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# EFFECT OF INNOVATION STRATEGY ON THE ORGANIZATIONAL PERFORMANCE IN MOMBASA LAW COURTS, KENYA

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# ABSTRACT

The general objective of the study was to establish the impact of effect of innovations strategies on the performance of the Judiciary: a case of Mombasa law courts. The study was guided by the following objectives; to examine the impact of process innovation, customer service innovation strategies, financial innovation, and technical innovation on performance of the Judiciary: a case of Mombasa law courts. This study adopted a descriptive research design. The target population for this study was staff respondents from the different departments in Mombasa law courts. The sample size comprised of 165 judicial and non-judicial staff. Primary data was collected using semi-structured questionnaire based on the objectives of the study. The data was edited, coded for processing using the Statistical Package for Social Sciences (SPSS v.25) and presented in tables. A master codebook designed to ensure that all the questionnaires were coded uniformly was be used. Consequently, data was edited for completeness and consistency before analysis. Descriptive and inferential statistics was used to analyze information generated from respondents. The study established that welldesigned, integrated case management systems have the potential to enhance the efficient administration of justice and the Mombasa law court did not use video-conferencing technology to conduct remands and hear bail. The study showed that total quality control eloquently speaks to the need for recognizing and responding to specific customer preferences for performance and service innovative responses can enable judiciary to either position itself within an attractive niche or to meet a larger proportion. The study concluded that financial innovation significantly affects organizational performance in Mombasa Law courts. This is because financial innovation makes all payments to the court easy and flexible. The study recommended that the law court should implement computerized litigation support systems to help in managing and presenting the evidence in the court of law. The study recommended that the management of law courts should come up with service delivery policies and systems bearing in mind public concerns and expectations.

Key Words: Process Innovation, Customer Service, Financial Innovation, Technical Innovation

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#### INTRODUCTION

For private sector organizations as well as public institutions operating in increasingly competitive market, innovation is often a condition for simple survival. Thus, Innovation is considered to be a critical requirement for the growth and profitability of organizations. The capability to innovate is ever more viewed as the single most vital factor in developing and supporting competitive advantage (Tidd, 2015). According to Davila, Epstein and Shelton (2016) innovation is a necessary ingredient for sustained success and is an integral part of the business. Much weight has been accorded on building innovative institutions and the management of the innovation progression as necessary elements of institutional survival (Brown, 2016).

Innovation involves acting on the creative ideas to make some specific and tangible difference in the domain in which the innovation occurs (Davila, 2016). Innovation is defined as the successful implementation of creative ideas within an organization. Strategy is the direction and scope of an organization over the long term which achieves advantage in a changing environment through its configuration of resources and competences with the aim of fulfilling stakeholders' expectations (Oke & Goffin, 2013).

Judiciary as an important structure globally has been organizing and reorganizing itself for example the Judiciary of the United Kingdom which comprise three legal systems found in England and Wales, Northern Ireland and Scotland. However, the judges of the Supreme Court of the United Kingdom, the Special Immigration Appeals Commission, Employment Tribunals, Employment Appeal Tribunal and the UK tribunals system do have a United Kingdom-wide jurisdiction (Glenn and Patrick, 2015). The judges of the Supreme Court of the United Kingdom are known as Justices of the Supreme Court, and they are also Privy Counsellors. Justices of the Supreme Court are granted the courtesy title Lord or Lady for life. The Supreme Court is a relatively new Court being established in October 2009 following the Constitutional Reform Act (2015).

Locally Kenya has embarked on a major transformation of its judicial system to improve key functions to promote better administration of justice and delivery of quality legal services to court users. Kenya's new constitution has created a window of opportunity for the Judiciary to address the problems that have for many years frustrated the delivery of justice, especially to the poor (World Bank, 2012). Through the judicial performance improvement project, the Judiciary has started to improve court administration and case management, including automating the courts and clearing the backlog of court cases, training of its judicial officers, and improving court infrastructure by constructing new courts and rehabilitating the existing ones (Republic of Kenya, 2012). ICT has been recognized as having an enormous potential to improve the administration of justice as a cross-cutting imperative for the pillars of transformation. Kenyan Judiciary is adopting technology to facilitate speedier trials and enhance the efficiency and effectiveness of administrative performance (Robison, 2017).

