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INFLUENCE OF ORGANIZATIONAL DEVELOPMENT ON PERFORMANCE OF LOCAL NON-GOVERNMENTAL ORGANIZATIONS IN KENYA: A CASE OF NAIROBI COUNTY

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INFLUENCE OF ORGANIZATIONAL DEVELOPMENT ON PERFORMANCE OF LOCAL NON-GOVERNMENTAL ORGANIZATIONS IN KENYA: A CASE OF NAIROBI COUNTY

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ABSTRACT

Although Kenya has pursued economic development through Non-governmental organizations which have the desire to achieve development driven projects to the local communities, lack of organizational development has led to poor performance of these organizations to meet the objectives in Kenya. Engaging in the process of organizational development ensures that an organization meets its objectives within the constraints of time, budget and external forces. It is therefore important that the organizational development system be properly installed from the onset to ensure that it gives proper direction and guidance for an organization. This study dealt on the effects of organizational development on performance of non-governmental organizations in Kenya with a case of Nairobi County as the study area. The specific objectives of the study were to examine how employee development and affect performance of non-governmental organizations in Kenya. The study adopted a descriptive survey purposively targeted 800 employees of the local NGOs situated in Nairobi County. A sample size of 80 respondents was used by use of a stratified sampling technique to collect primary data through the use of questionnaires. The secondary data was obtained from published documents such as journals, periodicals, magazines and reports to supplement the primary data. A pilot study was conducted to test reliability and validity of data collection instruments. The data was analyzed with help of SPSS version 21 and Excel. The analysis showed that employee development had the strongest positive (Pearson correlation coefficient =.744) effects on performance of non-governmental organization. In addition, systems development, resources allocation and monitoring and evaluation are positively correlated to performance of non-governmental organizations (Pearson correlation coefficient =.603, .693 and .651). The study recommends that to improve organizational development on performance of non-governmental organizations, the management should make sure that all the respective heads of departments have full and clear information on organizational development strategies and policies that can promote performance of their organizations. The employee development to be facilitated through leadership development of supervisors and managers of the organizations, staff training and skill on employee development, regular staff appraisals of employees enhances performance of their organization. The monitoring and evaluation to be embraced by the NGOs through making informed decisions regarding programme operations and service delivery, make informed decisions regarding programme operations and service delivery as this will go a long way to help the organization to have effective and efficient use of resources, helps organizations to track progress of programmes, to assess extent the programme is having its desired impact, helps the organizations to create transparency and foster public trust and helps the organizations to understand support and meet donor needs and also helps the organization to create institutional memory. Additionally, very little has been undertaken to explore organizational development on performance of organizations reason thus researcher call for similar studies to be undertaken in Kenya for generalization of the findings of this study.

Key Words: *Organizational Development, Performance, Non-Governmental Organizations*

INTRODUCTION

Over the last decade there has been a dramatic growth in the development aid sector but also a growing concern about the sector's effectiveness and impact. The tightening of the aid budgets has led many major donors to become more selective about who they fund and increasingly rigorous in terms of accountability, performance and results. Non-governmental organizations (NGOs) have also become more critically aware of the need to assess their own impact (Wrigley et.al 2005).

Organizational Development (OD) is a planned and systematic approach to enabling sustained organization performance through the involvement of its people. It is an effort planned, organization wide, managed from the top, to increase organization effectiveness through planned interventions in the organization's processes using behavioral science knowledge. Purcell et.al (2002), it is a system-wide process of data collection, diagnosis, action planning, intervention and evaluation aimed at enhancing congruence among organization structure, process, strategy, people and culture; developing new and creative organizational solutions; and developing the organization's self-renewing capacity. It occurs through the collaboration of organizational members working with a change agent using behavioral science theory, research and technology. (Guillory2000).

Cummings & Worley (2005) defined OD as a system wide application and transfer of behavioral science knowledge to the planned development, improvement, and reinforcement of strategies, structures, and processes that lead to organization effectiveness. As defined by Graham (2003), Organization development (OD) is a planned, top down, organization-wide effort to increase the organization is effectiveness and health. Organization development is achieved through interventions in the organization's "Processes" using behavioral science knowledge. According to

Bennies(2000) organization development is a complex strategy intended to change the beliefs, attitudes, values, and structure of organizations so that they can better adapt to new technologies, markets, and challenges. Burke(2003) emphasizes that organizational development is not just "anything done to better an organization," It is a particular kind of change process designed to bring about a particular kind of end result and involves organizational reflection, system improvements, planning and self-analysis.

The number of NGOs in various parts of Kenya, forms a worthy spectrum to the curiosity of researchers to assess its impact. For instance, the NGO Coordination Board recently de-registered over 500 Non- Governmental Organizations. Besides Organizational Development being carried out on these organizations, they obviously still seem to face an array of challenges. The resources committed by some of these NGOs to various projects are enormous, the performance of most of them in relation to the objectives for which they were initiated and their impact is negligible. However, some of them have produced wonderful results, proving a great success. Various researchers among them; Maranga et al, (2010), have addressed some of the factors that affect the performance of NGOs, though on divergent perspectives.

