

Effect of Electronic Communication on Organisational Performance of World Vision Kenya in Selected Counties

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Abstract: The study sought to establish the effect electronic communication has on organisation performance. The findings of this study were useful to the management of WVK by providing highlights on how virtual operations have impacted organization performance. On one hand, the findings of the study have contributed to the body of knowledge in place in the field of virtual operations. Small medium enterprises can also make use of the study findings to improve their performance by reducing the number of physical locations and employees through virtual operations. The study focused on the resource based theory, dynamic capability theory, knowledge based view theory and complexity theory. The study adopted descriptive research design. The target population included 10 field offices with 258 employees in World Vision Kenya in selected counties. Stratified sampling technique was used to select respondents. 10 respondents were selected from each stratum with the focus being 10 counties. Closed ended questionnaires were used for data collection from the respondents. Data was analysed using descriptive statistics; measures of central tendency and measures of variability and inferential statistics which were conducted using Pearson correlation and multiple regression models. The study concluded that virtual operations improve organizational performance especially in this era of technology advancement and cut throat competition in all sectors. Virtual operations impact business processes which in turn affect funding. Virtual operations improves efficiency ratio that is administration versus direct project cost, speed of implementation, lead time and operational costs. The researcher recommends that organisations should adopt virtual operations to leverage on the changing NGO world.

Keywords: Electronic Communication, Virtual Operation, Organization, Performance.

1. INTRODUCTION

Sustainable organization is one that is able to address present business needs and possesses the swiftness and strategic management to get ready for its future business, market, and working surroundings by considering factors that affect organization. This could be either internal or external, for example changes in IT and customer needs. In addition a sustainable organization needs to ensure its employees and other interested parties operate in a safe environment for its growth. Successful organization also addresses social, environmental and economic challenges affecting its surrounding. Organization performance is measured by the ability to meet its strategic objectives, proper utilization of scarce resources and stakeholder's satisfaction (Martell and Carroll's 1995), they further indicated that in analyzing performance an organization needs to scrutinize its trends that includes the firm, industry, and technology forecasts; and associations and correlations Stewart (1993). Organization performance was measured by efficiency, effectiveness, ability to implement new technologies and the impact of technology implemented on the performance. In measuring performance, organization use both financial and non-financial measures. Financial performance measures are aimed at maximizing shareholder wealth, survival and growth of an organization. Financial ways of measuring organizational growth includes profitability, turnover, liquidity and return on investments. Non-financial measures of growth consist of market share, size of work force and products numbers. These indicators also measure the long term survival and stability of the organization (Kaplan 2013).

Organization success is determined by a number of non-financial indicators that play a major role in management of personnel, quality of offering, brand visibility and profile of the company. A product ought to be analytically and factually compared with others in the market and with consumer expectancy that is the value of the product, ability to satisfy the customer, availability of substitute, emergency of new entrants in the market and change in the external environment. Quality is generally grounded on factors that ought to be identified, analyzed and measured over time. Performance on all the factors needs to be consolidated to give the big picture. Developing and maintaining a brand is expensive. Brand development enhances performance. The worth of a brand profile is centered on the degree of loyalty, awareness, perceived quality, goodwill and patents. For non-governmental organizations the key performance indicators are cash flows, current earning and future earnings, brand maintenance in terms of loyalty and quality and impact of projects implemented (Kaplan2013).The study focused on both financial and non-financial performance which was measured by, cost of operation, increased donor funding, increase in efficiency ratio and reduced lead time. The virtual organization is a system of autonomous enterprises interconnected by technology to exchange skills, overheads, and freely access one another's markets with each partner contributing only what it considers its core competencies. In this way the virtual organization extends the existing markets of the partnering companies while sharing resources so as to improve operations as a whole. High-speed Internet connections which facilitate remote collaboration, and improved telephone conferencing systems all allow employees to work smoothly with colleagues around the world (Thompson, 2009).