The Judicial Information Communication Technology oversees all ICT matters in the Judiciary. This committee has initiated activities such as digitization of court records, creation of a case management system, the development of ICT policy and development plan, establishment of communication infrastructure, acquisition of hardware and software and tele presence software. All these initiatives are in line with the Judiciary Strategic Plan 2009-2012 (Wamuyu, 2015)

The Judiciary of Kenya is the system of courts that interprets and applies the law in Kenya. After the promulgation of the constitution of Kenya 2010 the general public through parliament sought to reform the Judiciary. The Judiciary of Kenya consists of Superior courts made up of the Supreme Court, Courts of Appeal, High Court, Industrial Court, Environment and Land Court, the subordinate courts consisting of Magistrates (Republic of Kenya, 2010). The Supreme Court is the highest court in Kenya, and all other courts are bound by its decisions. It was established under Article 163 of the Constitution of Kenya is the final arbiter and interpreter of the Constitution. The chief administrator of the Supreme Court is the Chief Justice, who is also the president of the Supreme Court. One of his responsibilities is to come up with procedures for running the courts, as well as decisions on staffing and where new courts should be established. Certain situations dictate that the Chief Justice appoints a judge or panel of judges to deal with a specific matter. The Deputy Chief Justice is the deputy president of the Supreme Court (Republic of Kenya, 2010). The Kenya Vision 2030 aims at creating a globally competitive and prosperous country and transforming Kenya into a newly industrialized middle income economy. The Vision is anchored on three key interdependent pillars namely: Economic, Social and political (Republic of Kenya, 2010). This study delved to look into impact of innovation strategies on the performance of the Judiciary at Mombasa

### **Statement of the Problem**

A right innovation strategy can help firms to overcome the problems they encounter concerning striving for a sustainable competitive advantage (Kuratko, *et al.*, 2015). The firm's innovation process is guided by an explicit or implicit innovation strategy, which provides direction toward specific resources, and help focus the efforts of the entire organization on common innovation goals (Oke, 2017) According to Fagerberg and Nelson (2014), the key reason for innovativeness is the desire of firms to obtain increased business performance and increased competitive edge. Companies procure additional competitive advantage and market share according to the level of importance they give to innovations, which are vital factors for companies to build a reputation in the marketplace and therefore to increase their market share.

According to Gallup poll, (2015), public confidence in the judicial system and in the moral authority and integrity of the Judiciary is of the utmost importance in a modern democratic society. At present, the Kenyan judicial system faces a number of significant challenges that affect the efficiency and effectiveness of the administration of justice. These include: large backlog of cases, lack of sufficient and sustainable funding, shortage of judges and magistrates and lack of effective case management (International Bar Association [IBA], (2014). All these have greatly contributed to the loss of public confidence in the Judiciary.

The essence of an efficient Judiciary cannot be ignored. However, in Judiciary as a whole a grim picture is painted. Backlog of cases dating as old as two decades; missing witnesses who seem to have died and left the cases with their administrators. Lack of manpower with too few judges and prosecutors to man the court processes. Corruption has infiltrated the Judiciary and seems to be destroying the Judiciary from within. Technology is also an impediment within the corridors of justice notwithstanding the recent upsurge in population who needs to be served.

The challenges posed by the growing demand for delivery of quality justice creates a compelling reason for innovation strategies in the Judiciary as the future of the justice system cannot be left to chance. The Judiciary therefore needs to respond through enhanced use of modern technologies in order to improve service delivery and further to make it possible for judicial officers to assess information and reference materials needed to adjudicate cases effectively. There is also need for the government to allocate sufficient resources to build staff capacity in rendering efficient service (Muneeni, 2018 and Gicheru, 2014). Karanja (2014) carried out a study on innovation strategies adopted bv insurance companies in Kenya. The study concluded that with technology-enabled companies strong innovation strategies are more likely to secure competitive advantage and create superior shareholder value. Lusweti (2015) reviewed innovation strategies adopted by radio stations in Kenya. This study concluded that innovation strategies are very essential in any business and hence they should be put in place at any cost since it helps the organization to realize their objectives

The outcome of the previous studies on impact of innovation on performance has been empirically inconclusive. Previous studies have produced contradicting results regarding the impact of innovations organization's performance. on Balwinder, (2015), in his study showed that innovations had least impact on performance, while others (Kim and Mauborgne, 2017), showed that innovation had significant contribution to performance. Both Karanja (2014) and Lusweti (2015) were limited in that their studies were wholly immersed in the private sector as well as profit making based paradigm while our studies focuses on the public sector which is more inclined to service provision. It is at the centre of such mixed conclusions that created and inspired the need to carry out a study from in non-profit making organizations context to establish the effect of innovations strategies on the performance of the Judiciary.

