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INFLUENCE OF OPERATIONAL RESTRUCTURING ON PERFORMANCE OF COMMERCIAL BANKS IN KENYA: A CASE STUDY OF CO-OPERATIVE BANK OF KENYA

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Abstract: **Most financial institutions are in the urge to restructure their operations and this is usually undertaken to address the challenges imposed by daily happenings and uncertainty the banks are experiencing both internally and externally as a result of changes in the business environment, calling for better organized strategy to improve the organizational performance. The paper studied the influence of operational restructuring strategies on performance of Commercial Banks in Kenya with a case study of Co-operative Bank of Kenya. Specific objectives were to determine how; Technological restructuring strategy, Occupational restructuring strategy, Health and safety restructuring strategy and infrastructural restructuring strategy affect performance of Co-operative Bank of Kenya and infrastructural restructuring strategy on performance of Co-operative Bank of Kenya. The target population was 825 employees in head office, the sample size of 88 employees was taken. The tools for data collection were questionnaires and the model that was used in the data analysis was multiple linear regression model and software that aided in data analysis was SPSS and excel sheet. The study found that the technological restructuring had insignificant influence on performance. Occupational restructuring was found to have a positive significant influence on performance of banks. The study found out that the place of work was conducive for employees to perform their duties. Also, there were policies set for the safety of employees and there was personalized guide for employees who were addicted. The study recommended further studies on restructuring but focus on other sectors of the economy. There is also need to look at the challenges facing operational restructuring in the banking industry**

Keywords: **Technological restructuring strategy, Occupational restructuring strategy, Health and safety restructuring strategy and infrastructural restructuring strategy.**

I. INTRODUCTION

1.1 Background of the Study

Organizations that is focused in making themselves competitive must consider organizational restructuring. According to Armstrong (2006), it is critical that organizations management seek to implement restructuring carefully if they are to survive. During the period of 2019-2020 most organization in the world have closed their doors some are still struggling financially to catch up with the new environment and firms have been experiencing increasingly competitive market pressure and changing'business environment have necessitated management in organizations to continuously search for a high commitment work system. Besides globalization and information technology have further added pressures to the need of constantly reinventing ways to compete such as organizational restructuring that is often seen as the most favored option when the challenges of change are felt in an organization (Chitere & Nzulwa, 2018).

Organizational restructuring according to Handfield and Nichols (2015) is defined as the act of reorganizing the legal, ownership, operational or other structures of a company for the purposes of making it more profitable and better organized to meet its present needs. Hu (2014) describes organizational restructuring as one with two objectives. The internal adjustment objective is to improve the attitudes and behaviors of members of the organization and upgrade organizational culture.

The external adjustment objective is to ensure that internal organizational advantages are put into full play on opportunities in external environment in order to achieve stable growth of the organization, thus upgrading the performance of the organization. Jones (2011) alluded that the organizational restructuring process enhances efficiency toward the future changes of the current status to expectations. Cox (2015) on the same note stated that organizational restructuring is the fundamental change made to the structural properties of the organization. More importantly, it is often framed to connote a proactive intention on the part of management aimed at exploiting new opportunities in the organizational environment. In other words, it is directed at altering the key organizational variables that can affect the management social structure and organizational members' work behaviours and attitudes in the workplace (Norley, 2012).

Restructuring strategy is critical in any organization since it influences corporate operations to achieve higher levels of the operating efficiency. According to Pearce and Robinson (2010) restructuring strategy is a style that organizations recast their organizational structure, leadership, culture and reward systems may all be changed to ensure cost competitiveness and quality demanded by the unique requirements to improve performance. Organizational restructuring strategy has proven to be beneficial in a number of ways that are not limited to lowering operational costs and assisting in better formulation and implementation of strategies. Sutton, and D'Aunno, (2009), considers debt restructuring as another reason for financial restructuring. This process allows a private or public company facing cash flow problems and financial distress, to reduce and renegotiate its delinquent debts in order to improve or restore liquidity and rehabilitate so that it can continue its operations.

Organizational restructuring cultivates new culture, comes up with new methods of production and treatment, new organizational pattern or organizational efficiency in order to make the organization effectively adjust to the environment. The organizational goals can thus be achieved and the enterprise can achieve sustainability (Jones, 2011). Although, the basic assumption behind this novel managerial approach is that it will inject new work-life, interest and enthusiasm into the organization and members therein. Rusek (2012) states that organizational restructuring is often embedded in complexities which put strain and pressure on commitment to goals, productivity, turnover, well-being and performance of the organizations. Emmanuel (2012) stated that restructuring makes workplace favorable and individuals put more focus and predisposition to respond in certain ways to work situations. This implies that it would be almost impossible to implement any form of Organizational restructuring without impacting either negatively or positively on organization performance.

Locally, Munjuri (2011), conducted a study on impact of restructuring on the employees which found out that the most common restructuring practice by Kenyan Commercial banks involve retrenchment of the employees which reduce costs to ensure profitability. Namatsi (2010) did a study on implementation of restructuring strategy at Kenya airways, to the research knowledge there is scanty of research on effects of organizational restructuring on organizations performance

Betsy (2011) carried out a study on effects of restructuring on employee's motivation in Kenya Commercial Bank. There is no known study that has focused on determining the effects of operational restructuring strategy on performance of commercial banks specifically cooperative of Kenya.

1.2 Statement of the Problem

Due to competitive and dynamic environment, commercial banks in Kenya are being forced to align their operations to the changed environment in order to survive and protect their bottom lines. The key challenges currently facing banks in Kenya are, fragmented markets, reduced profits (due to non-performing loans), and consumer expectations, increasing competition due to rapid technological changes and shifting regulatory frameworks (Muriuki, (2016). If we look at for

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instance the move to cap commercial banks ‘interest rates in Kenya has taken a peal on the financial institutions, forcing many of them to align their operations to the changed environment (Xinhua, 2017).