Statement of the Problem

Globally, various states have been crying foul over the many local non-governmental organizations whose performances fall below the target and the hardy cash gone down the drain (SRR, 2009). In addition, the performance of local NGOs as a major stakeholder in development is notably worrying as depicted in the previous declarations on aid effectiveness for Africa in (Paris 2005, Accra 2008 and Bussan 2011). The last decade has, however, seen a radical criticism of foreign aid that is underpinned in the performance of NGOs. A fact that has been argued out on that foreign aid can

only raise growth in a good policy environment together with sustained good leadership in terms of management and governance as mentioned in a case study for aid effectiveness in Kenya (Mwega, 2010). In Kenya the number of local NGOs that have so far proved defunct and futile ventures in relation to their objectives is desperately alarming. The situation seems worse when NGO and CBO programs are put into the spotlight. The overall performance of an NGO is a key factor to ascertain its success. This is usually determined by the attainment of the organizational development objectives and the sustainability of the NGO activities thereafter (Reuben *et al*, 2005).

The number of performing NGOs in various parts of Kenya forms a worthy spectrum to the curiosity of researchers. For instance, from the NGOs co-ordination board, there have been about one hundred and fifty eight NGOs that have been deregistered in Nairobi County (NGOs coordination board, 2014) but shockingly almost 85% of these NGOs have worked for a long time without making any impact in relation to the objectives they were pursuing. The resources committed by these local NGOs to the various projects are enormous. However the performance of most of them in relation to the objectives for which they were initiated and their impact is negligible (NGOs coordination board, 2013). Some of them have produced wonderful results, proving a great success. Various researchers among them Marangaet *al*, (2005) have addressed some of the factors that affect the performance of NGOs, though on divergent perspectives.

While several studies (Ahmad, 2002; Mukasa, 2006; Orondo,2014;Wrigley *et.al*, 2005) have been focusing on different aspects of organizational development and further appreciating the crisis in every performance in terms of organizational development and alarming rate of organizational non-performance, ineffective and inefficient systems and processes that govern them.

However, the literature available points out that there is some level of organization development in private and public organization. Yet, none has demonstrated any documented empirical evidence on organization development as practiced among Non-Governmental organization in relation to their performance in the south of Sub-Sahara and Kenya in particular. This study therefore, intended to establish the influence of organizational development on performance among local Non-governmental organizations in Kenya.

Objective of the study

The main objective of the study was to establish the influence of organizational development on performance of local non-governmental organizations in Kenya. The specific objectives of the study were to; establish the influence of employee development and monitoring and evaluation on performance of local non-governmental organizations in Kenya.

Research Questions

This study was guided by the following research questions;

- I. What is the influence of employee development on performance of local non-governmental organizations in Kenya?
- II. Does monitoring and evaluation influence performance of local non-governmental organizations in Kenya?

Scope of the Study

The study focused on the local NGOs in Nairobi County and targeted 800employees in working in the various local NGOs in Nairobi County. The study was also limited to variables under the study which included; employee development and monitoring and evaluation on performance of local non-governmental organizations.

LITERATURE REVIEW

Theoretical Review

Knowledge-based Theory

Knowledge-based Theory of organization development states that there is no explicit theory of management and as a result there is a general theory to underpin the discipline and is found in theories of management, planning, control and organizations (Koskela & Ballard, 2002). There is 'embryonic' theory contained in literature, particularly his books (Turner, 2006). In response, it is noted that explicit theory is lacking Sauer & Reich (2007). Knowledge-based organization development is the systematic and optimal arrangement and coordination of knowledge and knowledge configurations over a period of time to achieve specific objectives within time and budget constraints. This includes but not limited to organization development cost, risk management and integration management Onions, (2007). The above theory relates to staff training on performance of local non-governmental organizations in Kenya.

Project Evaluation Theory of Management

Organizational performance is determined by its management and is increasingly used in organizational development to bring balanced approach to opportunity and threat management. Uncertainty management includes not just managing threats, opportunities and their implication but also identifying and managing all sources of uncertainty which develop the perception of threats and opportunities (Ward & Chapman, 2003). In the same paper, they (Ward & Chapman, 2003) have suggested various sources of uncertainty in projects including "variability associated with project parameters, design and logic, objectives, priorities and relationships between partners". Previous track record of a company in completing the project within the time

specified at the beginning does not necessarily indicate that all future projects will complete as per schedule. This is primarily because uncertainty is depended upon elements of the project management as mentioned earlier (Ward & Chapman, 2003). This clearly demonstrates that probability theory plays minimal role in determining the desired outcome in organization risk or uncertainty management. Kwak, (2002) defines CSFs as the "internal and external, visible and invisible factors that influence the environment and create a high amount of risk in accomplishing the project objectives." Tukul *et al* (1996) group CSFs into four categories: factors related to the project, factors related to organization and factors related to the acceptance, availability of resources and effective implementation, which lead to success or failure. The above probability theory of management relates to monitoring and evaluation on performance of local non-governmental organizations in Kenya.