The general objective of the study is to establish the effect of innovations strategy on the organizational performance in Mombasa law courts. The specific objectives of the study were: -

- To establish the effect of process innovation strategy on the organizational performance in Mombasa law courts.
- To establish the effect of service innovation strategy on the organizational performance in Mombasa law courts

- To establish the effect of financial Innovations strategy on the organizational performance in Mombasa law courts.
- To establish the effect of technical innovation strategy on the organizational performance in Mombasa law courts.

The researcher sought to test the following hypothesis:

- H<sub>01</sub>: Process Innovation strategy has no significant effect on the organizational performance in Mombasa law courts.
- H<sub>02</sub>: Service innovation strategy has no significant effect on the organizational performance in Mombasa law courts.
- H<sub>03:</sub> Financial innovation strategy has no significant effect on the organizational performance in Mombasa law courts.
- H<sub>04</sub> Technical innovation strategy has no significant effect on the organizational performance in Mombasa law courts.

# LITERATURE REVIEW

Blue Ocean Theory: The cornerstone of Blue Ocean Strategy/theory is 'Value Innovation', a concept originally outlined in Kim and Mauborgne (2017) value innovation is the simultaneous pursuit of differentiation and low cost, creating value for both the buyer, the company, and its employees, thereby opening up new and uncontested market space. The aim of value innovation is not to compete, but to make the competition irrelevant by changing the playing field of strategy. The strategic move must raise and create value for the market, while simultaneously reducing or eliminating features or services that are less valued by the current or future market. The Four Actions Framework is used to help create value innovation and break the value-cost trade-off. Value innovation challenges Porter's (1985) idea that successful businesses are either low-cost providers or niche-players. Instead, blue ocean

strategy proposes finding value that crosses conventional market segmentation and offering value and lower cost.

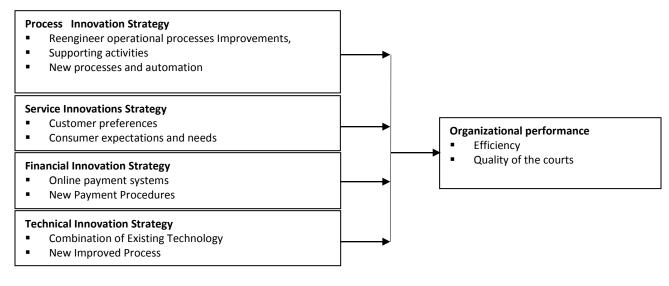
**Resource-Based View (RBV) Theory:** The Resource-Based View (RBV) of the firm is a dominant perspective of strategic management that seeks to find out why some firms consistently outperform others (Lilly and Juma, 2014). It focuses on costly-tocopy attributes of the firm as fundamental drivers of performance and competitive advantage (Barney, 1986). RBV theory is based on the idea that the effective and efficient application of all useful resources that a company possesses helps determine its competitive advantage, and by extension, its performance.

Prior to formulation of the resource-based theory, the notion was that the relative position of a firm in a specific industry determined each firm profit potential (Barney, 2016). Later, researchers argued that the use certain internal factors, that is, an organization's resources and capabilities play a significant role in the maximization of a firm's performance. Resources are defined as the basic inputs into the production process, such as capital equipment and employee skill, whereas capabilities are defined as the capacity for a team of resources to perform some task or activity. Each organization has varying amounts of resources and capabilities, and the exploitation of these determines the performance of a firm (Lin, Peng and Kao, 2015).An organization's choice on use and leverage of its existing resources and capabilities determines the development of products, processes and market innovations that will give them advantage over existing competition and thus boost performance.

**Disruptive Innovation Theory:** The disruptive innovation is probably one of the most important innovation theories of the last decade. The core concepts behind it circulated so fast that already in 1998, one year after the publication of the theory,

people were using the term without making reference to Harvard professor Clayton Christensen or to his book The Innovator's Dilemma (Harvard Business School Press). The term disruptive innovation as we know it today first appeared in the 1997 best-seller The Innovator's Dilemma. In the book Harvard Business School professor Clayton Christensen investigated why some innovations that were radical in nature reinforced the incumbent's position in a certain industry, contrary to what previous models (for instance the Henderson - Clark model) would predict. More specifically he analyzed extensively the disk drive industry because it represented the most dynamic, technologically discontinuous and complex industry one could find in our economy. Just consider that the memory capacity packed into a square inch of disk increased by 35% per year, from 50 kilobytes in 1967 to 1, 7 megabytes in 1973, 12 megabytes in 1981 and 1100 megabytes in 1995.

