employee performance

The third objective of the study was to establish relationship between employees' involvement in the change process on their performance. From the findings the organization largely recognizes, involves, and supports team leaders in change introduction and implementation. The majority of the respondents strongly agreed that the organization values the role played by teamwork in change management and therefore empowers such teams. Many managers agreed that consultation happens as a continuous process in the entire process of change introduction and implementation in the organization and participation of stakeholders in change management happens at all stages of change introduction and implementation.

The regression result output in table 1 indicates that employee involvement in the change process has a significant and positive effects on employee performance in the selected tertiary institutions in Delta state (Coef. 0.2093, p = 0.000), the p-value for employee involvement is less than 0.05, hence, we reject the null hypothesis and accept the alternate**.** This implies that when more involvement of employees in the change process, their performance is bound to increase. On the other hand, when employees are less involved in the change process, their performance will decline in the selected tertiary institutions in Delta state.

Organizational culture and employee performance

The finding also shows that organizational culture has a significant and positive effects on employee performance in the selected tertiary institutions in Delta State (Coef. 0.3368, p = 0.0000), since the p-values for organizational culture is less than 0.05, we reject the null hypothesis and accept the alternate, which state that there is a significant relationship between organizational culture and employee performance in the selected tertiary institutions in Delta State. What this means is that when the organizational culture of selected tertiary institution in Delta state is favorable, there is also a rise in the performance of their employees and vice versa.

This finding is in line with Wambugu (2014) investigative outcome that the performance of employees improves by establishment of strong culture of an organization. Torlak, (2015) also found that organizations that support strong adaptive cultures valuing creativity, innovation, experimentation, and risk taking are able to adapt to changes in the environment, perform better and survive.

7. CONCLUSION

Employee involvement is not only the key contributing factor to successful organizational change efforts but also a tool of enhancing their performance during and after the entire process. Also, Organizational members work outputs are more inclined to improve during change period when they perceive the organizational culture to be great.

Recommendations

1. To make sure that the employees' involvement in change process is meaningful, the scope and constraints should be clearly defined.
2. To promote culture favorable to change efforts, top management should first measure cultural values, then intentionally align culture around overall company strategy and structure.

REFERENCES

Ahmed, A., Khuwaja, F. M., Brohi, N. A., & Othman, I. bin L. (2018). Organizational Factors and Organizational Performance: A Resource-Based view and Social Exchange Theory Viewpoint. *International Journal of Academic Research in Business and Social Sciences, 8(3), 594–614.*

Al-Jaradat, O., Nagresh, M., Al-Shegran, A. & Jadellah, N. (2013). Impact of Change Management on the Performance of Employees in University Libraries in Jordan. *European Journal of Business and Management, 5(2), 169-178.*

Armenakis, A. A. and Harris, S. G. (2022), Crafting a change message to create transformational readiness. *Journal of Organizational Change Management 15(2), pp. 169–183*

Aryee, S., Chen, Z. H., & Budhwar, P. S. (2014). Exchange Fairness and Employee Performance: An Examination of the Relationship Between Organizational Politics and Procedural Justice. *Organizational Behavior and Human Decision Processes, 94(1), 1-14.*

Broni, E. (2016). Strategic Change and Employee Performance: The Mediating Role of Human Capital a Case Study of Anglogold Ashanti-Obuasi Gold Mine. A thesis submitted to the Department of Marketing and Corporate Strategy of the Kwame Nkrumah University of Science and Technology in partial fulfilment of the award of the degree of Master of Business Administration.

Chien, M.H. (2015). An Investigation of the Relationship of Organizational Structure, Employee's Personality and Organizational Citizenship Behaviors. *Journal of American of Business, 5(2), 428-431.*

Cropanzo, R., Anthony, E.L., Daniels, S.R., Hall, A.V. (2017). Social Exchange Theory: A Critical Review with Theoretical Remedies. *Academy of Management Annals, 11(1), 1-38.*

Gill, R. (2003). Change Management – or Change Leadership? *Journal of Change Management, 3(4), 307-318.*

Khan, M.M., & Jabbar, M. (2013). Determinants of Employees Performance in Corporate Sector: Case of an Emerging Market. *Business and Management Research, 2(3), 25-32.*

Kwizera, M., Olutayo K.O., Irau, F., Wandiba A., Abiria. P. & Bayo, I. (2019). Effect of Organizational Change on Employee Performance among selected Commercial Banks in Bujumbura, Burundi. *East African Scholars Journal of Economics, Business and Management, 2(4), 225-234.*

Muia, C.M (2015). Change Management Challenges Affecting the Performance of Employees: A Case Study of Kenya Airports Authority, Nairobi. A Research Project Submitted to the School of Management and Leadership in Partial Fulfilment of the Requirement for the Award of the Degree of Executive Masters in Business Administration of the Management University of Africa.

Olajide, O. T. (2014). Change management and its effects on organizational performance of Nigerian telecoms industries: Empirical insight from Airtel Nigeria. *International Journal of Humanities Social Sciences and Education, 1(11), 170 – 179*

Olubayo, O.T., (2014). Change Management and its Effects on Organizational Performance of Nigerian Telecoms Industries: Empirical Insight from Airtel Nigeria. *International Journal of Humanities Social Sciences and Education (IJHSSE) 1(11), 170-179.*

Schutte-Lyth, A.S., Chetty, N. & Karodia, A.M., (2016). An Investigation into The Impact of Change Management on The Wellbeing of Healthcare Workers at Rumailah Hospital in The State of Qatar. *Singaporean Journal of Business Economics, and Management Studies, 4(11), 1-36.*

Tavakoli, M. (2010). A Positive Approach to Stress, Resistance, And Organizational Change. *Social and Behavioral Sciences, 5, 1794-1798.*

Thomas, B., Tendai, K., Zororo, M., & Obert, S. (2019). Employee Involvement in Change Management in Organisations: A Case of the Zimbabwe Electricity Transmission and Distribution Company (ZETDC). *IOSR Journal of Economics and Finance, 10(2), 14 - 27*

Torlak, G.N. (2015). Improving the Role of Organizational Culture in Change Management through a Systems Approach. *Research Gate, 1-43.*

Udeh, S. N. and Igwe, N. N. (2013) "Effects of Mergers and Acquisitions on Return on Capital Employed and Dividend per Share Indices of Companies in Nigeria. *International Journal of Business Administration, 4(5), 51-72.*

Wambugu, L.W., (2014). Effects of Organizational Culture on Employee Performance: A Case Study of Wartsila - Kipevu Ii Power Plant. *European Journal of Business and Management* 6(32).

Zhou, W., Hu, H., & Shi, X. (2015). Does organizational learning as a change management strategy lead to higher firm performance? An investigation of Chinese listing companies. *The Learning Organization, 22(5), 271–288.*