A review of the Kenyan banks recent performance indicates that there is a drop in performance. For instance that, Equity Bank Kenya marked a 4 percent dewdrop in profits after tax for the year ended 31st December 2016. The bank recorded 16.6 billion shillings in profits, a drop from 17.3 billion shillings in 2015. The bank indicated that the interest rates capping and changes in the business environment contributed immensely to the drop-in profits. ABSA Bank of Kenya also realized a drop-in profit by10 percent to10.8 billion shillings for the year ending 31st December 2016. According to Juma (2017), the interest rates capping law and changing business environment too played a role in these results. The drop in profits especially for banks that are listed in the Nairobi Securities Exchange (NSE) have also led to a drop a drop-in profit in NSE by 40 percent . In turbulent environment, strategic thinking enables organizations to be flexible enough to change accordingly (Thompson et al., 2010).

From the review on Kenyan studies it is clear that no notable study has investigated how the operational restructuring strategies used in commercial banks to influence the performance of these banks. For instance, Kithinji et al.(2017) conducted a study on bank restructuring and financial performance; this study however used secondary data and did not outline the restructuring strategies employed by the banks. Anyona (2017) on the other hand explored effects of corporate restructuring on performance of insurance companies in Kenya. These findings however cannot be generalized to commercial banks.

Mokaya (2016) focused on the effect of corporate restructuring on company performance; however, this study was conducted in East African Breweries Limited, which is a manufacturing firm. A review of the existing literature therefore shows none of this study has filled the gap that the proposed study seeks to fill. In light of the contextual and empirical gap this research study seeks to examine the influence of operational restructuring strategies on the performance commercial banks in Kenya, with a focus on cooperative bank of Kenya. This is important to investigate as it will inform future restructuring in the banking sector in Kenya.

1.3 Objectives of the study

The study used the following objectives;

1.3.1 General Objective of the study

The general objective was to investigate the influence of operational restructuring on performance of Commercial Banks in Kenya with a case study of Co-operative Bank of Kenya

1.3.2 Specific Objectives of the study:

i. To assess the influence of Technological restructuring strategy on performance of Co-operative Bank of Kenya.

ii. To determine the influence of Occupational restructuring strategy on performance of Co-operative Bank of Kenya.

iii. To establish the influence of Health and safety restructuring strategy on performance of Co-operative Bank of Kenya.

iv. To find out how infrastructural restructuring strategy affects performance of Co-operative Bank of Kenya

1.4 Research Questions of the study

i. What is the influence of Technological restructuring on performance of Co-operative Bank of Kenya?

ii. To what extent does Occupancy restructuring affect performance of Co-operative Bank of Kenya?

iii. How does Health and safety restructuring affect performance of Co-operative Bank of Kenya?

iv. Does infrastructural restructuring affect performance of Co-operative Bank of Kenya?

1.5 Significance of the Study

The study would be of benefit as it would bring out the importance of restructuring of commercial banks in Kenya and particularly to the management of the Kenya Commercial bank. The study would shed light on the effects on restructuring on employees’ motivation. Other financial institutions like the Microfinance institutions would gain an insight on the effects of organizational restructuring and seeks way of effecting restructuring. Researchers , scholars ,Policy makers and government will use the study findings to establish the relationship between restructuring and the performance of the banks. The knowledge sought from this study will help the government policy making bodies to come up with policy and a regulatory framework on best practices on improving organizational restructuring in commercial banks and other financial institutions to avoid undesirable effects of restructuring on performance the organization.

1.6 Scope of the Study

The study was conducted at Co-operative Bank of Kenya Headquarters situated in Nairobi CBD and was limited to the influence of Operational Structuring Strategy on the sustainable performance of Commercial Banks in Kenya.

II. LITERATURE REVIEW

2.1 Theoretical Review

A theoretical framework is defined as a reasoned set of prepositions derived and supported by data or evidence and explains a phenomenon (Adom, Hussein, & Agyem, 2018). This research views Resource Based Theory, Contingency theory and Institutional theory as discussed here in

2.1.1 Resource-Based Theory

This theory was developed by Birge Wenefeldt in 1984, some scholars refers this theory as Resource Based view. This theory is concerned with firm’s strategic advantage. It analyses and identifies strategic advantage by assessing the asset combination and skill of organization. According to this theory, every firm has its unique resources and capabilities which enables it to have competitive advantage. Birge Wenefeldt, (1984) further explains that, each firm develops competencies from these resources, and when developed especially well, these become the source of the organization’s competitive advantage (Pearce & Robinson, 2007). These competitive advantages in turn can help the organization enjoy strong profits (Barney, 1991). Resources have been found to be important antecedents to products and ultimately to performance.

2.1.2 Contingency theories

These are group of theories emanating from the sociological functionalist theories of organization structure such as the structural approaches to organizational studies. They were proposed by Reid and Smith (2000), Chenhall (2003) and Woods (2009). According to these theories, the origination organizational structure is contingent on contextual factors which include technology, dimensions of task environment and organizational size. In some other literature, contingency theory as still regarded as a dominant paradigm in management accounting research (Fisher, 1995; Cadez & Guilding, 2008). Contingency theory is an approach to the study of organizational behavior in which explanations are given as to how contingent factors such as technology, culture and the external environment influence the design and function of organizations. The assumption underlying contingency theory is that no single type of organizational structure is equally applicable to all organizations. Rather, organizational effectiveness is dependent on a fit or match between the type of technology, environmental volatility, the size of the organization, the features of the organizational structure and its information system (Islam & Hu, 2012).

