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# Influence of Change Management Strategies on Performance of Selected Media Firms in Kenya Mose Josephat Ratemo

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**Abstract:** The operations, structures and performances of traditional, new and converged media formats have been affected by the availability and appropriation of changes in the environment such as digital technologies. Better change management strategies are needed to cope with the changing environment. The performance of media firms in Kenya was affected as a result of the digital migration which was a major change in the environment. The argument that a change in the environment of operation for instance digital migration affected performance of media firms also raises questions on the level of preparedness as well as change management strategies implemented by the media firms. The current sought to establish the influence of change management strategies adopted by media firms during digital migration on performance. The study specifically sought to establish the influence of empirical-rational strategy, normative-re educative strategy, power-coercive strategy and environmental-adaptive strategy on performance of media firms in Kenya. The target population of the study comprised of 135 employees of standard media group, Nation media group and Royal media services in management positions (Head of departments, Managers, assistant managers and supervisors) from all the departments. A multiple linear regression model was used to test the significance of the influence of change management strategies on performance of media firms. The study findings indicated that environmental adaptive strategy, power coercive strategy, normative Reeducative strategy and empirical rational strategy positively and significantly affect organizational performance. The study recommends that media firms can enhance their performance by adapting to the changes in operating environment through implementation of environmental-adaptive strategy, power-coercive strategy, normative re-educative strategies and empiricalrational strategies.

**Keywords:** Environmental adaptive strategy, Power coercive strategy, Normative Reeducative strategy, Empirical rational strategy, Organizational performance

#### Introduction

Change is an inevitable part of existence for individuals and organizations. Burnes (2004) notes that many organizations are occasionally faced with challenges that forces them to adjust or change. Change is extremely dynamic and consequently, the change management process must also be adaptive. Change management, according to Chapman (2006), entails thoughtful planning and sensitive implementation and above all consultation with, and involvement of the people affected by the changes. It is the process, tools and techniques to manage the people side of business change to achieve the required business outcomes also to realize that business change effectively within the social infrastructure of the workplace. If organizations operated in a vacuum, the levers for change would be minimal (Staniforth, 2006). Yet the pressures on organizations to change are many and the levers are numerous in the environment that organizations operate in. Pearce and Robinson (2000), identify political, economic, social, technological and ecological factors as comprising the macro environment. This macro-environment (which they refer to as the remote environment) presents organizations with opportunities, threats and constraints. Ansoff and McDonnell (2000), state that the environment in which organizations operate in can be either relatively stable or turbulent. Either formally or informally, organizations thus develop strategies that often times dictate a change in an organization's status quo (Mbogo, 2003).

In order for change to be managed effectively, the organization needs better and useful change management strategies. Strategy refers to the machinery of the resources and activities of an organization to the environment in which it operates. Crawford (2013) defines change management strategies as strategies that look at away of changing the objectives of the company in order to obtain greater success incase changes occur in the organization. Crawford (2013) states that useful strategy must consider: the organization's current capabilities, the organization's competencies and the agreed change management model for the needed change of the organization. Change management as postulated by Nigel (2006) is the very mechanism by which contemporary organizations deliver their strategy and remain competitive. Change management initiatives or efforts, as observed by (Kotter, 2005), have gone under many banners: total quality management, reengineering, right sizing, restructuring, cultural change and turnaround. Change management is the deliberate and coordinated actions taken to transform an organization to overcome environmental challenges in order achieve its objectives (Johnson & Scholes, 2003). Wakiuru (2011) notes that implementing strategies successfully is vital for any organization. Without implementation; even the most superior strategy is useless. The notion of strategy implementation might at first seem quite straightforward; however, transforming strategies into action is a far more complex and difficult task. It is at this stage that many failures are experienced. Beer &Eisenstat (2000) states that among the factors affecting implementation of change management strategies are weak management roles in implementation, a lack of communication, lacking a commitment to the strategy, unawareness or misunderstanding of the strategy, unaligned organizational systems and resources, poor coordination and sharing of responsibilities, inadequate capabilities, competing activities, and uncontrollable environmental factors.

Over the last few decades, the Kenyan media had been operating in a swiftly changing political, cultural, social, legal and technological environment. This has had major effects on its development. Over the years, there were different developments in broadcasting including the shift to digital migration, which caught the Kenyan media in its turbulence and general uncertainty due to the challenging environment(Githaiga, 2013). In as much as the digital migration has its benefit, it was met with fiery resistance especially from the media firms. The empirical-rational strategy is based on the argument that successful change is based on the communication of information

and the proffering of incentives; Normative-Reeducative strategy is based on the argument that successful change is based on redefining and re-interpreting existing organizational structures in the form of norms and values, and developing commitments to new ones, Power-Coercive strategy is based on the argument that successful change is based on the exercise of authority and the imposition of sanctions through top management support and Environmental-Adaptive strategy is based on the argument that change is based on building a new organization and gradually transferring people from the old one to the new one through training (Warren, Kenneth & Robert, 1969). The current study seeks to establish some of these strategies and their influence on performance of the media firms.

