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ABSTRACT

This study targeted Strategic and Innovations Managers in the 43 commercial banks in Kenya. The 1st tier banks had two Strategic and Innovations Managers while the 2nd and 3rd tier banks had one manager who was based in the banks head offices. In total, there were 64 Strategic and Innovations Managers in the banks. Stratified random sampling was used to group the banks into three tiers. A census survey was adopted since the population was small and manageable. This study utilized a questionnaire to collect primary data and data analysis was done quantitatively and qualitatively by use of descriptive statistics and content analysis. Quantitative data was presented through frequency distribution, tables, percentages, mean and standard deviations. Qualitative data was presented in prose form. Data analysis tools used included statistical package for social science version 21 and Microsoft excel programme which gave statistical output in form of percentages, tabulations, means and other central tendencies. Tables were used to summarize responses for further analysis and facilitate comparison. A multivariate regression model and ANOVA was applied to determine the relative importance of each of the four variables with respect to performance of commercial banks. The study revealed that performance had a positive relationship will all the change management strategies. The study hence recommends that the institution should install systems (for instance technological) that are compatible with the change management practices. They will enable in dealing with challenges of management, roadblocks to collaboration between departments which fails the implementation of change management. The study thus recommends that change agents responsible of leading the change management practices should strive to encourage others for excellence through employees own behaviour and full recognition of high standards of behavior.

Key words: *Systems compatibility, change agents, Performance of commercial banks.*

INTRODUCTION

The major dilemma faced by businesses today is managing strategic change initiatives efficiently and effectively. According to Ulrich (2012), a primary difference between organisations that succeed and those that fail is the ability to respond to the pace of change. In other words, organisations need to monitor and scan their external environments, anticipate, and adapt timely to continual change (Marquardt, 2015). It is paramount to note that individuals and institutions that choose to meddle through turbulence find it very difficult to survive. Indeed, there are many reasons that may inspire change. According to Mckinsey Survey on Change Management (2010) organizations will change to reduce costs, to move from a good performance to a great performance, to turn around a crisis situation, to catch up with rivals or to divest part of the organization. Globally, Coyle-Shapiro and Kessler (2010) found that managers were more positive in their assessment of the employer's fulfilment of their obligations than the employees were. Through creating an open working environment and effective channels of communication the manager can ensure that the expectations of both employees and the employer are clear and well communicated. Regionally, Heymans and Pycroft (2010) carried out a study on drivers of change in Nigeria: A preliminary overview. Their study established that the drivers of change approach hinges on the various aspects: 'Pro-poor change' is taken to mean sustained economic growth; broader access for poor people to services, markets, assets and safety nets; and the state and service providers becoming more accountable to the public, particularly the poor. Change processes are driven through or make an impact upon a society's structural features, its institutions and the behaviour or interests of agents. There is no clear causality in these relationships. Agents often offer entry points for change and structures fundamentally define the scope for change, but institutions mediate between structural features and agents. There are three major trends that shape change. Specifically, the three trends are; the heightened competition brought about by globalization, information technology, and managerial innovation. Globalisation is changing the economy and markets in which organisations operate. And there has been an increase in the e-business sector that is changing how work is distributed and performed with the use of ICT. Moreover, managerial innovation becomes more important as a form of response to both competition and information technology trends (Brown & Harvey 2010). The success of change management process is generally associated with those who facilitate the change process and the change management strategies adopted. The change agent is defined as a manager who seeks to reconfigure an organization's roles, responsibilities, structures, outputs, processes, systems, technology or other resources (Buchanan, 2012) in the light of improving organizational effectiveness. Buchanan and Boddy (2012) list competencies of effective change agents as clarity of specifying goals, team building activities, communication skills, negotiation skills and influencing skills to gain commitment to goals.

It can be deduced from these arguments that limitations in change management are associated with the managerial perceptions of the need for change, the opportunity to change and about the way to change. Indeed, cutting across is the aspect of transition from one state to another with focus of being different. Such organizations that embarked on change management in Kenya are the commercial banks. Due to the dynamics in the external environment, many organizations find themselves in nearly continuous change. The scope reaches from smaller change projects in particular sub business units up to corporation-wide transformation processes (Mullins, 2012). Unfortunately, not every change process leads to the expected results. There are multiple reasons for potential failure: Typical barriers to change are unexpected changes in the external conditions, a lack of commitment in implementation, resistance of people involved, or a lack of resources. The implications of failed change projects go beyond missed objectives.