Conceptual Framework

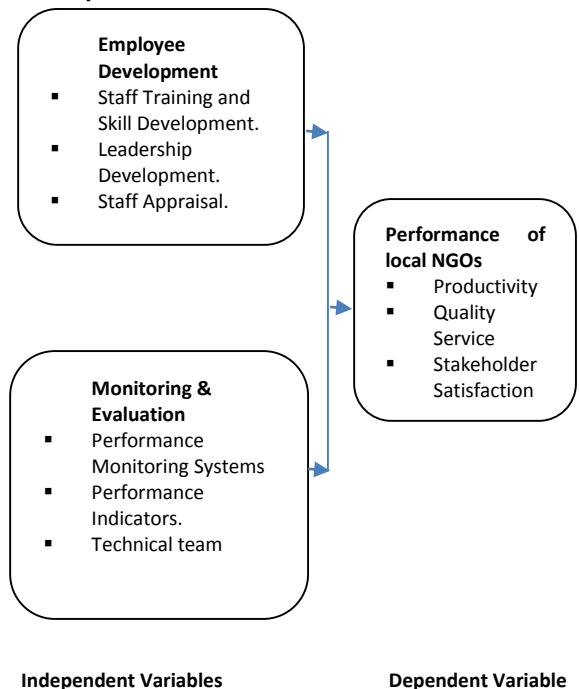


Figure 1: Conceptual Framework

a) Employee Development

Employee training and development is the field which is concerned with organizational activity aimed at bettering the performance of Individuals and groups in organizational setting Graham (2003). It is a combined role often called human resources development (HRD) meaning the development of "Human" resources to remain competitive in the marketplace. Training focuses on doing activities today to develop employees for their current jobs and development is preparing employees for future roles and responsibilities Bennies, (2000).

According to Dessler (2011) training means giving new or current employees the skills they need to perform their jobs. Dessler (2005) defines training as the methods used to give new or present employees with the skills they need to perform their jobs. Having high potential employees doesn't guarantee they will succeed instead they must know what you want them to do and how you want them to do. Cole (2008) defines training as any learning activity which is directed towards the acquisition of specific knowledge and skills for the purpose of an occupation or task. The focus of the training is the job or task. Examples of training needs are: the need to have efficiency and safety in the operation of particular machines or equipment; the need for an effective sales force and the need for a competent management in the organization.

Armstrong (2009) states that training involves the application of formal processes to impart knowledge and help people to acquire the skills necessary for them to perform their jobs satisfactorily. The goal of training is to create impact. Focus is on creating specific action steps where staff will be able to incorporate their new skills and ideas back to the organization. Training involves presentation and learning as a means for enhancing skill development and improvement of

performance. Majority of organizations around the world have long recognized the importance of trainings. As new technology progresses, making certain jobs and skills redundant, there has been an increased emphasis on the need for skilled and highly trained workforce who will be able to deliver based on the changing trends of the external environment as well as the improvement or change of focus of the organization's strategic plans.

b) Monitoring & Evaluation

Monitoring can be defined as the ongoing process by which stakeholders obtain regular feedback on the progress being made towards achieving their goals and objectives while evaluation is a rigorous and independent assessment of either completed or ongoing activities to determine the extent to which they are achieving stated objectives and contributing to decision making (UNDP 2009). Monitoring and evaluation is conducted for several purposes namely to learn what works and does not; to make informed decisions regarding programme operations and service delivery based on objective data; to ensure effective and efficient use of resources; to track progress of programmes; to assess extent the programme is having its desired impact; to create transparency and foster public trust; to understand support and meet donor needs; and to create institutional memory.

According to UNDP (2009), monitoring focuses on the implementation process and asks the key question how well is the organization performance program being implemented while evaluation analyses the implementation process. Evaluation measures how well organization performance program activities have met objectives, examines extent to which outcomes can be attributed to project objectives and describes quality and effectiveness of program by documenting impact on participants and community. Monitoring generates periodic reports throughout the program cycle, focuses on project outputs for monitoring progress and making appropriate corrections, highlights areas for improvement for

staff and tracks financial costs against budget (UNDP 2009).

UNDP (2009) advises that there is need for effective Monitoring and Evaluation (M&E) which is increasingly being recognized as an indispensable tool of both project and portfolio management of an organization. This is because M&E provide a basis for accountability in the use of development resources of an organization. Further M&E can be applied to strengthen the organization design and implementation and stimulate partnership with organization stakeholders. Operational issues need to be considered when we conduct monitoring and evaluation. Wholey *et al*, (2010) states that evaluation is used in non-governmental organization to increase transparency, strengthen accountability, and improve performance, whereas performance management systems establish outcome-oriented goals and performance targets, monitor progress, stimulate performance improvements, and communicate results to higher policy levels and the public. Wholey, Hatry, & Newcomer, (2010). The monitoring and evaluation (M&E) function particularly the role it plays on performance of non-governmental organization in Kenya is the focus of this research.

c) Organizational Performance

Burke (2005) defines it as to improve the organization's capacity to handle its internal and external functioning and relationships. This includes improved interpersonal and group processes, more effective communication, and enhanced ability to cope with organizational problems of all kinds. It also involves more effective decision processes, more appropriate, improved skill in dealing with destructive conflict, as well as developing improved levels of trust and cooperation among organizational members. These objectives stem from a value system based on an optimistic view of the nature of man that man in a supportive environment is capable of achieving higher levels of development and

accomplishment. Essential to organization development and effectiveness is the scientific method inquiry, a rigorous search for causes, experimental testing of hypotheses, and review of results.