#### Statement of the Problem

Change is an inevitable part of existence for individuals and organizations. In order for change to be managed effectively, the organization needs better and useful change management strategies (Crawford, 2013). The digital migration seemed to have caught the media firms off guard despite the fact that it had been mentioned earlier. Change management strategies play a critical role in such situations. When digital migration took effect in Kenya, different outcomes were experienced. Soy (2015) argues that most Kenyans were left confused and in the dark after TV stations switched off their digital signals in protest on February 14 2015, due to a long-running dispute with the government over the switch to digital broadcasting, where the day before the Supreme Court ruled against their request for a three month delay. The operations, structures and performances of traditional, new and converged media formats were affected by the availability and appropriation of digital technologies. The modes of media production, distribution and consumption have been affected as well as transformed by digital technologies (Pavlik, 2001). Digital technologies have had serious effects on the market structures, value chains, business strategies, structures and operations (Kung, Picard & Towse, 2008).

The performance of media firms in Kenya was affected as a result of the digital migration. The face-off between CA and the three media houses was to later create some economic constraints for the three largest media firms in Kenya. For example, the Standard group recorded a drop in profits by 36 million (Standard Group Report, 2014), a decrease which was attributed to a number of challenges among them the digital migration process. The report indicated that the migration from analogue to digital TV broadcasting negatively impacted viewership due to low penetration to set top boxes (STBs) at the time of migration and that affected their revenue (Standard Group Report, 2014; Kangethe, 2015). Reports indicate that the penetration rate of the media firms in remote areas decreased as a result of the cost of set top boxes (STBs) after forced digital migration and this affects the performance of media firms negatively. According to the CA report published in April 2016, by 31 December 2015, only 60 per cent of the Kenyan population had access to digital television. There is a new contentious debate arising in the broadcast industry is the Programme Code for free to air radio and TV broadcasting stations published by the CA on 31 December 2015 and is believed to affect the performance of the media firms. These activities clearly indicate that the media industry were not prepared. The argument that digital migration affected performance of media firms also raises questions on the level of preparedness of the media firms. How did the media firms manage the change? Scholars argue that in order for change to be managed effectively, the organization needs better and useful change management strategies (Crawford, 2013). The current study sought to establish the influence of change management strategies adopted by media firms during digital migration on performance.

# **Research Objectives**

- i. To assess the influence of empirical-rational strategy on performance of selected media firms in Kenya
- ii. To establish the influence of normative-re educative strategyon performance of selected media firms in Kenya
- iii. To determine the influence of power-coercive strategy on performance of selected media firms in Kenya
- iv. To find out the influence of environmental-adaptive strategy on performance of selected media firms in Kenya

#### **Literature Review**

# **Strategic Leadership Theory**

According to Boal and Hooijberg (2001), the essence of strategic leadership involves the capacity to learn, the capacity to change and managerial wisdom. Strategic leadership theories are concerned with the leadership of organizations and are marked by a concern for the evolution of the organization as a whole, including its changing aims and capabilities. Boaland and Hooijberg (2001) state that strategic leadership focuses on the people who have overall responsibility for the organization and includes not only the head of the organization but also members of the top management team. Vera and Crossan (2004) identified a number of activities which are part of a strategic leadership process. The activities are; making strategic decisions, creating and communicating vision of the future, developing key competences and capabilities, developing organizational structures, processes and controls; sustaining effective organizational cultures and infusing ethical value systems into the organization. Strategic leaders with cognitive complexity would have a higher absorptive capacity than leaders with less cognitive complexity (Boal & Hooijberg, 2001).

#### **Resource Based Theory**

This theory argues that firms possess resources enable firms to achieve competitive advantage and lead to superior long term performance. Valuable and rare resources can lead to the creation of competitive advantage. That advantage can be sustained over longer time periods to the extent that the firm is able to protect against resource limitation, transfer or substitution (Frawley & Fahy, 2006). Resources such as adequate finance and competent human resource are crucial for the effectiveness of market entry strategy management practices in a rapidly changing environment (Wade & Hulland, 2004). The dynamic capabilities which consist of the activities and mechanisms of managing resources in the creation of value which enables companies manage its activities for improvement in performance. It is expected that an organization that has adequate financial resources would have more influence on the effectiveness and success in change management programs, leadership and management of the external environment.