More important is the negative symbolism and the de-motivation of people involved. People within the change team may become dissatisfied with their own performance or with the lack of support they received. In the result, some of them will probably never again be willing to commit themselves to change initiatives. Similarly, people affected by the change effort will develop growing skepticism. They might perceive future change projects as another fancy idea from management, which brings a lot of work and few benefits (Rosabeth, 2012). In the light of the many problems and risks associated with change projects, the change agent has a very important function. As the successes and failures of companies have been enumerated, it is clear that any organization that needs to succeed in the 21st century and beyond must have systematic and well-lubricated change management strategies in place. Given the frequency and potency of change, the system is no frill but a radical life-support network (Berger, 2014). Organisation performance is the measure of standard or prescribed indicators of effectiveness, efficiency, and environmental responsibility such as, cycle time, productivity, waste reduction, and regulatory compliance. Performance also refers to the metrics relating to how a particular request is handled, or the act of performing; of doing something successfully; using knowledge as distinguished from merely possessing it. It is the outcome of all of the organisation's operations and strategies (Pearce, 2013).

With organizations operating in very volatile environment, the managements concern is how to achieve organizational performance. Organizational performance involves recurring activities to establish organizational goals, monitor progress towards the goals, and make adjustments towards achieve those goals more effectively and efficiently (Carter, 2013). The question is why some organizations perform better than others.

The analysis of the change management process of many banks around the world reveals that the challenging issues that represent resisting forces to change are often the soft issues such as social, cultural and human issues across different managerial levels and functional boundaries. These significant issues emerge in the implementation stage, in the centralized unit, within branch operations, during the new product launch, across technical training, and are embedded in the HR relocation, interview and organisational performance activities (Nickols, 2014).

Statement of the Problem

Mainstream banks in Kenya have experienced increased competition over the last few years due to increased innovations among the players and new entrants into the market. Some of the new innovations such as mobile money transfer and more recently mobile banking are creating fierce competition among the banks. This has forced banks to roll out platforms to support mobile banking.

Performance of commercial banks in Kenya grew impressively between years 2005 to 2014 where profit before tax grew from Kshs 4.7 billion in 2008 to Kshs 74 billion in 2014. During the same period, total income grew from Kshs 61 billion to Kshs 178 billion while total assets grew from Kshs 425 billion to Kshs 1.7 trillion (CBK, 2016). In comparison with other East African economies, Kenya's banking sector has for many years been credited for its size and diversification. Private credit to GDP, a standard indicator of financial development, was 23.7% in 2008, compared to a median of 12.3% for Sub-Saharan Africa. Based on the same indicator Kenya is ahead of Tanzania which has 12.3% and Uganda with 7.2% (Beck, Demirguc-Kunt and Levine, 2013).

In this light, in organizations strategic change management translates the success or failure of organizations. It is therefore pertinent to find major challenges faced by banks that necessitate such change and the strategic change management practices employed by such banks. Lastly it is also important to determine the challenges faced in implementing change. This is of great essence in the absence of studies that address the subject of strategic change management in banks. The study by Kimaita (2010) focused on strategic change management practices within Teachers Service Commission, Kenya. Kimakus (2010) study only focused on the Barclays bank of Kenya only sought to determine the various strategic change management practices adopted by the bank. Mwarigis (2012) study did not endeavor to determine a detailed account of the challenges that commercial banks are being faced with so as to necessitate strategic change management. Since strategic change management is dynamic and is pegged on the environment in which the business takes place, it is difficult to ascertain why banks undertake strategic change management and the befitting strategic change management practices expedient for such banks. This study therefore sought to fill this research gap.

Objectives of the Study

The general objective of the study was to evaluate the change management strategies and performance of commercial banks in Kenya. The specific objectives were;

- To determine the influence of system compatibility strategies on performance of commercial banks in Kenya.
- To analyse the effect of change agents strategies on performance of commercial banks in Kenya.