An organization or company which is geographically apart and focused on cost cutting considers making use of the e-mail communications and groupware to conduct its activities which enables it to be a single, unified organization making it more efficient. Hoefling (2001) states that as work is becoming more people-centric than place-centric, the performance of basic functions, such as buying, selling, working, researching, sharing information and communicating, are independent of a certain place, i.e. workplace. Glegg (1990) indicated that organizations must work towards meetingemerging challenges in the postmodern world (Savage 1996) and therefore drop Weberian thoughts of rigidity, technological determinism, diversity and separation as organizational virtues. Organization intending to survive in this changing environment must adopt new technology and the concept of virtuality. The basic objective of any virtual organization structure then is to provide value for both its customers and stakeholder partners.

Mckinsey survey conducted in 2011 showed that the world has two billion people who have access to the Internet. They further noted that every year, transactions worth almost \$8 trillion are exchanged through e-commerce. Some of the developed markets have about two thirds of their businesses having some kind of an online presence. Further, the study noted that there is an extensive use of Web technologies by one-third of small and medium sized businesses. The Internet has transformed many aspects of businesses, individual lives and significantly impacted the growth and development of countries. For a long time, internet was known to be a tool for researchers and geeks but this has changed in the last two decades where it has become a day-to-day tool for billions of people around the world. New technologies have increased complexity of businesses as most of the customers prefer getting information and conducting their transactions through the internet. The emergence of virtual environment facilitated by improved technology has forced organizations to adopt new ways of doing business and align their structures to the changes.

One of the impacts that technology - as defined by Beatty and Ulrich (1993), D'Aveni (1994), Toffler (1999) and Hardison (1989) - has had on society, especially technology that allows people to communicate across intra-organizational and inter-organizational boundaries, is the creation of what Noble (1996) calls the "boundary less organization in a borderless global marketplace". According to Robbins (1996), the boundary less organization "seeks to eliminate the chain of command, have limitless spans of control, and replace departments with empowered teams". In such an organizational structure, vertical boundaries are removed to flatten the hierarchy, and horizontal boundaries are removed in order both to replace functional departments with cross-functional teams and to organize activities around processes. When fully operational, boundary less organizations removes the barrier of geographic distance from external constituencies.

The globalized nature of current business environments leads to the emergence of new networked enterprise organizational paradigms such as procurement, prolonged initiatives, virtual organizations and connected networks, etc. (Ribeiro et al., 2012). Uncertainty, instability, turbulence and insecurity in the competitive environment, i.e. constantly changing business technology, clients' demands, local and global competition and reduced product life cycles are key drivers of the demand for flexible, robust, autonomous, and responsive virtual enterprises (VE) linked together in a supply chain (Samdantsoodol, et al., 2012). Despite the challenges, a competitive and agile supply chain represents a unique opportunity for SMEs to tackle otherwise unreachable markets and opportunities concentrating their efforts on their core

capabilities (Ribeiro et al., 2012) by leveraging collaboration, integration, intra- and inter-organizational networking, dynamic alliances, e-business through the Internet and ICT (Samdantsoodol, et al., 2012).

World Vision Kenya began operations in Kenya in 1974 while responding to severe drought and famine experienced in some parts of the country. Currently WVK employees over 1,000 staff members who work in 56 Area Development Programs which are spread across the 35 counties with various needs, translating to 74% of 47 counties in Kenya. WVK engages with valued partnerships/donors/support offices, to enable communities easily access the knowledge, skills and resources needed to improve the living standards of children and overcome poverty in Kenya. In carrying out its operations WVK engages with various stakeholders including suppliers, donors and the communities. This is made easier by making use of technology which makes the operations more efficient and effective, though there is resistance by staff, illiteracy from the communities and connectivity challenges in some of the areas. Given that WVK operates in 35 counties with employees spread all over the counties its key to employ technology such as Emails, teleconferencing, Skype, use of intranet to communicate as well as online trainings which saves on costs. All offices operate independently with their own budgets and staff but are linked together through technology.

Over the years WVK's performance has improved with increased community projects aimed at eradicating poverty. Positive feedback has been coming from the communities, donors and governments evidenced by the funds received from different government agencies such as EU, USAID, and UKAID among others. The organization enjoys community acceptance all over the country since it has been able to penetrate the most remote areas as well as being accountable to the community through program accountability frameworks where the organization shares its vision with the community and let the community decide on projects to be implemented thus the community is able to give feedback on the performance. The feedback has been good over the years. WVK has experienced tremendous growth in terms of resources. In recent times due to shrinking of humanitarian space, world economic crisis, increase in natural disasters and Syrian crisis there has been reduction in funding for WVK since the focus is on countries that have been hit hard by natural calamities and war where Kenya is not considered as one of them. This has led to WVK being strained on its offering of services hence need to come up with new ways of doing business including automating its processes.