The Schumpeter Theory of Innovation: The Schumpeter theory of innovation was developed by Joseph Alois Schumpeter in the year 1928. Schumpeter (1928) argued that entrepreneurs can create the opportunity for new profits with their innovations. In turn, groups of imitators attracted by super-profits would start a wave of investment that would erode the profit margin for the innovation. Schumpeter (1934) emphasized the role of and the of entrepreneurship seeking out opportunities for novel value generating activities which would expand and transform the circular flow of income, but it did so with reference to a distinction between invention or discovery on the one hand and innovation, commercialization and entrepreneurship on the other. This separation of invention and innovation marked out the typical nineteenth century institutional model of innovation, in which independent inventors typically fed discoveries as potential inputs to entrepreneurial firms.



## **Independent variables**

## Figure 1: Conceptual framework

## **Empirical Review**

Judiciary (2016) further reveals some of the transformative strategies that the institution is engaged in to enhance service delivery. These include the payment procedure dumped Faini Chap Chap that allows traffic offenders to pay their fines through Mpesa, the case management system aimed at digitalizing the case files and a computerized complaint management system.

In the USA for the law to properly adjudicate discovery disputes it has been suggested that 'the law catch up with the technology' (Sorebo, 2017) Cloud computing can be used to assist global companies in discovery of information in preparation for trial. (Sorebo, 2017) In the digital age in order to progress forward, the law would have to be amended accordingly to dispose of the old practices and may pave the way for new practices, which pose challenges (Peyton, 2014,).

Makau (2014) study investigated the factors influencing management of case backlog in Judiciary in Kenya: a case of courts within Meru and Tharaka Nithi Counties. The objectives of the study were to establish how availability of Judicial staff influence

### Dependent variable

management of case backlog in Judiciary in Kenya, to establish how use of ICT influences management of case backlog in Judiciary in Kenya, to determine how availability of physical infrastructure influences management of case backlog in Judiciary in Kenya: to establish how judicial organizational structure influences management of case backlog in Judiciary in Kenya and to establish how court rules and procedures influences management of case backlog in Kenya.

The study adopted descriptive design. The target population was all judicial officers and staff of courts within Meru and Tharaka Nithi Counties. The target population for this study was 200 respondents from seven courts within the two counties. The findings of this study showed that the management of case backlog in the Judiciary in Kenya is affected by a number of elements varying from, availability of Judicial staff, use of ICT, availability of physical infrastructure, judicial organizational structure, court's rules and procedures and many others, including manual management of court records. The study recommended that the Judicial Service Commission needs to address the issue of shortage of Judicial Officers and other staff by ensuring adequate staff is employed in the Judiciary. The Judiciary should ensure continuous learning and training of judicial officers and other staff in the Judiciary. The Judicial Service Commission should ensure that each staff has an appointment letter specifying terms of employment.

According to Ngugi and Karina (2013), many firms in Kenya view information and communication technology (ICT) as potentially capable of helping organizations to achieve innovative strategies. They further state that the high rate at which firms and organizations are buying computer hardwares and softwares, mobile phones as well as using the Internet for communication and information are the main evidences of the increasing awareness of ICT in the Kenyan market.

### METHODOLOGY

This research adopted descriptive research designs. The target population was 281 staff both high ranking Judicial Service Commission (JSC) staff working at Mombasa Law courts in the various departments. Non-judicial staff who included lawyers, prosecuting counsels were also be interviewed. The study used stratified random sampling in order to account for the uneven distribution of employees in various departments within the Judiciary. On data collection, the study used primary data. Primary data was collected using semi-structured questionnaire based on the objectives of the study. The primary data was collected using questionnaires. The questionnaire method was selected as it allowed the researcher to collect data systematically and address the research issues in the standardized and economical way. The researcher conducted pilot tests before the actual study to determine the validity and reliability of the instruments. In piloting, 28 judicial and non-judicial staff in Mombasa Law courts were selected which were not involved in the final study. Data collected was analyzed using both quantitative and qualitative methods with the help of (SPSS) version 25. The qualitative analysis helped the study in giving recommendation in line with conclusion drawn for the whole population under study. The study also used multiple regression analysis and Analysis of Variance (ANOVA) to analyze the degree of relationship between the variables in the study at 5% level of significance.