LITERATURE REVIEW

Theoretical review

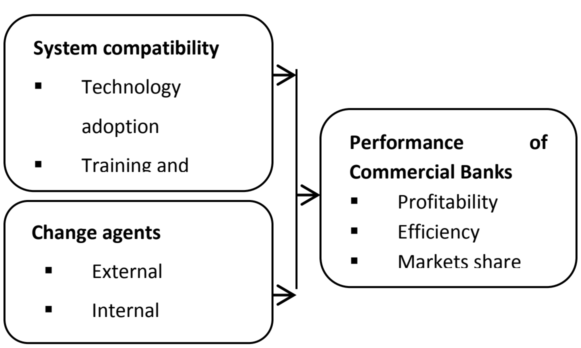
Lewin's Three-Step Change Theory

Lewin (1951) introduced the three-step change model. This social scientist views behavior as a dynamic balance of forces working in opposing directions. Driving forces facilitate change because they push employees in the desired direction. Restraining forces hinder change because they push employees in the opposite direction. Therefore, these forces must be analyzed and Lewin's three-step model can help shift the balance in the direction of the planned change. According to Lewin (1951), the first step in the process of changing behavior is to unfreeze the existing situation or status quo. The status quo is considered the equilibrium state. Unfreezing is necessary to overcome the strains of individual resistance and group conformity. The unfreezing also prepares people to acquire or learn new behaviour. According to Maalu (2012) people are willing to accept new ways of doing things but this requires a trigger, for example declining sales or profits or threat of closure. The second step is the change itself whereby the organization presents a new alternative. This means introducing a clear and appealing option for a new pattern of behaviour (Maalu 2012). This occurs when people perceive need for change and so try out new ideas. The changes need to be properly planned and a strategy in place for implementation. The implementation may be gradual or drastic. The final step is refreezing which requires that changed behaviour be reinforced both formally and informally in the organization. This theory represents the organisation culture variable in this study. Managers can positively reinforce the new organisation culture to consolidate the new practices.

Theory of Change Management

The practitioners, who to the large consulting firm model of organizational change, are seen as advocating the rational-linear view of organisational change, while the theoreticians are perceived as supporting the systemic-multivariate view of organisational change (Modahl, 2010). It is commonly observed among the advocates of the rational-linear view of organisational change that there is an optimum solution for organizing labour, raw materials and capital and for adopting new organisational practices. Within this view, the focus has been primarily on the contingencies necessary for the success and effectiveness of implementing organisational change. Situational models of contingencies, under which different approaches to change assume one-best-way across business contexts or timescales (Kotter, 2012), present an ideal model of what happens in organizations at different points in time or in different contexts. Although a contingency approach to organisational change has encouraged practitioners to consider aspects of their environment, technology and size as a basis for deciding on the appropriate paths of change, it delineates deterministic assumptions about the nature of change in organisations, presents inadequate appreciation of the role of strategic choice, beliefs and power and neglects the fact that organisations are collections of diverse interests (Dawson, 2010). According to Burnes (2011) there are three schools of thought that form the central planks on which change management theory stands; first there is the individual perspective school, which assumes that individual behavior results from his interaction with the environment. Human actions are conditioned by expected consequences and behavior is rewarded to be repeated and vice versa. Psychologists argue that behavior is influenced by external stimuli. Second there is the group dynamics school, which argues that individuals' behavior is a function of group environment. Individuals behave in a way that conforms to group pressure, norms, roles and values. Change focus in such a case should be on influencing group norms, roles, and values to bring about successful strategic change. And third there is the open systems school whose focus is on the entire organization. It sees the organization as being composed of different sub systems, which are the goals and values sub systems, the technical subsystem, the psychological sub system and the managerial subsystem. A change in one part of the system has an impact on other parts of the system. Change can therefore be achieved by changing the sub systems but one then needs to understand the interrelationship of the subsystems. The Attribution Theory advanced by Haider, (2011) states that "behavior is determined by a combination of perceived internal forces and external forces" (Mullins, 2012). This means that if the employees feel that the upcoming changes are likely to upset their current state in terms of loss of money, job security, disruption of their social patterns or the fear that they may not be able to cope with the new changes, then they are likely to resist and to be negative about it. However, if they believe that the change is for their own benefit, then, they are likely to go along with it.