2. STATEMENT OF THE PROBLEM

With decreased donor funding and increase in operational costs, organizations are facing challenges in meeting their goals and remaining relevant therefore they are adopting virtual operations to address the challenges. Virtual operations take time to be fully operational, at the same time they require high initial capital in terms of procuring software, training and interaction in the day to day activities. There exist a gap between virtual operation and organization performance since it's still a new concept and there is resistance to adapt to new ways of doing things (Seattle, 2015). Prior studies evaluated organizational success and survival by focusing on their profitability, measured by return on investment or by net profit (Roberts (1991) Hemer, Berteit et al., 2005). Company growth was another aspect used to measure organizational performance, this is evaluated by staff turnover or the number of employees (Ensley and Hmieleski, 2005; Walter, Auer, and Ritter, 2006). Despite Organizational performance being probably the most widely used dependent variable in organizational research today, it still remains one of the vaguest and lightly described concept. Researchers have over the years struggled to establish a measure of organizational performance. More than thirty years ago, Katz and Kahn (1996) observed that, " It is very clear there is a big problem in coming up with a clear way of measuring organizational performance; its answer is not clear". Scott (1999) reviewed the concept of organizational effectiveness and how it's measured and concluded that, "After examining available literature on organizational effectiveness and its determinants, I conclude that this topic is one that is not well known and further research needs to be conducted".

Most of the research studies carried out on virtual operations have focused on the virtual teams management, challenges, training and effectiveness with few focusing on virtual operations versus organisation performance. Among the studies carried out are: Bell & Kozlowski, (2002) which focussed on effective performance in virtual workforce. Organizations have become more complex and ever changing due to increased reliance on technology leading to increased focus on dispersed, "virtual" workforce to increase efficiency and effectiveness. The research was focused on understanding virtual workers and identifying their contribution towards effective organizational performance. Goal setting, learning and orientation positively contribute to organizational performance. The study didn't focus on the organization processes which are what the virtual workforce deal with on a daily basis. The research study was therefore aimed at establishing the contribution of virtual operations on the overall performance of the organisation.

3. LITERATURE REVIEW

Communication in a virtual team is very different from traditional teams. While traditional team members can meet over a coffee in the coffee-corner at work and discuss ideas through face-to-face communication, virtual team members communicate through video conferencing, phone calls, instant messaging among others. Communication in virtual teams is impersonal and a good collegial relationship is probably harder to achieve, especially when the degree of geographical dispersion is high and team members do not meet personally at all. This can affect the trust within the team, which is decisive for effective communication, successful interactions, and motivation to perform their responsibilities. It is highlighted by Bergiel et al., 2003 that high level of trust and clear communication are key elements of success for virtual teams. Thompson (2004) and Ale Ebrahim et al. (2004) indicated that in the current world, there is a big difference between operational and business environment, this is attributed to the changing innovative communication, information and technology which are shared across organizations. Over the last ten years there has been an upward drift for social media platforms like Facebook, Twitter, LinkedIn, among others that connect people across the world. Virtual communication has shown to have a special ability to mobilize and coordinate people over large distances. Organizations working virtually without a clear communication strategy regularly encounter challenges with internal communication and organizational unity. This normally leads mistrust, unaccountability and poor productivity. Organizations need a clear link between proper communication and clear change management plans to promote virtual working culture. Cohen (2007) believes that, if not properly structured virtual teams can have misunderstandings and miscommunications hence proper training is needed.

The firm is considered as a package of knowledge which builds on the Resource-Based View (Phelan and Lewin, 2000). They describe knowledge as a particular and distinct resource at the center of an organization. Knowledge is considered as both diverse and not easy to imitate and comprehend by outsiders who have don't have an understanding of the organization. This theory is based on a presumption one of the key elements which makes an organization more competitive in the market is knowledge. Key to note is that over time some researchers have questioned whether this theory can be used to study the performance of an organization; they believe that it is not a theory of the firm. Hence making is just a view and not a theory. The view provides a solid theoretical foundation for the organization learning and rational capital investment. One of the unique features of knowledge compared to other traditional economic resources is its ability to be utilized for a long time without being depreciated. Organizations need to continually capacity build their staff on new technology and constantly communicate organizational goals for better performance and survival.