Y=  $\beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \varepsilon$ Where; Y = Organizational performance  $X_1$  = Process innovation  $X_2$  = Service innovation  $X_3$  = Financial innovation  $X_4$  = Technical innovation  $\beta 0$  =constant.  $\beta 1$ ,  $\beta 2$ ,  $\beta 3$ ,  $\beta 4$  = Beta coefficients.  $\varepsilon$  = Error term

### RESULTS

## **Process Innovation**

The first objective of the study was to investigate the process innovation on organization effect of performance in Mombasa Law courts. The respondents were also asked to comment on statements regarding effect of process innovation on organizational performance. The responses were rated on a Likert scale and the results presented in Table 1. It was rated on a 5 point Likert scale ranging from; 1 = strongly disagree to 5 = strongly agree. The scores of 'strongly disagree' and 'disagree' was taken to represent a statement not agreed upon, equivalent to mean score of 0 to 2.5. The score of 'neutral' was taken to represent a statement agreed upon, equivalent to a mean score of 2.6 to 3.4. The score of 'agree' and 'strongly agree' was taken to represent a statement highly agreed upon equivalent to a mean score of 3.5 to 5.

### **Table 1: Process Innovation**

	Mean	Std. Dev
Well-designed, integrated case management systems to have the potential to enhance the		
efficient administration of justice	4.96	0.935
The court regularly use video-conferencing technology to conduct remands and hear bail	2.29	1.193
Conferencing can also be used for pre-trial hearings and preliminary applications.	4.63	0.485
Technologies such as electronic mail can also be applied to handle communication needs		
at the pre-trial	4.12	1.033
Computerized litigation support systems can assist in managing and presenting the		
evidence.	4.4	0.84
Technology is recognized as a key enabler for increased efficiency and effectiveness	4.3	0.944

The result in table 1 revealed that majority of the respondent with a mean of (4.96) agreed with the statement that well-designed, integrated case management systems to have the potential to enhance the efficient administration of justice. The measure of dispersion around the mean of the statements was .933 indicating the responses were varied. The findings revealed that majority of the respondent as indicated by a mean of (2.29) disagreed with the statement that the court regularly used video-conferencing technology to conduct remands and hear bail. The Standard Deviation for comments for the court regularly used video-conferencing technology to conduct remands was 1.193 showing a variation.

The result revealed that majority of the respondent (4.63) agreed with the statement Conferencing could also be used for pre-trial hearings and preliminary applications. The results were varied as shown by a Standard Deviation of 0.485. Findings also showed that that majority of the respondent (412) agreed with the statement that technologies such as electronic mail could also be applied to handle communication needs at the pre-trial. The results

were varied as shown by a Standard Deviation of 1.033

Further results indicated computerized litigation support systems could assist in managing and presenting the evidence. The mean for this comment was 4.4 accompanied by a varied response of 0.84. Finally, the results indicated that technology was recognized as a key enabler for increased efficiency and effectiveness. The mean for this comment was 4.3 accompanied by a varied response of 0.944. Thus, the study findings agreed to He and Wong (2014), who conclude that process innovation is defined as the new or substantially improved firm's processes that are introduced through new materials, equipment or the reengineering of the operational processes.

# Service Innovation

The second objective of the study was to investigate the effect of service innovation on organizational performance. The respondents were asked to comment on statements regarding service innovation effect on organizational performance.

### **Table: 2: Service Innovation**

	Mean	Std. Deviation
The Judiciary is struggling to portray a positive image amid wrangles from within		
and a tug of war with the Executive and Parliament.	4.52	1.036
Service innovation at the heart of judiciary should have the public in mind	4.64	0.945
Total quality control eloquently speaks to the need for recognizing and responding		
to specific customer preferences for performance.	4.15	0.743

Page: - 524 -

Service Innovative responses can enable judiciary to either position itself within an		
attractive niche or to meet a larger proportion	4.73	0.993
Responsiveness to the changing nature of crimes required calls for continual		
Service innovation in the judiciary	4.62	0.838

The results in table 2 revealed that majority of the respondent with a mean of (4.52) agreed with the statement that the Judiciary was struggling to portray a positive image amid wrangles from within and a tug of war with the executive and parliament. The measure of dispersion around the mean of the statements was 1.036 indicating the responses were varied. The findings revealed that majority of the respondent as indicated by a mean of (4.64) agreed with the statement that service innovation at the heart of judiciary should had the public in mind.

The result revealed that majority of the respondent (4.15) agreed with the statement total quality control eloquently speaks to the need for recognizing and responding to specific customer preferences for performance. The results were varied as shown by a Standard Deviation of 1.025. Findings also showed that that majority of the respondent (4.73) agreed with the statement that service innovative responses can enable judiciary to either position itself within an

attractive niche or to meet a larger proportion. The results were varied as shown by a Standard Deviation of 0.993. Finally, results indicated responsiveness to the changing nature of crimes required calls for continual service innovation in the judiciary. The mean for this comment was 4.62 accompanied by a varied response of 0.838.