Chong (2008) Performance management is about improving performance at the individual, group, and organization levels. It is about improving the organization's ability to effectively respond to changes in its external environment, and it's about increasing internal capabilities by ensuring the organizational structures, human resources systems, job designs, communication systems, and leadership and managerial processes fully harness human motivation and help people function to their full potential.

Empirical Review

a) Employee Development

Aposporiet *al*. (2008) had deduced that there is a considerable impact of employee staff training on organizational development and performance. Differently from these studies, Cunha, Morgado and Brewster (2003) were the only ones who could not determine the impact of training on organizational development on performance, and suggested that another study on analysis of this relationship was needed.

In order to ensure that our employees are equipped with the right kind of skills, knowledge and abilities to perform their assigned tasks, training and development plays its crucial role towards the growth and success of our business. By choosing the right type of training, we ensure that our employees possess the right skills for our business, and the same need to be continuously updated in the follow up of the best and new HR practices. To meet current and future business demands, training and development process has assumed its strategic role and in this regard few studies by Stavrouet *al.*'s (2004) and Apospori, Nikandrou, Brewster and Papalexandris's

(2008), have attained much importance as these highlight the T&D practices in cross-national contexts.

In India, many companies other than multi-nationals are not meeting the employee demands with reference to training and organizational development and ultimately the gaps found in the required skills vis-a-vis attained skills have become so wide that inter-relationships of training and organizational performance are badly disturbed (Merrut2014). There is still a big gap between the knowledge and skills imparted and acquired in the institutions and its applications as seen in the industrial environments. Due to this gap, companies now feel that there should be a close liaison between such institutions and the industry so that employee development programs are made more purpose oriented. There are training institutions which offer customized as well as off-the-shelf programs based on their client's business operations but yet, there is much to be improved. Therefore, training and development cannot be disconnected from the business activities of the organizations; on the contrary, this is the area that clearly illustrates positive relationships between training activities and the organizational performance (Merrut2014).

b) Monitoring & Evaluation

World Bank (2003) states that in order to come up with a program design you need to first develop an M&E plan which will aid in exposing gaps in program planning as well as in designing a program proposal. Planning is essential in monitoring because of various purposes namely helping one keep track of who participates in the activities with regard to number, age and gender; helping one keep track of the quality of activities including feedback of participants; helps one analyse the information at regular intervals and lastly helps in feeding results of that analysis back into the project at regular intervals.

Planning is essential in evaluation because it helps decide who will be involved in the decision making

process, determine what kind of evaluation one will take, assisting in developing one's evaluation methodology and evaluation plan World Bank (2003). Monitoring and evaluation methods entail four areas namely objectives which focuses on social development priorities, stakeholder analysis which focuses on which stakeholders influence benefit or lose from the program, institutional analysis which focus on the role of institutions in influencing impact and lastly transmission channels which focuses on causality framework of an organizational development program. World Bank (2003).

Critique of literature

The literature review talks about all independent variables being the factors affecting the dependent variable, though it does not highlight the exact Kenyan situation viz a via turnover in NGOs. In as much as the review is relevant, there is no literature review that touches exactly on NGOs. It is also clear that many organizations do not disclose reasons for their low performance.

Employee Development is important for an employee's in as it enables the organization to contribute to the development of a country's human capital and influence employers in regard to the need for them to invest more in trainings which employers should recognize as one key to their competitiveness in the future. The literature review affirms that different kinds of training suits different kinds of organization. Whereas that is right, the review does not give us the exact training to be used to lower down the effects of performance.

Performance is vital for an organization, growth and development. It is evident that policies associated with performance management affects organizational development, whereas that is true, the literature does not give us the specific policies that affect the organization under study and hence the review ought to have established this in totality. That said the research has endeavored to

establish that resource allocation affect performance in the stated organization. It is clear that monitoring and evaluation affects performance, though we haven't been told exactly how much of monitoring and evaluation affects it highly or Lowly, then the review does not give us monitoring and evaluation which leads to performance, leave alone showing us which industry or organizations are highly influenced by monitoring and evaluation and is significantly affecting organizational development.