Conceptual framework



Independent Variables **Dependent Variable**

Figure 1: Conceptual framework

Systems Compatibility

Technology refers to the skills, knowledge, experience, body of scientific knowledge and tools used in the design of production of goods and services. Technology and organizational innovation are the primary drivers of change, shaping, reshaping and sometimes completely overturning the existing order (Trott, 2013). According to Saddler (2012), there are three types of technological change: New processes of manufacturing goods or delivering services. This includes new forms of hardware such as automation equipment and 'just in time' methods of inventory control, new products and significantly improved products resulting from advances in technology and development in the technology for processing and transmitting information. In just a few months, the technology that an organization uses on an everyday basis may be outdated and replaced. That means an organization needs to be responsive to advances in the technological environment, its employees' work skills must evolve as technology evolves (Carolyne, 2011). According to Donar (2010), Organizations that refuse to adapt are likely to be the ones that won't be around in a few short years. If an organization wants to survive and prosper, its managers must continually innovate and adapt to new situations. Aden (2015) noted that every organization goes through periods of transformation that can cause stress and uncertainty. To be successful, organizations must embrace many types of change. Businesses must develop improved production technologies, create new products desired in the marketplace, implement new administrative systems, and upgrade employees' skills. Organizations that adapt successfully are both profitable and admired. Managers must contend with all factors that affect their organizations.

The previous experience of the user in the technology systems is considered to be a factor even more important than experience in the change management sphere (Bezos, 2011). Since Igbaria (2013) demonstrated that previous user experience has a direct effect upon the degree of subsequent acceptance and success of change in management; many authors have introduced this variable into their studies (Min, 2013). Some of them affirm that experience, and thus the knowledge acquired regarding the medium, alters the incorporation and stabilization of the intended change management in subsequent situations. Similarly, it is indisputable that experience modifies certain perceptions of the individual with respect to the new technologies, such as perceived usefulness or ease of use, while the time and effort invested in their employment simultaneously diminish (Norman, 2010). In the business environment, the concept of technology compatibility, derived from experience, has also been introduced in order to explain the behaviour of companies as users. Consequently, using as a basis the theory of organisational learning, March (2011) considers that experience leads to a wider knowledge base and more solid technological skills, while Vermeulen (2010) argue that compatibility increases due to the variety of events a company undergoes.

Change Agents

The term change agent is used for all those persons or groups of persons, who are responsible for implementing change. Thus, it covers the function of the change agent in itself, as well as change managers, change leaders or project managers for change projects. Change agents always need the ability to get all people affected by the project involved, to ensure their support and commitment. This requires a high competency as the basis for acceptance as well as soft skills, which are often summarized as emotional intelligence. This includes the ability to communicate, to understand and to take into account opinions and doubts of others (Buchanan, 2012).

Change projects involve a great variety of factors and forces. These factors do not only comprise the reasons and objectives for change, but also the existing state of the organization, values, beliefs and routines of the people there. Many change projects challenge the existing cultural framework of an organization. Efforts to change such lasting values, however, lead to resistance and denial. More than in technology-related projects (e.g. implementation of new software), it takes the acceptance and the support of all people affected by such projects to make them succeed. It is the change agent's task to generate this acceptance in order to implement change with the people, not against them.

Change processes and change projects have become major milestones in many organizations' history. Due to the dynamics in the external environment, many organizations find themselves in nearly continuous change. The scope reaches from smaller change projects in particular sub business units up to corporation-wide transformation processes (Mullins, 2012).

Unfortunately, not every change process leads to the expected results. There are multiple reasons for potential failure: Typical barriers to change are unexpected changes in the external conditions, a lack of commitment in implementation, resistance of people involved, or a lack of resources. The implications of failed change projects go beyond missed objectives. More important is the negative symbolism and the de-motivation of people involved. People within the change team may become dissatisfied with their own performance or with the lack of support they received. In the result, some of them will probably never again be willing to commit themselves to change initiatives.

Similarly, people affected by the (failed) change effort will develop growing skepticism. They might perceive future change projects as "another fancy idea from management", which brings a lot of work and few benefits (Rosabeth, 2012). In the light of the many problems and risks associated with change projects, the change agent1 has a very important function. The change agent's or change leader's capabilities have a major impact on success or failure of the project, and on the extent of potential unwanted side-effects (Modahl, 2010).