These findings were consistent with Anderson (2013), who opines that the most important responsibility of Service Innovation professionals is to have such insights on the market dynamics to changing consumer needs and expectations. Often this responsibility is observed to mean solely in identifying of likely and present future geographical market opportunities.

## **Financial Innovations**

There was also need to establish how financial innovations affect organizational performance in Mombasa Law courts as the third objective.

	Mean	Std. Deviation
Paying fines through integrated systems saves a lot of time.	4.96	0.784
Paying fines through IFMIS reduces corruption	4.27	0.720
Financial innovations reduce paperwork in the court room	4.63	1.128
Financial innovations increase efficiency in the courtroom	4.68	1.002

The results in table 3 revealed that majority of the respondents (mean=4.44) agreed with the statement that paying fines through integrated systems saves a lot of time. The measure of dispersion around the mean of the statements was 0.784 indicating the responses were varied. The findings revealed that majority of the respondent as indicated by a mean of (4.27) agreed with the statement that paying fines through IFMIS reduces corruption. The Standard Deviation for comments for poor performance was 0.720 showing a variation. The results also revealed

that majority of the respondent (4.63) agreed with the statement the financial innovations reduces paperwork in the court room. The results were varied as shown by a Standard Deviation of 1.128.

The results revealed that majority of the respondents (mean = 4.68) agreed with the statement that financial innovations increase efficiency in the courtroom. The measure of dispersion around the mean of the statements was 1.002 indicating the responses were varied. The results mirror those of Bosire (2017) who argue that in the 21st century,

Page: - 525 -

### **Table 3: Financial Innovations**

Information and communication technology is key in establishing efficient and effective institutions. To this extent, the Judiciary should adopt ICT as an enabler of justice to facilitate faster trials and enhance administrative functions with respect to financial innovations.

#### **Technical Innovations**

There was also need to establish how technical innovations affect organizational performance in Mombasa Law courts.

	Mean	Std. Deviation
Service innovations as innovations in the judiciary are long overdue although		
judiciary is rigid in nature.	4.58	0.495
Technological innovation for businesses as well as public sector notably the		
courts helps in adding value and attaining strategic objectives	4.08	0.814
Courts require recurring technological innovation to continuously retain their		
competitiveness in dispensing justice fast and be able to face new challenges	4.19	1.481
In Kenya for the law to properly adjudicate discovery disputes it has been		
suggested that 'the law catch up with the technology'	4.58	0.495

### **Table 4: Technical Innovations**

The findings revealed that majority of the respondent as indicated by a mean of (4.58.) agreed with the statement that service innovations as innovations in the judiciary were long overdue although judiciary was rigid in nature. The Standard deviation for comments for showing a variation was 0.495. The results revealed that majority of the respondent (mean=4.08) agreed with the statement that technological innovation for businesses as well as public sector notably the courts helped in adding value and attaining strategic objectives. The results were varied as shown by a standard deviation of 0.814. Findings also showed that that majority of the respondent (4.19) agreed with the statement that courts required recurring technological innovation to continuously retain their competitiveness in dispensing justice fast and be able to face new challenges. The results were varied as shown by a standard deviation of 1.481.

Finally, the results indicated that in Kenya for the law to properly adjudicate discovery disputes it had suggested that 'the law catch up with the technology (4.58). The Standard Deviation for this comment was accompanied by a varied response of 0.495. The study findings seem to draw a similarity with those of Cheng and Lin, 2017; Shan and Jolly, (2017) who suggest that to sustain in the encountering rapidly changing environments, technological change and globalization, Courts require recurring technological innovation continuously to retain their competitiveness in dispensing justice fast and be able to face new challenges.

## **Correlation Analysis**

Correlation analysis was used to determine both the significance and degree of association of the variables and also predict the level of variation in the dependent variable caused by the independent variables.

## **Table 5: Bivariate Pearson Correlations**

		Process	Service	Financial	Technical	Organizational
		innovation	innovation	innovation	innovation	performance
Process	Pearson	1				
innovation	Correlation	T				
	Sig. (1-tailed)					
Service	Pearson	.342**	1			
innovation	Correlation	.342	1			
	Sig. (1-tailed)	.026				
Financial	Pearson	.137**	.405**	1		
innovation	Correlation	.137	.405	1		
	Sig. (1-tailed)	.000	.000			
Technical	Pearson	204**	.274**	~~~**		
innovation	Correlation	.391**	.274	.338**	1	
	Sig. (1-tailed)	.000	.000	.000		
Organizational	Pearson	.412**	.504**	.295**	.317**	1
performance	Correlation	.412	.504	.295	.31/	1
	Sig. (1-tailed)	.000	.000	.000	.041	
	Ν	113	113	113	113	113

\*\*. Correlation is significant at the 0.01 level (1-tailed). The correlation summary indicated that the associations between each of the independent variables and the dependent variable were all significant at the 95% confidence level. The correlation analysis to determine the association between process innovating and organizational performance indicated that there was a positive relationship (r= .412). In addition, the researcher found the relationship to be statistically significant at 5% level (p=0.000, <0.05). The correlation analysis to determine the association between service innovation and organizational performance indicated that there was a positive relationship (r= .504). In addition, the researcher found the relationship to be statistically significant at 5% level (p=0.00, <0.05).