Research Gaps

With the fact that there is low level of organizational development in the NGOs, the questions of why is valid. There are reasons as to why this rate is increasing. The review affirms that employee development and monitoring and evaluation, affects the level of organizational development (Shane, 2003). Most studies cited (Yusuf & Saffu, 2009; Adedeji, 2001; Alesina and Weder, 2002; Round & Odedokun, 2003) have been done outside Kenya and have been conducted in western economies like the in USA, UK, India, Australia and Other parts of Europe. Only a few appear to have been conducted in East Africa especially with Kenya as the focus. The researcher feels that a study in context of Kenya will give a different insight of the influence of organizational development on performance of local NGOs in Kenya.

RESEARCH METHODOLOGY

Research Design

The study sought to be descriptive in nature as it was deemed appropriate because it involve use of written questionnaires administered to respondents. Yin (2003) recommended descriptive design as it allowed the researcher to describe, record, analyze and report conditions that exist or existed. Since this study sought to establish the role of organizational development on performance of

non-governmental organizations in Kenya, descriptive research design was the best design to use. This had the advantage of providing an in-depth investigation of the problem under study.

Target Population

The target population of interest in this study was 800 employees working in the registered local NGOs under NGO coordination board 2015 which are situated in Nairobi County. These NGOs were visited by the researcher and it was established that they had an organization structure that mainly consisted of the senior level management, middle level management and lower level management. The Human Resource Managers of these organizations, assisted to identify the most appropriate persons who adequately responded to the questionnaires. These respondents were the focus of the study as they were well placed to discuss issues on Employee Development, Monitoring and Evaluation, Resource Allocation and Systems Development. As these are done in-house unlike international NGO's which depend on structures that are already established. This is as illustrated in Table 3.1.

Table 1: Target population

Category	Population	Percentage
Senior level management	80	10%
Middle level management	220	27.50%
Lower level management	500	62.50%
Total	800	100

Source: NGO Coordination Board (2015)

Sample Size and Sampling Technique

The sample size was arrived by using the 10% of the target population. It is supported by Neumann (2004) who argued that taking a 10%-30% of the provided sufficient information for the study. A stratified sampling technique was used to collect primary data from the respondents.

Table 2: Sample Distribution

Stratum	Population(N)	Sample Ratio	Sample Size
Senior level management	80	10%	8
Middle level management	220	10%	22
Lower level management	500	10%	50
Total	800	10%	80

Data collection instruments

The study collected both primary and secondary data. Primary data was collected using questionnaires. These respondents were specifically targeted for their ability to provide pertinent information to the study. The questionnaire contained both structured and unstructured questions. According to Babbie(2009), the questionnaires are used for data collection because of their simplicity in the administration and scoring of items as well as data analysis. Secondary data was gathered from existing credible and recognized source. The secondary data comprised of materials that were relevant such as library text books, internet and magazines and reports in the organizations.

Data collection procedure

The data collection procedure for the study begun by obtaining a letter from the University Department of EPD of JKUAT and introducing it to NGO management to permit the researcher to carry out the study in their organizations. Research assistants were sourced to assist in data collection. They were be briefed on the ethical issues, process and procedures for administering and recording data prior to embarking on the research.

Data Analysis and Presentations

Data collected was analyzed using both quantitative and qualitative methods with the help of (SPSS) version 21 and Microsoft excel. The qualitative analysis helped the researcher in giving recommendations in line with the conclusions

drawn for the whole population under study (Mugenda Mugenda, 2003).Quantitative analysis provided findings that were presented using tables and graphs for further analysis and to facilitate comparison. This generated quantitative reports through tabulations, percentages, and measure of central tendency. The researcher further adopted multiple regression analysis model at 5% level of significance to study the strength and direction of the relationship between the independent variables (Employee Development and Monitoring and Evaluation) and dependent variable (performance of non-governmental organizations). Performances of non-governmental organizations were regressed against two variables namely Employee Development and Monitoring and Evaluation. The equation will be expressed as follows:

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \epsilon, \text{ where,}$$

Y= Performance of local non-governmental organizations;

β_0 = Constant (coefficient of intercept),

X_1 = Employee Development;

X_2 = Monitoring and Evaluation;

ϵ = error term;

$\beta_1 \dots \beta_2$ = regression coefficient of two variables.

RESULTS AND DISCUSSIONS**Response Rate**

The study targeted a sample size of 80 respondents from which 55 filled in and returned the questionnaires making a response rate of 68.75%.

Pilot Test Results**Table 3: Reliability and Validity test results**

Variable	Cronbach's Alpha	CVI
Employee Development	0.953	0.8890

Monitoring and Evaluation	0.935	0.8654
Performance of Non-governmental organizations	0.875	0.8643

A pilot study was carried out to determine reliability of the questionnaires. The pilot study involved the sample respondents. Reliability and validity analysis was subsequently done using Cronbach's Alpha which measured the internal consistency. Gliem & Gliem (2003) established the Alpha value threshold at 0.7, thus forming the study's benchmark. Cronbach Alpha was established for every objective which formed a scale. Table 3 shows employee development had the highest reliability ($\alpha = 0.953$) and this also illustrates that all the two variables were reliable as their reliability values exceeded the prescribed threshold of 0.7.