Performance of Commercial Banks

A study by Maigua and Mouni (2016) investigated the effect of interest rate determinants on banks' performance. A sample size of 26 banks was used in the study and multiple regression analysis to analyze data. The study results found that inflation rates, discount rates and exchange rates positively affected the banks' performance whereas reserve requirement ratio negatively influenced the banks' performance. It was concluded that exchange rates, inflation rates and high discount rates lead to banks' higher performance whereas high levels of reserve requirement lowered the banks' performance.

Alemu (2015) examined determinants of commercial banks profitability of eight banks in Ethiopia from for 10 years from 2002 - 2013. The study used multiple linear regressions and the fixed effect regression model to analyze data. The study established that size of banks; capital adequacy and gross domestic product have a positive and statistically significant relationship with profitability of banks. The findings of the study also revealed that liquidity risk, operational efficiency, funding cost and banking sector development have a negative and statistically significant relation with profitability of banks. Finally, the study found that the relationship between efficiency of management, efficiency of employee, inflation and foreign exchange rate was statistically insignificant.

Abebe (2014) assessed the internal and external determinants of financial performance Ethiopia's banks using panel data of banks for a period between the year 2002 and the year 2013. The study employed the fixed effect regression model. The regression results established that capital structure, income diversification, operating cost had a significant negative relationship with performance while bank size had a positive significant 18 relationships with profitability measured using ROA. The study also established that various macroeconomic variables had insignificant effect on financial performance of Ethiopians commercial banks save for tax rate, which had a negative and significant relationship with profitability.

Anwar (2014) evaluated the factors that improve the profitability of Islamic banks with keen focus on the Gulf African bank in Kenya. The study employed a survey research and used questionnaires to collect data for the study and then employed the Chi-square test to establish the association between the study variables. The findings of the research established a positive relation between Islamic banking products, Sharia Compliance, customer satisfaction and profitability of Islamic banks in Kenya. It was concluded that Islamic banking products, Sharia compliance and customer satisfaction were the major factors which affected Islamic banks' profitability.

Chinoda (2014) explored the internal factors that influence bank profitability in Zimbabwe. The study sampled five commercial banks, which were randomly selected and used secondary data from the banks financial reports. Using the general linear regression model the study found that size of the bank; liquidity, gross domestic product and inflation had a positive correlation with profitability (ROA) while operating expenses had a negative association with profitability of commercial banks in Zimbabwe. The study recommended that inflation control policies should be given priority to foster financial intermediation.

Empirical Review

According to Rajagopalana and Speitzer, (2012) there has been a great deal of research on strategic changes as change in either business, corporate or collective strategy or change in strategy making norms or values. They also define strategic change in terms of theoretical models that reflect the different views of driving forces and performance outcomes of change. Gekonge' s (2011) study of 54 companies listed in the NSE found that over time the use of the strategic change management practices has increased in the companies listed with the Nairobi Stock Exchange and that it is particularly important to be able to implement new re-engineered processes with a minimum amount of difficulty.

Odhiambo (2015) evaluated the problems and practices of strategic change management in the manufacturing sector in Kenya and concluded that companies in the manufacturing sector considering implementing planned strategic change should use Kotter's eight stage model. Mbogo's (2012) study found that the commercial banks operate in an extremely competitive environment and that they are adopting dynamic strategic change management practices which is a signal that many banks believe they need to perform much better than they currently are.

Mberia (2011) on her part did a survey of resistance to change in the commercial banking sector. Her study can be correlated to this study because she surveyed commercial banks like this study. Besides, Mberia analysed two important determinants of change in organizations; Training and communication. Mberia concluded the study by saying that while communication and training were determinations of change in organizations they were also ways of handling resistance to change besides reviews, rewarding and learning.

Kinuu (2012) did a research on the management of strategic change at TAMOIL Kenya. His aim was to evaluate the change process in the light of the models of change management. Kibanga (2008) on the other hand looked at change management strategies used in the insurance industry in Kenya; her main objective was to determine the change management strategy used by the insurance industry, while Amenya (2011) carried out a study on change management at the Rift Valley railways. The study revealed that the changes implemented at RVR (K) were both planned and emergent. Adieri's (2011) study of NGOs found that NGOs in Kenya apply strategic change management practices and that there exist managerial differences among the organizations issues of strategic change management.