#### **Project Change Triangle (PCT) Model**

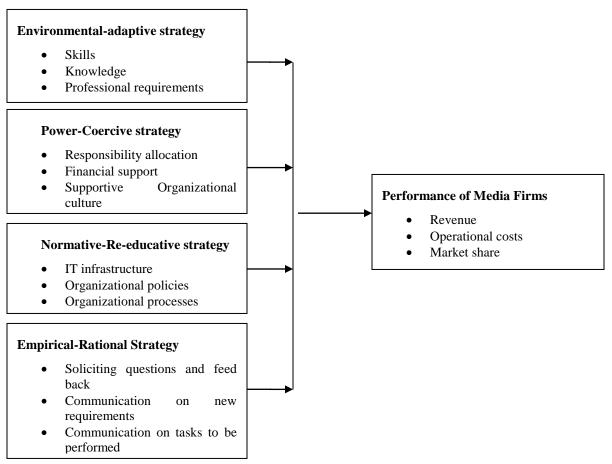
The change management based on Prosci PCT Model (Project Change Triangle) is the application of the tools, processes, techniques and principles for managing the "people" side of the project or initiative to achieve a desired outcome (Jeff, Pahl, Sendzimir, Aerts, Bergkamp & Cross, 2007).

The tools, processes, techniques and principles that make up Change Management are aimed at helping each impacted employee move from their own personal current state to their own personal future state. It is individuals changing how they do work that ultimately results in a project or initiative delivering value to the organization. There are many characteristics of the individual current state and individual future state that can impede or inhibit successful change. The Change Management corner of the PCT Model provides a systematic approach to addressing these issues (Pearce & Robinson, 2008).

# **ADKAR Model of Change Management**

After research with more than 300 companies undergoing major change projects in 1998, Prosci published the ADKAR model which is an acronym for Awareness, Desire, Knowledge, Ability and Reinforcement. In 2006, the model is intended to be a coaching tool to help employees through the change process. According to the model, in order to make a change successfully an individual needs awareness of the need for change, desire to participate and support the change, knowledge on how to change, ability to implement required skills and behaviors and reinforcement to sustain the change. ADKAR argue that change only happens when the employees who have to do their jobs differently have the Awareness, Desire, Knowledge, Ability and Reinforcement to make the change happen (Westwood & Linstead, 2001).ADKAR is a goal-oriented change management model that allows change management teams to focus their activities on specific business results.

# **Conceptual Framework**



Independent Variable Figure 1 Conceptual Framework

**Dependent Variable** 

# **Environmental-Adaptive strategy**

According to Watson (2013) change is based on building a new organization and gradually transferring people from the old one to the new one. This can be achieved through training of the employees to achieve new skills. A skill is an ability and capacity acquired through deliberate, systematic, and sustained effort to smoothly and adaptively carryout complex activities or job functions involving ideas (cognitive skills), things (technical skills), and/or people (interpersonal skills). It is popular to assume that there is a link between skill and performance. Indeed, much of the activity and interest in this area is predicated on the existence of such a link and the likelihood, in the words of title of the Leitch Report (Leitch 2006), that prosperity for all will come from world-class skills. Such a link does exist. Individuals can add to their lifetime earnings, decrease the likelihood and length of unemployment, and secure more interesting work by obtaining particular qualifications (Machin & Vignoles 2001), while professional bodies and trade unions can gain higher wages and greater levels of

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influence for their members (Turner 1962). Training has been linked to higher profits in firms (Hambledon Group Ltd. 2000) and skill differentials form an enduring aspect of national differences in productivity (Broadberry & O'Mahony, 2004; O'Mahony, 2002). However, the causal mechanisms involved in all of these instances are questionable. Education may be a positional competition, power over work processes may secure skilled status rather than skill being rewarded with power over the work process, (Turner, 1962). And profits may result in higher levels of training as firms that have performed well choose to use some of the surplus to reward employees rather than training, causing profits through higher skills, more effective working practices, increased levels of job satisfaction and commitment, and better communications (Keep and Mayhew, 1988).