Demographic Information

Gender of the respondent

The study sought to determine the gender composition of the study population. From the findings it was established that majority of the respondents as shown by 55% were males whereas 45% of the respondent were females, this is an indication that both genders were well represented in this study and thus the finding of the study did not suffer from gender bias all through the study.

Age Distribution of Respondents

The study requested the respondents to indicate their age category. The study revealed that most of the respondents as shown by 43% were aged between 31- 40 years, 33% of the respondents were aged between 41-50 years, 15% were aged 50 and above years whereas 9% of the respondents were aged 18 - 30 years and above. This implies that respondents were well distributed in terms of

their age. This implies that majority of the respondents were at their maturity stage and therefore able to handle their roles responsibly.

Educational Level of Respondents

The study sought to establish the educational background of the respondents. From the study findings, the study revealed that most of the respondents as shown by 75% indicated that they held college bachelors certificates, 2% of the respondents certificate level, 3% of the respondents held diploma certificates, 11% of the respondents held post graduate degree whereas 9% of the respondents held PhD, this implies that respondents were well educated and that they were in a position to respond to research questions with ease.

Work Experience

The study revealed that on period of service, most of the respondents as shown by 43% indicated to have served for a period of 10 to 15 years, 32% of the respondents indicated to have served for a period of 6 to 10 years, 15% of the respondents indicated to have served for a period of 2 to 5 years whereas 10% of the respondents indicated to have served for more than 15 years. This implies that majority of the respondents had served for a considerable period of time and that they were in a position to give credible information relating to this study.

Study Variables

a) Employee Development

The first objective of the study was to establish the effects of employee development on organizational development on performance of non-governmental organizations in Kenya. The study requested the respondent to indicate the extent to which employee development affected performance of NGOs in Nairobi County. The results were as shown in Figure 2.

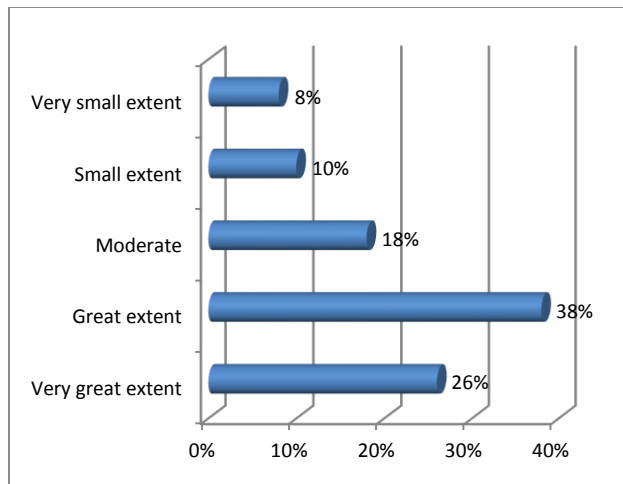


Figure 2: Extent of Employee Development on Performance of NGOs

From the study results, the study revealed that most of the respondents as shown in Figure 2 by 38% of the respondents stated that employee development affected performance of NGOs in Nairobi county to a great extent, 26% to a very great extent, 18% to a moderate extent, 10% to small extent and 8% to a very small extent. This implies that most of NGOs under study in Nairobi County were affected to a great extent by the employee development. The findings are in agreement with literature review by Dessler (2011) who observed employee development gives new or current employees the skills they need to perform their jobs thus improving performance of an organization.

The study requested the respondent to indicate the statements relating employee development on performance of NGOs in Nairobi County. From the study results, the study revealed that most of the respondents (65%) indicated that leadership development of supervisors and managers of their organizations influence performance of our organization, 60% of the respondents cited that staff training and skill on employee development enhance performance of their organization and 58% of the respondents stated that regular staff appraisals of employees enhances performance of

their organization. This implies that staff training and skills, leadership development of supervisors and regular staff appraisals of employees in employee development influence performance of NGOs in Nairobi County. The findings are in agreement with literature review by Storey *et al.*, (2003) who observed that there is a significant relationship between the staff training, leadership development of supervisors and regular staff appraisals enhance performance of an organization.

The study requested the respondent to indicate the statements relating staff training and skill development in employee development on performance of NGOs in Nairobi County.

From the study findings, the study revealed that most of the respondents (55%) indicated that training of employees plays its crucial role towards the growth and success of the organization and the organizations offers employees development trainings, 45% posited that training focuses on doing activities to develop employees current jobs, 38% training offered is tailored for preparing employees for future roles & responsibilities in the organization, 35% indicated that training offers new or current employee the skills they need to perform their jobs and 55% of the respondents indicated that training involves presentation and learning as a means of enhancing skill development and improvement of performance. The findings of the study are in tandem with literature review by Armstrong (2009) who states that training involves the application of formal processes to impact knowledge and help people to acquire the skills necessary for them to perform their jobs satisfactorily. The goal of training is to create impact for an organization.