2.1.3 Institutional theory

The theory describes how managers deliberate and accidental making choices lead institutions to mirror the norms, values, and ideologies of the organizational field (Toma, Dubrow & Hartley, 2005). The environment within an institutional theory framework limits the discretion of institutions to engage in certain strategic activities and pressures institutions toward conformity. Institutional theory emphasizes the normative impact of the environment on organizational activity (Morphew, 2009). Institutions that have undergone change, such as a restructuring, achieve organizational control when the members of the organization have internalized newly defined objectives, and those goals are reflected in performance evaluations (Bealing, Riordann & Rordan 2011). Institutional theory predicts that organizations will respond to environmental changes by engaging in strategies, such as restructuring and streamlining operations. Banks restructure to remain competitive and provide services to their clients as well as meet the needs of the shareholders. Through restructuring organizations are able to change their form and structure so that they can be more efficient. This theory therefore helps understand the pressures that force banks to undertake restructuring strategies.

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2.2 Conceptual Framework

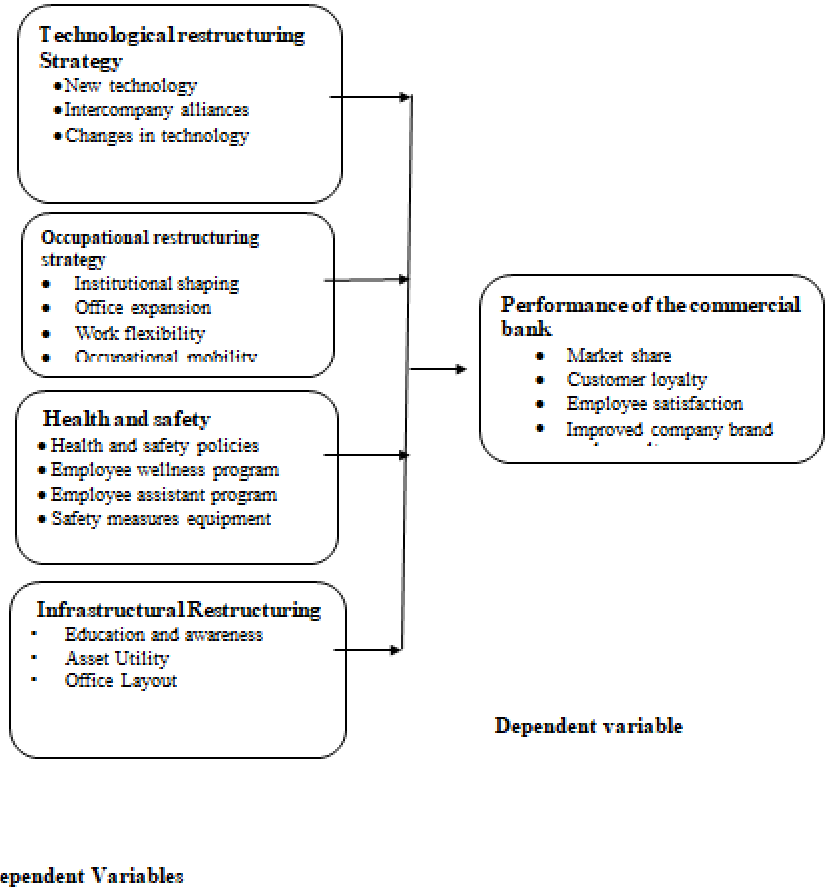

Figure2. 1 Conceptual framework

2.2.1 Technological restructuring strategy

According Ketchen and Wright (2011), technological restructuring occurs when a new technology has been developed that changes the way an organization operates. This type of change typically directly affects employees, as it leads to further training initiatives, layoffs as a company improve on its performance relatively efficiently. It also involves allying with third parties that have technical knowledge and resources. Organizations are currently busy restructuring, re-engineering, and rethinking how they do business to keep pace with technology changes and other economic conditions in the world. The goal of the technological reorganization is to accept new innovative methods in technology that will lead to a company's higher performance. According to Kithinji et al.(2017) the trends and globalization of markets make the various companies exist in very competitive conditions that often impose interaction with other entities, adapting new technologies and innovative management strategies. Consequently, the demands of higher-technology, companies require that much greater emphasis be placed on anticipations and positioning of the firm for technological reorganization that is necessary for other industries.

2.2.2 Occupational restructuring strategy

According to Mejia et. al,(2010), Occupation is office structural environment. The workplace environment impacts greatly on employee morale, productivity and engagement in both positively and negatively. The work place environment in a most of the companies is unsafe and unhealthy. These includes poorly designed workstations, unsuitable furniture, lack of ventilation, inappropriate lighting, excessive noise, insufficient safety measures in fire emergencies and lack of personal protective equipment. People working in such environment are prone to occupational disease and it impacts on employee's performance. Thus productivity is decreased due to the workplace environment. The quality of the employee's workplace environment that most impacts on their level of motivation and subsequent performance. How well they engage with the organization, especially with their immediate environment, influences to a great extent their error rate, level of innovation and collaboration with other employees, absenteeism and ultimately, how long they stay in the job (Namatsi (2010).

2.2.3 Health and safety restructuring strategy

Health and safety reorganization ensures the well-being of the employees; a healthy employee is a productive employee. Health and safety restructuring is characterized by well-established and documented health and safety policies, employee wellness program, employee assistant program and safety measures guidelines,(Foot & Hook, 2008). According to Foot & Hook, (2008)), every employer is expected to keep up to date organizational Health and Safety Policies. These guides the employees on their safety in work place. The statements should outline how an organization plans for the safety of its employees and keeping them free from sickness, implementable and well-defined policy at the level of the organization

The health and safety policy represents the foundation for which safety and health goals, performance measures and components are developed. This statement reflects the employer's commitment to safety and health at work, and should indicate the standards of behavior are to be aimed for in health and safety matters (Storey, 1995). Most organizations provides medical insurance scheme as a way of health and safety programs. Most companies in Kenya have medical schemes provided for their employees says an organization with good medical scheme programs attracts high end employees and it was noted that there is a positive relationship between medical scheme and employee performance.