METHODOLOGY

This study adopted a descriptive survey design, Kothari, (2011) describes descriptive research as including survey and facts finding enquiries adding that the major purpose of descriptive research is description of affairs as it exists at present. The target population of this study was all the 43 commercial banks operating in Nairobi County. The study only targeted the head offices. Mugenda and Mugenda (2013), explain that the target population should have some observable characteristics, to which the researcher intends to generalize the results of the study. This study targeted Strategic and Innovations Managers in the 43 commercial banks in Kenya. The 1st tier banks have two Strategic and Innovations Managers while the 2nd and 3rd tier banks have one manager who were based in the banks head offices. The study therefore targeted 32 Innovations Managers in 1st tier banks, 20 Innovations Managers in 2nd tier banks and 12 Innovations Managers in 3rd tier banks. This researcher employed census survey, which means all the 64 Innovations Managers in the three bank tiers were the respondents for the study. This survey was appropriate because the total population was small and easily accessible. With respect to change management strategies, this study utilized a questionnaire to collect primary data. Before processing the responses, the completed questionnaires were edited for completeness and consistency. The data was then coded to enable the responses to be grouped into various categories. Data collected was quantitative and qualitative in nature. The descriptive statistical tools helped the researcher to describe the data and determine the extent used. Analysis was done quantitatively and qualitatively by use of descriptive statistics and content analysis. To quantify the strength of the relationship between the variables the researcher conducted a multiple regression analysis so as to evaluate the change management strategies adopted by the commercial banks in Nairobi Central Business District and their effects on the performance.

RESEARCH FINDINGS AND DISCUSSIONS

The researcher administered questionnaires to 32 strategic and innovations managers in 24 Commercial Banks in Kenya. The researcher collected the enclosed questionnaires from 60 out of 64 target respondents who filled in and returned the questionnaire contributing to 93.75% response rate. According to Babbie (2011) any response of 50% and above is adequate for analysis thus 93.75% is even better. From the findings, majority of the respondents 57% indicated were males and 43% were females an indication that both genders were involved in this study and thus the finding of the study would not suffer from gender bias. Majority of the respondents 54% had achieved a bachelor’s degree, 34% had reached master level and only 12% who had reached the diploma level.

Influence of system compatibility strategies on performance of commercial banks in Kenya

The study sought to determine whether the respondents’ organization did an overhaul of the systems used and more specifically the hardware’s and the software’s. From the study findings, majority of the respondents indicated that organisation had done an overhaul of the systems used and more specifically the hardware’s and the software’s. This shows that adoption of modern technology had been adopted by all banks to effectively meet the customer satisfaction level. Further the bank management makes sure they procure the best software’s and all employees are in return adequately trained to avoid cases of incompatibility.

The study sought to determine the extent to which the new system compatibility influenced change management in their institution. According to the findings, most of the respondents as shown by 43% indicated that the new compatibility influences change management in their institution to a very great extent, 29.1% indicated to a great extent, 20.3% indicated to a moderate extent, 5.1% indicated to no extent and 2.5% indicated to no extent. The findings concur with those of Saddler (2012) who stated that there are three types of technological change: New processes of manufacturing goods or delivering services. This includes new forms of hardware such as automation equipment and 'just in time' methods of inventory control, new products and significantly improved products resulting from advances in technology and development in the technology for processing and transmitting information.

Table 1: Influence of system compatibility strategies on performance of commercial banks in Kenya

Compatibility as a Challenge	Mean	Std deviation
Installation of new systems poses financial challenge in the change management	4.11	0.19
Lack of proper knowledge poses a challenge in change management	4.27	0.21
A mismatch between software tools and company needs challenges change management in the institution	4.23	0.22
Compatibility of the different systems causes a challenge in management	4.19	0.16
Roadblocks to collaboration between departments also fails the implementation of change management	4.24	0.20
Aggregate	**4.20**	**0.19**

According to the findings of the study, the respondents agreed that lack of proper knowledge poses a challenge in change management as shown by a mean of 4.27. In addition, they agreed that roadblocks to collaboration between departments also fail the implementation of change management as shown by a mean of 4.24. They also agreed that a mismatch between software tools and company needs challenges change management in the institution as shown by a mean of 4.23. The respondents also indicated that compatibility of the different systems causes a challenge in management as shown by a mean of 4.19. Lastly, they indicated that installation of new systems poses financial challenge in the change management as shown by a mean of 4.11. The aggregate mean and standard deviation of the variable statements were 4.20 and 0.19. These findings concurs with those of Donar (2010) who revealed that organizations that refuse to adapt are likely to be the ones that won't be around in a few short years. If an organization wants to survive and prosper, its managers must continually innovate and adapt to new situations.