The study requested the respondent to indicate the statements staff appraisals on employee development on performance of NGOs in Nairobi County. From the study findings, the study revealed that most of the respondents (65%) indicated that

staff appraisals of employees plays its crucial role towards the growth and success of the organization, 53% of the respondents cited that the organization does staff appraisals for its employees, 24% indicated that staff appraisals focuses on doing activities to develop employees current jobs, 26% cited that staff appraisals offered is tailored for preparing employees for future roles & responsibilities in the organization, 22% of the respondents posited that staff appraisals offers new or current employee the skills they need to perform their jobs and 33% of the respondents indicated that staff appraisals involves presentation and learning as a means of enhancing skill development and improvement of performance.

b) Monitoring and Evaluation

The second objective of the study was to examine the effects of monitoring and evaluation on organizational development on performance of non-governmental organizations in Kenya. The study requested the respondent to indicate the extent to which monitoring and evaluation affected performance of NGOs in Nairobi County.

From the study results it is revealed that most of the respondents 38% of the respondents stated that monitoring and evaluation affected performance of NGOs in Nairobi county to a great extent, 26% to a very great extent, 18% to a moderate extent, 10% to small extent and 8% to a very small extent. This implies that most of NGOs under study in Nairobi County were affected to a great extent by the monitoring and evaluation.

The study requested the respondent to indicate the statements relating monitoring and evaluation on performance of NGOs in Nairobi County. From the study findings, the study revealed 45% of the respondents indicated that monitoring and evaluation helps their organization to make informed decisions regarding programme

operations and service delivery, 35% cited Monitoring and evaluation helps their organization to make informed decisions regarding programme operations and service delivery, 44% of the respondents indicated that monitoring and evaluation helps their organization to have effective and efficient use of resources, 65% indicated that monitoring and evaluation helps their organizations organization to track progress of programmes, 54% indicated that monitoring and evaluation helps their organization to assess extent the programme is having its desired impact, 45% of the respondents posited that monitoring and evaluation helps their organization to create transparency and foster public trust and 66% of the respondents stated that monitoring and evaluation helps their organization to understand support and meet donor needs and 54% of the respondents indicated that monitoring and evaluation helps their organization to create institutional memory.

The research sought to find out from the respondents on the measure of performance of non- governmental organizations in Nairobi County. From the study findings, the study revealed majority of employee productivity, communication, leadership and management and customer satisfaction to a great extent measured performance of non-governmental organizations. The findings of this study are in agreement with Chong (2008) who observed that Performance of an organization can be measured through communication, employee productivity and customer satisfaction of an organization.

Multiple Regression Analysis

The study adopted a multiple regression analysis so as to establish the relationship between the independent variables and dependent variables. The study applied SPSS version 21 to code, enter and compute the measurements of the multiple regression. According to Green & Salkind (2003) regression analysis is a statistics process of

estimating the relationship between variables. Regression analysis helps in generating equation that describes the statistics relationship between one or more predictor variables and the response variable. The results are shown in Table 4.

Table 4: Model summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.804 ^a	.646	.605	.3002

a. Predictors: (Constant), Employee development, and Monitoring and evaluation

According to the model summary Table 4, R is the correlation coefficient which shows the relationship between the independent variables and dependent variable. It is notable that there exists strong positive relationship between the independent variables and dependent variable as shown by R value (0.804). The coefficient of determination (R^2) explains the extent to which changes in the dependent variable can be explained by the change in the independent variables or the percentage of variation in the dependent variable (Performance of local Non-governmental organization in Nairobi county) that is explained by all two independent variables (Employee development, and Monitoring and evaluation). According to the two independent variables studied, they explain only 64.60% of the Performance of local Non-governmental organization in Nairobi county as represented by R^2 . This therefore means that other factors not studied in this research contribute 35.40% of the Performance of Non-governmental organization in Nairobi County. Therefore, a further study should be conducted to investigate the other factors that contribute 35.40% which influence the Performance of local Non-governmental organization in Nairobi County. This implies that these variables are very significant therefore need to be considered in any effort to boost

performance of local NGOs in the study area. The study therefore identifies variables as critical determinants of performance of local NGOs.

Analysis of Variance (ANOVA)

Table 5: Analysis of Variance^a

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	105.654	2	26.4135	92.695	.0002 ^b
	Residual	14.247	52	.28494		
	Total	109.901	54			

- a. Dependent Variable: Performance of local Non-governmental organization in Nairobi county
 b. Predictors: (Constant), Employee development, and Monitoring and evaluation
 c. Critical value = 18.543

Further, the study revealed that the significance value is 0.0002 which is less than 0.05 thus the model is statistically significant in predicting how Employee Development, and Monitoring and Evaluation influence Performance of Non-Governmental organization in Nairobi county. The F critical at 5% level of significance is 18.543. Since F calculated (92.695) is greater than the F critical (value = 18.543), this shows that the overall model was significant.