2.2.4 Infrastructural Restructuring

Infrastructural reorganization is an essential factor that most businesses are considering to ensure excellent performance. Infrastructure, in this case, is company facilities and systems used in serving the organizations also known as the organizational asset. Infrastructure may include company premises, Information communication technology structure. Companies today are on the move to ensure their premises are at the condition and well-furnished to employee expectations of a proper working environment. They are also geared towards attaining an appropriate communications system an organization with poor communication infrastructure performs poorly (Namusonge 2016). Namusonge (2016) further asserts that communication is one of the strong pillars for organizational performance. With the unexpected disruption in most business operations, companies are upping their game on the transport system to ensure their delivery is state of the art; their response rate to customer issues is highly effective. The Internet of things has made it easier for organizations to offer their service in real-time. IT provides an opportunity to improve service delivery and increase the return with low operational costs

2.2.5 Performance of commercial banks

Changes in the banking environment force the industry players to readjust their operations lest their operation ceases continuity. Currently, the contemporary issues with banking are uneven markets, reduced net return due to low performing loans, unpredictable consumer prospects, advanced technology that has invited more players, stiff competition, and unstable regulatory structure. The key challenges currently facing banks in Kenya are fragmented markets, reduced profits (due to nonperforming loans), and consumer expectations, increasing competition due to rapid technological changes and shifting regulatory frameworks (Muriuki, 2016). For instance, the move to restrict commercial banks' interest rates in Kenya has taken a toll on the financial (Xinhua, 2017).

2.3 Empirical Review

According to Harwood, Nakola, and Nyaana (2016) which examined effect of organization restructuring on the performance of the National Bank of Kenya, organization restructuring positively affects firm performance, although not statistically significant. This study aimed at the determining the effects of organizational restructuring on firm performance and also to establish the relationship between organizational restructuring and firm performance. The study through stratified random sampling, a sample of 54 respondents was considered in the study. The data was then analyzed using a simple linear regression model and Pearson product-moment correlation.

In a separate study conducted on the effect of corporate restructuring on East African Breweries Limited's performance, it was concluded that the survival and growth of EABL depend on its ability to pool all of its resources and use them for the optimum achievement of the intended objectives. Descriptive research design was applied now that the population was large. A sample of was 270 employees of EABL obtained by use of stratified sampling. This was done in order to give each department an equal chance of being selected in the study. The study used primary data that was collected through a

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questionnaire and analyzed through descriptive statistics. The findings of the study showed that, that restructuring at EABL involved cutting out and merging some departments, which significantly changed the company's business model. Restructuring then the organization on had been carried out to improve the organization's competitive position, which had been achieved, as the global competition was driving the company. From the study, the restructuring exercise is usually carried out to focus on core strengths, operational synergy, and efficient managerial capabilities and infrastructure allocation (Mokaya (2016) conducted a study

2.4 Critique of Existing Literature

Riany et al. (2012) conducted a study to examine the effect of restructuring on an organza ton's performance the study did not specify the organization upon which the performance was to be measured. This current study will look at commercial banks specifically cooperative bank of Kenya. Muiruri (2015) a study conducted to establish the impact of strategic partnerships on performance of commercial banks with a focus on Equity Bank. The study did not specify the kind or organizational restructuring. Harwood, Nakola and Nyaana (2016) conducted a study to examine the effect of organization restructuring on performance of National Bank of Kenya the study did not focus on the strategies used by Cooperative bank despite the fact that they are competitors in the market. Mokaya (2016). On the other hand conducted a study on the effect of corporate restructuring on performance of East African Breweries Limited the study was on the manufacturing farm not service industry with to different norms among others.

2.5 Research Gap

Muiruri (2015) conducted a study to establish the impact of strategic partnerships on performance of commercial banks with a focus on Equity Bank. The study did not specify the kind or organizational restructuring leading to Topic gap.

Harwood, Nakola and Nyaana (2016) conducted a study to examine the effect of organization restructuring on performance of National Bank of Kenya the study did not focus on the strategies used by Cooperative bank despite the fact that they are competitors in the market leading to geographical gap.Riany et al. (2012) conducted a study to examine the effect of restructuring on an organzaton's performance the study did not specify the organization upon which the performance was to be measured leading to conceptual gap and the time gap at the same time.

Mokaya (2016) conducted a study on the effect of corporate restructuring on performance of East African Breweries Limited the study was on the manufacturing farm not service industry with to tal different norms among others leading to industrial gap.And this is what promted the research to focus on the influence of operational restructuring strategies on performance of Commercial Banks in Kenya with a case study of Co-operative Bank of Kenya

III. RESEARCH METHODOLOGY

3.1 Research Design

The researcher, to systematically describe the relationship between operational restructuring strategy and bank performance adopted a cross sectional research design. A cross sectional research design. is concerned with determining the frequency with which something occurs or the relationship between variables (Cooper & Schindler, 2003).

3.2 Target Population

The target population is that part of population which the researcher studies, analyses and draws conclusions regarding the entire population(Cooper & Schindler, 2003). In this study, the target population consisted of employees working for Cooperative Bank, head office. According to Cooperative Bank of Kenya, there are 862 employees in head office (Cooperative Bank of Kenya, 2018) since all departments, branches and activities of Banks are being monitored at the head office.

3.3 Sampling Frame

In this study, the sampling frame was drawn from the 862 employees of Cooperative Bank, head office. This was used to ensure that the sampling frame was current, complete and relevant for the attainment of the study objective.