The correlation analysis to determine the association between financial innovations and organizational performance in Mombasa Law courts tested at 5% significance level indicated that there was a weak positive relationship (r=.295). In addition, the researcher found the relationship to be statistically significant at 5% level (p=0.00, <0.05). Day (2014) in his study seems to suggest that states that financial innovation brings about new payment procedures and services that will eventually fulfill the rapidly changing consumer and customer requirements. His findings are congruent to our study findings.

The correlation analysis to determine the association between technical innovation and organizational performance tested at 5% significance level indicated that there was a weak positive relationship (r= .317). The findings confirmed the observation that innovation process may involve the combination of existing technology and inventions to make a new or improved product, process, or system (Diaconu, 2017).

## **Regression Analysis**

In this study multivariate regression analysis was used to determine the significance of the relationship between the dependent variable and all the independent variables pooled together. The significance of the regression model was tested at the 5% level of significance.

## **Table 6: Model Summary results**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.758ª	.575	.526	1.8523
	<i>i</i>			

a. Predictors: (Constant), Process innovation, Service innovation, Financial innovation, Technical innovation

The independent variables reported R value of .758 indicating that there was strong correlation between dependent variable and independent variables. The coefficient of determination ( $R^2$ ) is 0.575 which indicated that 57.5% of the corresponding variation in the organizational performance in Mombasa Law courts was explained by process innovation, service

innovation, financial innovations and technical innovation. This indicated that the model fitted the study data. The remaining 42.5% could be explained using other factors not included in our model. The capability to innovate is ever more viewed as the single most vital factor in developing and supporting competitive advantage (Tidd, 2015).

### Table 7: ANOVA

Mode	el	Sum of Squares	df	Mean Square	F	Sig.
1	Regression	238.641	4	59.660	36.512	.000 <sup>b</sup>
	Residual	176.434	108	1.634		
	Total	415.075	112			

a. Dependent Variable: Organizational performance

b. Predictors: (Constant), Process innovation, Service innovation, Financial innovation, Technical innovation

Analysis of variance results in table 7 showed that the significance value was 0.000 which was less than 0.05, the critical value at 95% significance level. The model was statistically significance in predicting how **Table 8: Regression Coefficients** 

technical innovation, process innovations, service innovation, financial innovations affect organizational performance in Mombasa Law courts.

			Unstandardized Coefficients			
M	odel	В	Std. Error	Beta	t	Sig.
1	(Constant)	5.413	1.348		4.016	.000
	Process innovation	.392	.116	.539	3.379	.031
	Service innovation	.418	.198	.436	2.111	.000
	Financial innovation	.257	.089	.109	2.887	.024
	Technical innovation	.121	.047	.287	2.574	.007

a. Dependent Variable: Organizational performance

Regression equation took the form:

 $Y=5.413 + 0.392X_1 + 0.418X_2 + 0.257X_3 + 0.121X_4$ 

Based on the regression findings, all the independent variable showed a positive coefficient indicating a positive effect on organizational performance. The regression equation above has established that taking all factors into account (Process Innovation, Service Innovation, Financial Innovations and Technical Innovation) constant at zero, organizational performance in Mombasa Law courts would be 5.413.

# CONCLUSIONS

The study established that well-designed, integrated case management systems that had the potential to enhance the efficient administration of justice and the Mombasa law court did not use videoconferencing technology to conduct remands and hear bail. The study established that conferencing could be used for pre-trial hearings and preliminary applications and technologies such as electronic mail could also be applied to handle communication needs at the pre-trial. Results also showed that computerized litigation support systems could assist in managing and presenting the evidence and technology was recognized as a key enabler for increased efficiency and effectiveness. The study findings agreed to He and Wong (2014), who conclude that process innovation is defined as the new or substantially improved firm's processes that are introduced through new materials, equipment or the reengineering of the operational processes.