Regression Coefficients

Table 6: Coefficients^a

Model		Unstandardized Coefficients		Std. Error	T	Sig.
		B	Std. Beta			
1	(Constant)	26.666		2.065	2.309	.001

Employee development	.744	.585	.702	3.455	.002	5% level of significance and 95% level of confidence
Monitoring & Evaluation	.651	.356	.609	2.069	.005	Employee development had a 0.002; and Monitoring and evaluation had a 0.006 level of significance. Therefore, the most significant factor

a. Dependent Variable: Performance of Non-governmental organization in Nairobi county

The general form of the equation was to predict Performance of Non-governmental organization in Nairobi county from Employee development and Monitoring and evaluation is : $Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \epsilon$ Where; Y= Performance of Non-governmental organization in Nairobi county; β_0 = Constant Term; β_1 , β_2 , and β_3 = Beta coefficients; X_1 = Employee development; X_2 = Monitoring and Evaluation and ϵ = Error term. The model equation would be; $Y=26.666 + 0.744X_1 + 0.651X_2$. The predicted Performance of Non-governmental organization in Nairobi county= $26.666 + (0.744 \times \text{Employee development}) + (0.651 \times \text{Monitoring and Evaluation})$. From above regression equation; the study found out that when all independent variables (Employee development and Monitoring and evaluation) are kept constant at zero the Performance of Non-governmental organization in Nairobi County will be at 45.366. At one unit change in Employee development will lead to 0.744 increases in Performance of Non-governmental organization in Nairobi County and one unit change in monitoring and evaluation will lead to 0.651 increases in Performance of Non-governmental organization in Nairobi County. This infers that employee development contributes more to Performance of Non-governmental organization in Nairobi County. This can be used to conclude also that there is a positive significant relationship between Employee development and Monitoring and evaluation on Performance of Non-governmental organization in Nairobi County.

To test for the statistical significance of each of the independent variables, it was necessary to test at

was employee development. The findings of this study are in agreement with Chong (2008) who observed that Performance of an organization can be improved through effective employee development in an organization.

SUMMARY OF THE FINDINGS

a) Employee development

From the study results, the study revealed that most of the respondents stated that employee development influenced performance of NGOs in Nairobi county to a great extent and leadership development of supervisors and managers of their organizations influence performance of their organization, staff training and skill on employee development enhance performance of their organization, regular staff appraisals of employees enhances performance of their organization. This implies that staff training and skills, leadership development of supervisors and regular staff appraisals of employees in employee development affected performance of NGOs in Nairobi County. Additionally, the study revealed that the variable statistically and significantly influenced performance of local on-governmental organization positively as it had a positive relationship with the dependent variable. This infers that employee development is an important factor that influence performance of local non-governmental organization.

b) Monitoring and evaluation

From the study results, the study revealed that most of the respondents stated that monitoring and evaluation affected performance of NGOs in Nairobi county to a great extent and helps organizations to make informed decisions regarding programme operations and service

delivery, make informed decisions regarding programme operations and service delivery, helps the organization to have effective and efficient use of resources, helps organizations to track progress of programmes, to assess extent the programme is having its desired impact, helps the organizations to create transparency and foster public trust and helps the organizations to understand support and meet donor needs and also helps the organization to create institutional memory. In addition, the study revealed that the variable significantly influenced performance of non-governmental organization positively as it had a positive relationship with the dependent variable. This implies that monitoring and evaluation is an important factor that influence performance of local non-governmental organization in Nairobi County.

Conclusions

The study established, that employee development influenced performance of NGOs in Nairobi county to a great extent and leadership development of supervisors and managers of their organizations affect performance of their organization, staff training and skill on employee development enhance performance of their organization, regular staff appraisals of employees enhances performance of their organization.

From the study results, the study established that monitoring and evaluation affected performance of NGOs in Nairobi county to a great extent and helps organizations to make informed decisions regarding programme operations and service delivery, make informed decisions regarding programme operations and service delivery, helps the organization to have effective and efficient use of resources, helps organizations to track progress of programmes, to assess extent the programme is having its desired impact, helps the organizations to create transparency and foster public trust and helps the organizations to understand support and

meet donor needs and also helps the organization to create institutional memory.

Recommendations

The study recommends that employee development of the local NGOs need to be facilitated by ensuring there is effective leadership from supervisors and managers of the organizations, staff training and skill on employee development, regular staff appraisals of employees as it enhances performance of their organization.

Finally, the study recommends that monitoring and evaluation to be embraced by the NGOs through making informed decisions regarding programme operations and service delivery, make informed decisions regarding programme operations and service delivery as this will go a long way to help the organization to have effective and efficient use of resources, helps organizations to track progress of programmes, to assess extent the programme is having its desired impact, helps the organizations to create transparency and foster public trust and helps the organizations to understand support and meet donor needs and also helps the organization to create institutional memory.

Recommendations for Further Studies

Since this study sought to establish the influence of organizational development on performance of non-governmental organizations in Kenya. It was established that from literature review most studies are conducted in USA, Canada, South Africa, Norway and Germany among others European countries and scanty studies are available in Africa and specifically in Kenyan organizations and NGOs set up. Additionally, very little has been undertaken to explore organizational development on performance of organizations reason why the researcher call for similar studies to be undertaken in Kenya for generalization of the findings of this study.

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