Effect of change agents strategies on performance of commercial banks in Kenya

The study requested the respondents to indicate the extent to which change agents had influence in the change management process. From the findings, most of the respondents as shown by 40.5% indicated that change agents had influence in the change management process to a very great extent, 31.6% indicated to a great extent, 15.2% indicated to a moderate extent, 10.1% indicated to a little extent and 2.5% indicated that change agents did not have influence in the change management process. The findings concur with those of Modahl (2010) who revealed that change agent's or change leader's capabilities have a major impact on success or failure of the project, and on the extent of potential unwanted side-effects.

Table 2: Statements on Influence of Change Agent

Statement	Mean	Std deviation
The people responsible hold regular meetings to stimulate ideas for improvement	4.19	0.20
They regularly spend time agreeing requirements	4.08	0.22
They talk about the company's vision and goals	4.06	0.18
There is encouragement for excellence through employees' own behaviour	4.06	0.17
The management fully recognizes high standards of behaviour	4.29	0.22
The leaders are always punctual and well prepared	4.15	0.19
Aggregate	**4.13**	**0.19**

According to the finding of the study, the respondents agreed that the management fully recognizes high standards of behaviour as shown by a mean of 4.29. The respondents also agreed that the people responsible hold regular meetings to stimulate ideas for improvement as shown by mean of 4.19. They agreed that the leaders are always punctual and well prepared as shown by a mean of 4.15. In addition, the respondents agreed that they regularly spend time agreeing requirements as shown by a mean of 4.08 and lastly the respondents indicated that there is encouragement for excellence through employees' own behaviour and there is encouragement for excellence through employees' own behaviour as shown by a mean of as shown by a mean of 4.06 in each case. These findings are consistent with those of Modahl (2000) who posit that the change agent's or change leader's capabilities have a major impact on success or failure of the project, and on the extent of potential unwanted side-effects.

Correlation

On the correlation of the study variable, a Pearson moment correlation was conducted. The correlation analysis was conducted to show the relationship between the study variables;

Table 3 Correlations

		Performance	**System compatibility**	**Change agents**
System compatibility	Correlation Coefficient	.633	.046	.008
	Sig. (1-tailed)	.002	.000	.000
	N	64	64	64
Change agents	Correlation Coefficient	.648	.124	1.000
	Sig. (1-tailed)	.000	.000	.
	N	64	64	64

From the finding in the table above, the study found strong positive correlation between performance and system compatibility as shown by correlation coefficient of 0.602, this was also found to be significant at 0.002. The study found strong positive correlation between performance and change agents as shown by correlation coefficient of 0.648 at 0.000 levels of confidence.

Regression Model

Table 4: Table of Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)	1.161	.129		9.00	.000
System Compatibility	1.218	.040	.030	30.45	.041
Change Agents	2.106	.059	.007	35.69	.016

The established regression equation was as follows;

Y=1.161+ +1.218 x1+2.106 x2

From the above regression model, holding System Compatibility and Change Agents to a constant zero, bank performance would be 1.161, it was established that a unit increase in System Compatibility would cause an increase in bank performance by a factor of 1.218, also unit increase in change agents would cause an increase in bank performance by a factor of 2.106. This clearly shows that there is a positive relationship between bank performance and System Compatibility and Change Agents. The study further revealed that the P-value were less than 5% in all the variables, which showed that all the independent variable was statistically significant and thus in position to make conclusion for the study.

Table 5: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.901a	.811	.798	.88195

Adjusted R squared is coefficient of determination shows the variation in the dependent variable due to changes in the independent variable, from the findings in the above table the value of adjusted R squared was 0.798 an indication that there was variation of 79.8% on the bank performance due to changes in Communication strategies, Organization Culture, System Compatibility and Change Agents at 95% confidence level. R is the correlation coefficient which shows the relationship between the study variables, from the findings shown in the table above there was a strong positive relationship between the study variables as shown by 0.901.