The study established that the Jjudiciary was struggling to portray a positive image amid wrangles from within and a tug of war with the executive and parliament and service innovation at the heart of judiciary should have the public in mind. The study showed that total quality control eloquently speaks to the need for recognizing and responding to specific customer preferences for performance and service innovative responses can enable judiciary to either position itself within an attractive niche or to meet a proportion. lt was established larger that responsiveness to the changing nature of crimes required calls for continual service innovation in the judiciary. These findings were consistent with Anderson (2013), who opines that the most important responsibility of Service Innovation professionals is to have such insights on the market dynamics to changing consumer needs and expectations.

The study further established that paying fines through integrated systems saves a lot of time and paying fines through IFMIS reduces corruption. The study findings showed that financial innovations reduce paperwork in the court room and increase efficiency in the courtroom. The results mirror those of Bosire (2017) who argue that in the 21st century, Information and communication technology is key in establishing efficient and effective institutions. To this extent, the Judiciary should adopt ICT as an enabler of justice to facilitate faster trials and enhance administrative functions with respect to financial innovations.

The study further established that technological innovation for businesses as well as public sector notably the courts helps in adding value and attaining strategic objectives. The results showed that courts require recurring technological innovation to continuously retain their competitiveness in dispensing justice fast and be able to face new challenges and that in Kenya for the law to properly adjudicate discovery disputes it has been suggested that 'the law catch up with the technology. The study findings seem to draw a similarity with those of Cheng and Lin, 2017; Shan and Jolly, (2017) who suggest that to sustain in the encountering rapidly changing environments, technological change and globalization, Courts require recurring technological continuously innovation to retain their competitiveness in dispensing justice fast and be able to face new challenges

The study concluded that the efficient administration of justice can be enhanced by a well-designed and integrated case management system. The Mombasa law court had failed to adopt video-conferencing technology to conduct remands and hear bail. The study concluded that adoption of video conferencing could be beneficial to the law court as it can be applied during pre-trial hearings and preliminary applications. Technologies such as electronic mail could also be applied to handle communication needs at the pre-trial and computerized litigation support systems can assist in managing and presenting the evidence.

The study concluded that the service innovation of the judiciary can help it redeem its image soiled by the constant wrangles with the executive and legislative arms of the government. The design and implementation of service innovation should encompass the service delivery to the public. The study concludes that total quality control eloquently speaks to the need for recognizing and responding to specific customer preferences for performance and service innovative responses can enable judiciary to either position itself within an attractive niche or to meet a larger proportion.

The study concluded that financial innovation significantly affects organizational performance in Mombasa Law courts. This was because financial innovation made all payments to the court easy and flexible. The study concluded that fines payment through the court integrated systems saves a lot of time and routing financial transaction through the integrated financial management information system (IFMIS) curbs corruption and enhances transparency and accountability. With financial innovations, the court saves operational costs since there is reduced paperwork in the court room.

Finally, the study concluded that technical innovation positively affects organizational performance. With technological innovation, courts can add value to the service delivery and assist in attaining the set objectives. It was concluded that courts required recurring technological innovation to continuously retain their competitiveness in dispensing justice fast and be able to face new challenges.

The study recommended that the Mombasa Law courts should design and implement integrated case management system to improve the court process. The Mombasa law court should adopt videoconferencing technology to conduct remands and hear bail. This would increase the service efficiency and restore public confidence to the courts. The study recommends that the law court should apply technologies such as electronic mail to handle communication needs at the pre-trial. The law court should implement computerized litigation support systems to help in managing and presenting the evidence in the court of law. The study recommended that the management of law courts should come up with service delivery policies and systems bearing in mind public concerns and expectations. Enhanced service delivery through service innovation can help the Jjudiciary redeem its tainted image in the public eye. The law court should adhere to total quality management standards when discharging services to the public.

The study recommended that the management of the law court should design and implement financial systems which are reliable and effective. This is because it was established that financial innovation performance affects positively. With the implementation of financial system, all court payments will be made easy and flexible. The clients and users of the court will save time when conducting payments to the court. The court should adopt and link with the integrated financial management information system (IFMIS) so as to reduce corruption and improve transparency and accountability in court financial transactions.

The study recommended that since it was established that technical innovation positively affects organizational performance, the law court should adopt technological innovation by automating all core functions so as to improve efficiency in the service delivery. With technological innovation, the court can save time and increase transparency in the court process.

The study set out to assess the effect of innovations strategy on the organizational performance in Mombasa Law court. However, the studies innovations strategy factors explained only 57.5% in organizational performance. This calls for other studies to be undertaken to incorporate the other factors not considered in the current study. Further, a study should be carried out on innovation strategies covering all law courts in Kenya to generalize the findings.

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