3.5 Sample and Sampling Technique

To come up with an appropriate study sample, the study utilized stratified sampling technique where the bank was classified into departments. The strata's were sales and marketing, customer care, human resource, credit control and finance. Purposive sampling was then used to pick employees to participate in the study. According to Mugenda &

Mugenda (2003) a sample size of 10% to 30 % is a good representation of the target population and hence the 10% is adequate for analysis. The sample size of this study is therefore 88 employees.

3.6 Data collection Instrument

According to Massey (2003), a data collection instrument or tool is a device used to collect the data. The type of instrument used by the researcher depends on the data collection method selected. Massey (2003), further states that the instrument must be reliable and valid. The study used questionnaires to obtain data from respondents. Questionnaire were calibrated using a five point Likert Scale, ranging from 'strongly agree' (SA) to 'strongly disagree' (SD). The questionnaire consisted of closed ended questions.

3.7 Data Collection Procedure

Prior to administration of the instruments, a brief introduction was made to the respondents explaining the nature and importance of the study to the respondents during pilot and main study. Data collection was done by the drop and pick method. The questionnaires were dropped at Cooperative Bank head office and later picked. According to Leedy and Ormrod (2001), respondents are more truthful while responding to the questionnaires regarding controversial issues in particular due to the fact that their responses are anonymous.

3.8 Pilot Testing

The questionnaire tool was subjected to pilot test for refining the questions before administering in the actual study. According to Mugenda and Mugenda (2003), pilot testing may be done to 10% sampling frame, pilot study was conducted where 8 respondents, drawn from the total study sample size. The test was done to detect weakness in design and instrumentation, as well as providing proxy data for the selection of a probability sample. Upon the pilot study, analysis was done to ascertain the acceptability of the tool.

3.9 Data Analysis and presentation

The data collected was coded and entered into the computer and analyzed using descriptive statistics with the help of SPSS version 26. The researcher used percentages, frequencies, and inferential analysis to establish the relationship between operational restructuring strategy and performance of Co-operative Bank. Data collected was presented using tables. The data was coded, assigned labels to variables categories and entered into the computer. Pearson's Correlation Coefficient and ANOVA was used to establish the significance of the correlation between operational restructuring strategy and performance of commercial banks.

The linear regression model below was obtained

$$Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3+\beta_4X_4 +\varepsilon$$

Which became;

$$Y = -0.019+0.14 X_1 + 0.388X_2 + 0.539X_3 +0.098X_4 + \varepsilon$$

Where Y is the Bank Performance, β0 constant and ε is the error term of the model.

X1 = Technological Restructuring strategy

X2 = Occupational Restructuring strategy

X3 = Health and Safety Restructuring strategy

X4 = Infrastructural Restructuring strategy

IV. RESEARCH FINDINGS AND DISCUSSION

4.1 Response Rate

To determine the actual number of response who actively participated in the study analysis of the response rate was conducted as shown in the table 4.1 below. The data collection instrument, which was the questionnaires, was sent to 88 employees. The study targeted a sample size of 88 respondents from which 80 filled in and returned the questionnaires making a response rate of 90.9%, this is in agreement with what was indicated by Cooper and Schindler (2003) who indicated that a response rate of between 30 to 80% of the total sample size can be generalized to represent the opinion of the entire population.

Table 4.1: Response Rate

	Frequency	Percent
Response	80	90.9
Non response	8	8.1
Total	88	100.0

4.2 Descriptive statistics

4.2.1 Gender of respondents

Table 4.2: Gender of respondents

Gender				
	Frequency	Percent	Valid Percent	Cumulative Percent
Male	48	60.0	60.0	60.0
Female	32	40.0	40.0	100.0
Total	**80**	**100.0**	**100.0**	

From the finding on the gender of respondents the study found that most of the respondent were male representing 60% and the minority were female representing 40% as shown in table 4.3 below

4.2.2 Age of respondents

From the finding on the age of the respondent the study found that most of the respondent as shown by 87.5% indicated that they were aged between 31 to 40 years, 11.3% of the respondent indicated that they were aged below 30 years and 1.3% of the respondent indicated that they were aged between 41 and50 as shown in table 4.4. This is an indication that respondent were well distributed in terms of the age.

Table 4.3: Age of respondents

Age of respondents				
	Frequency	Percent	Valid Percent	Cumulative Percent
below 30 years	9	11.3	11.3	11.3
31-40 years	70	87.5	87.5	98.8
41- 50 years	1	1.3	1.3	100.0
Total	**80**	**100.0**	**100.0**	

4.2.3 Education level of respondents

On the respondent highest level of education the study found that 63.7% of the respondent indicated that they had attained degree, 28.7% of the respondent indicated that they had attained certificates from tertiary colleges and 7.5% had secondary school certificate. This is an indication that respondent were well educated.

Table 4.4: Education level of respondents

Education Level				
	Frequency	Percent	Valid Percent	Cumulative Percent
university	51	63.7	63.7	63.7
college	23	28.7	28.7	92.5
secondary	6	7.5	7.5	100.0
Total	80	100.0	100.0	

4.2.4 Work experience of respondents

From the findings on the respondent work experience, the study found that 49% of the respondent indicated below 2years, 36% of the respondent indicated 6 to 10 years, 13.8% of the respondent indicated that they had worked for between 2 and 5 and 1.3% over 10years, this is a clear indication that majority of the respondent had been working for over 2 years.