Table 6: ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	28.442	2	14.221	15.097	.0018b
	Residual	57.462	61	0.942		
	Total	85.904	63			

From the ANOVA statistics in table above, the processed data, which is the population parameters, had a significance level of 1.8% which shows that the data is ideal for making a conclusion on the population's parameter as the value of significance (P-value) is less than 5%.

FINDINGS AND CONCLUSION

The study established that majority of the respondents had experienced change in the recent past.

The study revealed that organisation had done an overhaul of the systems used and more specifically the hardware's. According to the findings, it was also found that that the new systems were compatible and also served the purpose as intended. The study further revealed that majority of the respondents agreed that the new compatibility influences change management in their institution to a very great extent. The study revealed that the respondents agreed that lack of proper knowledge poses a challenge in change management.

In addition, the study found that roadblocks to collaboration between departments also fail the implementation of change management. They also agreed that a mismatch between software tools and company needs challenges change management in the institution. The study also revealed that compatibility of the different systems causes a challenge in management and that installation of new systems poses financial challenge in the change management. The study found that competition was the external factors contributed more to the changes that had been experienced in the institution.

The study found that there was a positive relationship between the change agents in the change management process. According to the finding of the study, it was found that the respondents agreed that the management fully recognizes high standards of behaviour. The respondents also agreed that the people responsible hold regular meetings to stimulate ideas for improvement. The study further found that the leaders are always punctual and well prepared.

In addition, the respondents agreed that they regularly spend time agreeing requirements and lastly the respondents indicated that there is encouragement for excellence through employees' own behaviour and there is encouragement for excellence through employees' own behaviour. The study found that the respondents strongly agreed that championship excellence from the front. They also agreed that being focused and having the interests of the bank at heart and being visible and available for any consultation with other team members.

The study found that various changes that the respondents had undertook as an organization had yielded any substantive gain. According to the study findings, the respondents indicated that change management strategies adopted in the recent past affected the bank's profitability positively to a very great extent that change management strategies adopted in the recent past affected the bank's profitability positively to no extent. The study found that the respondents agreed the strategies had effect on efficiency. Majority indicated that strategies had an effect on increased market share. On extent to which the strategies had effect on efficiency and on increased market, the study found that majority indicated that the effect was to a very great extent.

Conclusion

The study also concludes that system compatibility influences change management in the institution to a great extent. Compatibility of the different systems causes a challenge in management, roadblocks to collaboration between departments also fails the implementation of change management, installation of new systems poses financial challenge in the change management, mismatch between software tools and company needs challenges change management in the institution and that lack of proper knowledge poses a challenge in change management. Product and programs changes contribute more to the changes that have been experienced in the institution.

The study concludes that change agents influence change management practices in banks a great extent. There is encouragement for excellence through employees' own behaviour, the management fully recognizes high standards of behaviour, the change agents talk about the company's vision and goals, the leaders are always punctual and well prepared. People responsible hold regular meetings to stimulate ideas for improvement and they regularly spend time agreeing requirements.

Recommendations

The study also found system compatibility influences change management in the institution to a great extent. The study hence recommends that the institution should install systems (for instance technological) that are compatible with the change management practices. They will enable in dealing with challenges of management, roadblocks to collaboration between departments which fails the implementation of change management. It will also involve installation of new systems whose lack pose financial challenges in the change management and proper knowledge required for successful change management practices implementations.

The study found that change agents influence change management practices in commercial banks to a great extent. The study finally recommends that change agents responsible of leading the change management practices should strive to encourage others for excellence through employees own behaviour and full recognition of high standards of behaviour. The change agents should also talk about the company's vision and goals, they should always be punctual and well prepared and they should hold regular meetings to stimulate ideas for improvement.

Areas for Further Studies

The banking industry in Kenya is comprised of various other commercial banks which differ in their way of management and have different settings all together. This warrants the need for another study which would ensure generalization of the study findings for all the commercial banks in Kenya and hence pave way for new policies. The study therefore recommends another study be done with an aim to investigate the factors influencing change management strategies in Commercial Banks in Kenya.

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