4. RESEARCH METHODOLOGY

The study adopted descriptive research design. The target population included 10 field offices with 258 employees in World Vision Kenya in selected counties. Stratified sampling technique was used to select respondents. 10 respondents were selected from each stratum with the focus being 10 counties. Closed ended questionnaires were used for data collection from the respondents. Data was analysed using descriptive statistics; measures of central tendency and measures of variability and inferential statistics which were conducted using Pearson correlation and multiple regression models.

5. FINDINGS

Findings showed electronic communication adequately supports implementation of activities shown by (mean=3.86) which confirms that the organization has systems in place, communication flows easily with electronic system (mean=4.09), communication is mainly through electronic media (mean= 4.55), feedback on change process through electronic media is adequate (mean=3.88) and timely and regular feedback is given through electronic media (mean=4.1). It is evident that electronic communication affects how organization carries out their implementation. This information clearly shows that there is electronic communication in place. On average respondents agreed that electronic communication improves organizational performance. However, the respondents' variations varied between those who were neutral and those who strongly agreed given the standard deviation range of 0.96 to 1.10. The skewness is negative which implies that the distribution is negatively skewed; therefore the mean for the variables is less than the median and the mode. As a result the frequently occurring response or more of the respondents agreed with the fact that electronic communications adequately supports organizational performance. The variables have a Kurtosis of less than 3 with only one outlier thus it is a platykurtic distribution implying that there are fewer and less extreme outliers in the responses.

Table 1 Electronic Communication

	Mean Statistic	Std. Deviation Statistic	Skewness Statistic	Kurtosis Statistic
The organization electronic communication adequately supports the implementation of activities	3.86	1.07	-0.97	0.22
There is free flow of information in the organization	4.09	0.96	-1.63	3.24
Most of the communication within the organization is through electronic media	4.55	0.72	-2.29	7.31
The organization provides electronic channel for employees to give feedback about changeProcess	3.88	1.10	-1.00	0.13
There is timely and regular feedback about organization change process which reduces anxiety and increases my commitment to the organization	4.10	0.97	-1.29	1.75

Source: Researcher (2017)

Findings on Gender revealed that there were more male than females among the project managers, and project officers from the projects selected in the 10 counties. It was also confirmed that majority of the respondents were aged between 30-40 years and they were reliable to give information desired by the researcher.

Level of organization performance was positively correlated to electronic communication (Pearson correlation=0.456, p value=0.000). The research findings therefore support the argument that electronic communication is essential for passing information, supporting implementation of activities more so channel for change process in an organization and it's an essential means for providing feedback to all stakeholders. Many projects would not happen and would not perform well without communications systems in place.

6. CONCLUSION AND RECOMMENDATIONS

The study findings provide direct indication of an association between organization performance and virtual operations and an indication of its magnitude effect. From the study findings there is enough prove to conclude that virtual operations are associated with a higher organization performance especially in this era of technology advancement and cut throat competition in all sectors. Virtual operations impact on business processes which in turn affects funding. The study reviewed that virtual operations impact on efficiency ratio that is administration versus direct project cost, speed of implementation, lead time and operational costs. The study also provides evidence that virtual operations reduce workload through electronic procurement and virtual teams which largely reduces operational costs.

The study findings deduced that virtual operations have a great effect on organization performance. The findings suggest that organizations with virtual operations in place are most likely to be performing well. Therefore organizations should have required systems in place in order to be efficient and effective. In order to be more attractive in the industry operational costs should be minimal, more should go to the end product. There is faster implementation of projects with virtual teams this in turn leads to better organization performance. The lead time is greatly reduced with virtual operations therefore virtual operations should be embraced though at the start of any new system there is resistance but in the long run the fruits are visible. With improved business process more funds are available for implementation this also attracts funds especially in the humanitarian sector.

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