Table 4.5: work experience

	Work experience			
	Frequency	**Percent**	**Valid Percent**	**Cumulative Percent**
below 2 years	38	49.0	49.0	49.0
2-5 years	11	13.8	13.8	62.7
6-10 years	30	36.0	35.0	98.8
above 10 years	1	1.3	1.3	100.0
Total	**80**	**100.0**	**100.0**	

4.2.5 Respondents opinion on technological restructuring and banks performance

Table 4.6: Opinion on technological restructuring

Statement	1	2	3	4	5		
	%	%	%	%	%	Mean	SD
New technology has completely changed company's operation and has enhanced service delivery	13.8	3.8	8.8	56.3	17.5	3.6	1.23
My company has managed to survive the market dynamics through Intercompany alliances	12.5	3.8	13.8	57.5	12.5	3.53	1.16
Change in technology has driven my company to reconsider reorganizing its current technology structure	3.8	6.3	5.0	48.8	36.3	4.08	1.00
Situations that negatively affect the economy have forced my company to adopt a new technology	1.3	6.3	15.0	60.0	17.5	3.86	0.82
My company has considered intercompany alliance for technology resource to save on initial cost and maintenance cost	3.8	1.3	8.8	53.8	32.5	4.10	0.89

From the findings on the respondent level of agreement on various statements relating to technological restructuring as shown in table 4.7 above, the study found that majority of the respondent agreed that technology has completely changed company's operation and has enhanced service deliver, this is shown by mean 3.6. On the statement that company has managed to survive the market dynamics through Intercompany alliances, the majority of respondents were in agreement giving a mean of 3.53. Similarly, majority of respondents with a mean of 4.08 were in agreement with the statement that change in technology has driven the company to reconsider reorganizing its current technology structure. On the statement that Situations that negatively affect the economy have forced my company to adopt a new technology, most respondents agreed with this statement with a mean of 3.86. The study also revealed that the companies consider intercompany alliances for technological use. This was represented by a mean of 4.10. The findings concurs with Anyona (2017), which emphasized on the use of technology to improve performance of firms.

4.2.6 Respondents opinion on occupational restructuring and banks performance

The study sought to determine the respondent level of agreement on various statements relating to occupational restructuring, the study found that majority of the respondent agreed that institutional shaping has been done in line with the policies. This was represented by a mean of 3.96. Respondent also agreed that expansion was being done to meet the social changes as shown by mean of 4.03. On the statement that the employees can work from anywhere, the respondents were in agreement with a mean of 3.95. The study revealed that there was office mobility since there was enough space at the same time there was automation was made it possible. The findings are in agreement with Foot and Hook, (2008), which found out that good working environment is critical for good performance.

Table 4.7: Opinion on occupational restructuring

Statement	1	2	3	4	5		
	%	**%**	**%**	**%**	**%**	**Mean**	**SD**
Institutional shaping has been done in the office in line with policies guiding the operations of the bank	0.0	8.8	11.3	55.0	25.0	3.96	0.85
The company is undertaking office expansion in readiness to cab changes in social norm	0.0	2.5	13.8	62.5	21.3	4.03	1.00

The company has ensured work flexibility, where employees currently don't have to be at the company premises to execute their duties	0.0	7.5	10.00	62.5	20.0	3.95	0.78
Occupational mobility is possible since the office is specious and operations are automated	1.3	11.3	13.8	40.0	33.8	3.93	1.02

4.2.7 Respondents opinion on health and safety restructuring and banks performance

On the respondent level of agreement on various statement relating to health and safety restructuring, the study found that majority of the respondent's health and safety policies provide avenue for employees to access medical attention when unwell this was shown by a mean of 4.12.. Similarly, respondents were in agreement with the statement that there is employee wellness programmes in the organization to ensure employees mental health and emotional stability. This was shown by a mean of 4.16 as shown in table 4.9. It was also revealed that there programmmes made to help addicted members with a mean of 3.95. The majority of respondents agreed that their company has established safety measures equipment to ensure employees are safe from any physical injury and contracting infectious diseases indicated by a mean of 4.03. The findings concur with Robinson, (2006), which established employee wellness is important in boosting employee performance.

Table 4.8: opinion on health and safety restructuring.

Statement	1	2	3	4	5		
	%	%	%	%	%	Mean	SD
Health and safety policy provides avenue for the employees to access medical attention whenever unwell	0.00	5.0	5.0	62.5	27.5	4.12	0.72
Employee wellness program has been established to ensure employee mental health and emotional stability	0.00	2.5	7.5	61.3	28.7	4.16	0.66
Employee assistant program has been design to help employees with addiction problem to get well	0.00	7.5	10.0	62.5	20.0	3.95	0.78
My company has established safety measures equipment to ensure employees are safe from any physical injury and contracting infectious diseases	1.3	11.3	13.8	40.0	20.0	4.03	0.71

4.2.8 Respondents opinion on infrastructural restructuring and banks performance

The study sought to understand the respondents' opinion on various statements relating to infrastructural restructuring. From table 4.10, the study found out that the majority of respondents agreed that there is education and awareness about infrastructure in the organization this is was shown by a mean of 4.12. On asset utility, the majority were in agreement that assets are well utilized as shown by a mean of 4.16. It was also revealed that Office layout has been restructure to fit employee need and comfortable for work as shown with the mean of 4.03. This is in agreement with Namusonge (2016), which established that the infrastructure plays a significant role in enhancing organizational performance.

Table 4.9: opinion on infrastructural restructuring

Statement	1	2	3	4	5		
	%	%	%	%	%	Mean	SD
Education and awareness	0.00	5.0	5.0	62.5	27.5	4.12	0.72
Asset utility	1.0	1.5	7.5	61.3	28.7	4.16	0.66
Office layout has been restructure to fit employee need and comfortable for work	0.00	6.3	5.0	68.8	20.0	4.03	0.72

4.4.9 Respondents opinion on banks performance

The study sought to determine the level of agreement with the statements relating to performance of Kenyan commercial banks. From the table 4.11, the study found that the majority were in agreement that their organization has increased in the market share as shown by the mean of 4.06. The study also revealed that there was substantial gain in customer loyalty with the mean of 3.95. On the statement that 'the company has ensured employee satisfaction is a priority and works towards it, the majority of respondents agreed with a mean of 3.94. Finally, it was established that the market brands had improved as shown by a mean of 4.12. The findings contradicts Muriuki, (2006) which found out that as technology increased, there was increase in completion which reduced performance.

Table 4.10: opinion on performance of commercial banks

Statement	1	2	3	4	5		
	%	%	%	%	%	Mean	SD
My company gained a significant increase in market share	0.0	2.5	10.0	66.3	21.3	4.06	0.64
My organization can brag of an overwhelming increases in customer loyalty	0.0	7.5	10.0	62.5	20.0	3.95	0.78
The company has ensured employee satisfaction is a priority and works towards it	1.3	11.4	13.7	39.0	34.8	3.94	1.02
In spite of the unanticipated challenges in the market the company brand improved	0.00	5.0	5.0	62.5	27.8	4.12	0.72

4.3 Diagnostic tests

4.3.1 Autocorrelation

The researcher used Durbin Watson to test for autocorrelation. Autocorrelation is a problem that exists when the error term in one time period is related to another error term in another period. If Durbin Watson is between 0 and 4, there is an insignificant autocorrelation. From the findings, Durbin Watson (DW) is 1.842 which is between 0 and 4. This implies that there was no significant autocorrelation

Table 4.1: Autocorrelation results

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.877[a]	.770	.757	.18565	1.842

a. Predictors: (Constant), infrastructural restructuring, occupational restructuring, technological restructuring, health and safety restructuring

b. Dependent Variable: banks performance

4.3.2 Multi collinearity test

The researcher used variance inflation factor (VIF) to test collinearity. From the table 4.13 below, it was found that all the variables had VIF which are below 10 which means that there was no multicollinearity. A variable whose VIF value is greater than 10 would merit further investigation.

Table 4.2: Multicollenearity results

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	-.019	.355		-.052	.959		
	Technological restructuring	.012	.049	.014	.240	.811	.962	1.039
	Occupational restructuring	.355	.075	.388	4.730	.000	.456	2.193
	Health and safety restructuring	.536	.091	.539	5.900	.000	.368	2.714
	Infrastructural restructuring	.102	.072	.098	1.410	.163	.640	1.562

a. Dependent Variable: banks performance

4.4 Inferential statistics

The researcher conducted inferential analysis which included coefficient of correlation, coefficient of determination and multiple regression to establish the relationship between the independent and dependent variables.

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4.4.1 Correlation coefficient

In trying to establish the relationship between the study variables, the researcher employed the Karl Pearson's coefficient of correlation (r). According to the findings as indicated in table 4.14, there was insignificant relationship between technological restructuring and banks performance (r=0.042, p= 0.710). This is because the p value (0.70) is more than 0.01 which is considered the significance level. This findings contradicts Kithinji *et al.*(2017) which established that technological restructuring make the various companies exist in very competitive conditions and thus increase performance. The study also depicted ta moderate significant relationship between occupational restructuring and banks performance. This is because p= 0.000 is below 0.01 which is the significance level, r= 0.737. The study also noted that there was a high positive correlation between health and safety restructuring evidenced by r=0.836, p= 0.000. Finally, there was a low significant influence of infrastructural restructuring on performance of commercial banks with a correlation value of (r = 0.333, p=0.003).

The findings confirms the findings in Jin, Dehuan, and Zhigang (2004) which established that there were significant improvements in total revenue, profit margin, and return on assets following restructurings.

Table 4.3: Correlation coefficient results

Correlations						
		Technological restructuring	**Occupational restructuring**	**Health and safety restructuring**	**Infrastructural restructuring**	**Banks performance**
Technological restructuring	**Pearson Correlation**	1				
	Sig. (2-tailed)					
	N	80				
Occupational restructuring	**Pearson Correlation**	-.071	1			
	Sig. (2-tailed)	.529				
	N	80	80			
Health and safety restructuring	**Pearson Correlation**	.075	.652**	1		
	Sig. (2-tailed)	.508	.000			
	N	80	80	80		
Infrastructural restructuring	**Pearson Correlation**	.164	-.013	.443**	1	
	Sig. (2-tailed)	.146	.907	.000		
	N	80	80	80	80	
Banks performance	**Pearson Correlation**	.042	.737**	.836**	.333**	1
	Sig. (2-tailed)	.710	.000	.000	.003	
	N	80	80	80	80	80
****. Correlation is significant at the 0.01 level (2-tailed).**						

4.4.2 Coefficient of Determination of Research Variables

The researcher conducted coefficient of determination to assess the suitability of statistical model in forecasting future results. Adjusted R squared is coefficient of assurance which shows the changes in the dependent variable as a result of variations in independent variables. Results in Table 4.15 show that the value of R squared was 0.770 which shows that there was change of 77.0% on banks performance due to changes in technological restructuring, occupational restructuring, health and safety restructuring and infrastructural at 99% confidence level. R is the correlation coefficient which represents the connection between the investigation factors, findings in Table 4.15 show a high positive connection between the examination factors as appeared by 0.877

Table 4.4: Coefficient of determination results

Model Summary				
Model	R	**R Square**	**Adjusted R Square**	**Std. Error of the Estimate**
1	.877[a]	.770	.757	.18565
a. **Predictors:** (Constant), infrastructural restructuring, occupational restructuring, technological restructuring, health and safety restructuring				

4.4.3 Analysis of Variance

An analysis of variance was carried out on the relationship between technological restructuring, occupational, health and safety and infrastructural restructuring and banks performance. From Table 4.16 below, the model was significant (p-value = 0.000) at 0.01 level in explaining the linear relationship between the study variables. Additionally, the F-statistic (F=62.647) is significantly greater than 1 thus indicating the appropriateness of the model in testing the relationship between the study variables. This means that the model is appropriate for use running a factor analysis.

Table 4.5: ANOVA results

ANOVA[a]						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	8.637	4	2.159	62.647	.000[b]
	Residual	2.585	75	.034		
	Total	11.222	79			

a. Dependent Variable: banks performance

b. Predictors: (Constant), infrastructural restructuring, occupational restructuring, technological restructuring, health and safety restructuring

4.4.4 Multiple Regression

A multiple regression analysis was carried out with the aim of understanding better the relationship between various study variables. The researcher used SPSS to enter and code responses from the respondent to assist in computing the extent to which a unit changes in a given independent variable cause a change to dependent variable. As per the SPSS generated Table 4.17, the equation,

$Y= \beta o + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + e_0$ become:

$Y = -0.019+0.14\ X_1 + 0.388X_2 + 0.539X_3 +0.098X_4 + \varepsilon$

The results show that, holding technological, occupational, health and safety and infrastructural restructuring at constant zero, banks performance would be at -0.019. The researcher found out that a unit change in technological restructuring, would cause a change in banks performance by a factor of 0.14, unit variation in occupation restructuring would contribute to variation in banks performance by a factor of 0.388, unit variation in health and safety restructuring contribute to variation in banks performance by a factor of 0.539 and a unit variation in infrastructural restructuring would contribute to change in banks performance by a factor of 0.098.

Table 4.6: Regression coefficients

Coefficients[a]						
		Unstandardized Coefficients		**Standardized Coefficients**		
Model		**B**	**Std. Error**	**Beta**	**t**	**Sig.**
1	(Constant)	-.019	.355		-.052	.959
	Technological restructuring	.012	.049	.014	.240	.811
	Occupational restructuring	.355	.075	.388	4.730	.000
	Health and safety restructuring	.536	.091	.539	5.900	.000
	Infrastructural restructuring	.102	.072	.098	1.410	.163

a. Dependent Variable: banks performance

V. SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1. Summary of findings

The summary of findings summarizes each of the findings under each of the objectives of the study. The study sought to assess the project management practices in implementation of NGOs projects in Nairobi County.

5.1.1. Influence of technological restructuring on banks performance in Nairobi City County.

In line with objective one: findings established that there was insignificant negative influence of technological restructuring on the banks performance (p=0.710 ;> 0.01) this shows that technological restructuring do not have much influence on performance of banks and therefore little or emphasis should be put on it.

5.1.2. Influence of occupational restructuring on banks performance in Nairobi City County

In line with objective two: findings established that there is a significant positive relationship between occupational restructuring and banks performance (r=0.737, p=0.000<0.01. occupational restructuring is important in improving banks performance and it influences performance to moderate extent. This shows that the companies should put more emphasis on more space in the office to ensure flexibility of employees. Office shaping is considered to be an important aspect in in organization.

5.1.3. Influence of health and safety restructuring on banks performance in Nairobi City County

In line with objective three: the study revealed that health and safety restructuring influences banks performance at (r=0.835, p<0.01). The study depicts that employees are able to access medical facilities following the policies in place. There is also sufficient employee wellness programmes available for employees. The study also indicates that there is established safety measures such as first aid tools box to ensure constant safety of employees. A unit change in health and safety restructuring causes change in banks performance by a factor of 0.539.

5.1.4. Influence of infrastructural restructuring on banks performance in Nairobi City County

In line with objective four: the study revealed that there is a significant positive influence of infrastructural restructuring on performance of banks at (p=0.003, r=0.333). From the findings, it can be summarized that majority of the organizations educate and create awareness on their employees about infrastructure. It can also be seen that organizations have utilized the assets well and created enough space for the workers. This has created conducive environment. The findings conform to Namusonge (2016) that alludes that the infrastructure plays a significant role in enhancing organizational performance.

5.2. Conclusions of the Study

The conclusions drawn from this study are discussed as per the variables under study. The study had the following conclusions.

5.2.1. Influence of technological restructuring on performance of commercial banks in Nairobi County.

The study concludes that the banks need to reorganize their technology so that it can influence the performance. It can also be concluded that they should give more emphasis to other areas other than technology for them to improve performance.

5.2.2. Influence of occupation restructuring on performance of commercial banks in Nairobi County.

From the findings, the study concludes that the organizations have had good working environment which are spacious. It's also concluded that flexibility is key as employees can work from anywhere and not necessarily from the office.

5.2.3. Influence of health and safety restructuring on performance of commercial banks in Nairobi County.

The study findings show that the organizations have established employee wellness programs, health policies and employee assisted program to help them curb addiction and ensure mental health among staff. The study therefore concludes that, efficient and proper health and safety policies has a big role in banks performance in Nairobi County.

5.2.4 Monitoring and Evaluation Practices in implementation of donor funded education projects in Nairobi County.

From the findings, it can be concluded that all the organizations have created awareness to employees about infrastructure. There is also proper asset utility and good office layout sufficient for work. It is therefore important for organization to have proper infrastructure to create conducive environment in order to improve performance.

5.3 Recommendation of the Study

The study recommends that there is need to enhance technology in organizations so that they can be competitive in the market. The study also recommends that there is need to ensure there is proper and conducive environment to motivate employees. On health and safety, the study recommends additional and strong policies especially on mental health to give support to employees. Employees can only work better under good health conditions. The study also recommends that the organizations to have adequate infrastructure for easy working and comfort. There is need to improve on this because from the study it influenced the performance but to a low extent.

5.4 Areas for Further Research

The study sought to investigate the influence of operational restructuring on performance of commercial banks in Nairobi City County. This study recommended an in-depth study to be done on challenges affecting organizational restructuring in the banking industry in Kenya. There is also need to explore the influence of operational restructuring on performance of other sectors of the economy.

VI. CONCLUSION

This paper shows the basic format of research paper preparation and can be used as template writing research paper. Conclusion of research paper is between 150 to 350 words.

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