# **Power-Coercive strategy**

Watson (2013) argues that people are basically compliant and will generally do what they are told or can be made to do. Change is based on the exercise of authority and the imposition of sanctions. Top management support can result into smooth change management. Management competency like leadership skills, communication skills, information technology skills and interpersonal skills has an effect on the implementation of a change strategy. Meyer & Herscovitch (2001) argued that when an organization is going through change, it is time for management to show its competency and exercise leadership. Leaders should become the role models for the rest of the staff and exhibit behaviors that demonstrate what is expected from employees in relation to the change. Also during a time of organizational change, management needs to send positive messages about the change itself. On one level, positive verbal reinforcement from management that the organizational change is desirable and beneficial will expedite employees' willingness to learn the change and also motivate employees in a direction of change (Robbins, 2005). Robbins (2005) on his part states that management needs to be very active during change phases to institute reinforcement tactics. One method to use that does not cost money is verbal reinforcement. An organization can change its structure and policy by simply writing. Whether it is negative or positive, some reinforcement is going to have to be put into place for employees to successfully adapt to changes in the organization.

#### **Normative-Reeducative strategy**

Watson (2013) argues that people are social beings and will adhere to cultural norms and values. Change is based on redefining and reinterpreting existing norms and values, and developing commitments to new ones. It's all about re developing the existing systems and structures as well as the norms and culture. Zhang *et al* (2004) assert that organizational support systems within the structures are the most investigated organizational characteristics in organizational literature. They institutionalize how people interact within each other, how communication flows, and how power relationships are defined (Hall, 1987). The structure of organization and support to organizational members reflects the value based choices made by the organization (Quinn, 1988); it refers to how job tasks are formally divided, grouped and coordinated. Usually ICT infrastructure conceptualize organizational support systems as a facilitating interaction and communication for the coordination of the organization's activities and it usually entails top management support in facilitation especially where ICT utilization target performance improvement.

# **Empirical-Rational strategy**

Watson (2013) argues that people are rational and will follow their self-interest — once it is revealed to them. Change is based on the communication of information and the proffering of incentives. For effective change management, there is a need for strategic communication management. Strategic communication management could be defined as the systematic planning and realization of information flow, communication, media development and image care in a long-term horizon. It conveys deliberate message(s) through the most suitable media to the designated audience(s) at the appropriate time to contribute to and achieve the desired long-term effect. Communication management is process creation. It has to bring three factors into balance: the message(s), the media channel(s) and the audience(s) (Hallahanet al, 2007). At first look, the suggestion that communication aspects should be emphasized in the implementation process seems to be a very simple one. Even though studies point out that communication is a key success factor within strategy implementation (Miniace & Falter, 2006), communicating with employees concerning issues related to the strategy implementation is frequently delayed until the changes have already crystallized. In this context, it is recommended that an organization institute a two-way-communication program that permits and solicits questions from employees about issues regarding the formulated strategy. In addition to soliciting questions and feedback, the communications should tell employees about the new requirements, tasks and activities to be performed by the affected employees, and, furthermore, cover the reason ("the why") behind changed circumstances (Alexander, 2007).

# **Research Methodology**

The research design adopted is a descriptive survey design. The target population of the study comprised of 135 employees in the management positions in the selected media firms that is Royal Media Service, Standard Media Group and Nation Media Group. The target population comprised of employees in the top, middle and low levels of management that is Head of departments, Managers or assistant managers and supervisors from all the departments of all the three media firms. The study adopted a census survey since the population of the study was small and therefore the entire population of the participants will be included. Quantitative primary data gathered by use of closed ended questions will be used. Descriptive statistics i.e. mean, frequency and percentages were used to show the basic features and summaries about the data and the population studied. Correlation and regression analysis was also used. The regression model used in this study is illustrated below:

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + e$$

Where:

Y = Performance of the media firm,  $X_1$  = Environmental-adaptive strategy,  $X_2$ = Power-coercive strategy,  $X_3$  = Normative-re educative strategy,  $X_4$  = Empirical-rational strategy, e= Error term and  $\alpha$ = constant and  $\beta$ = coefficient of independent variables

#### **Results**

# **Demographic Characteristics**

This section consists of information that describes basic characteristics of the respondent's age and the level experience in the company.

**Table 1 Demographic Characteristics** 

Demographic Characteristic	Category	Percentage
Respondents Age	Below 25 Years	10%
	Between 26 and 35 years	68%
	Above 35 Years	22%
Respondents duration in the company	Less than 2 years	16.5%
	Between 2 and 4 years	29.4%
	More than 4 years	54.1%

# **Environmental-Adaptive Strategy**

The study sought to assess the influence of environmental-adaptive strategy on performance of selected media firms in Kenya. The respondents were asked to indicate the amount allocated on capacity building for the last five years (2012 to 2016). The results were presented in a trend analysis indicated on Figure 2.

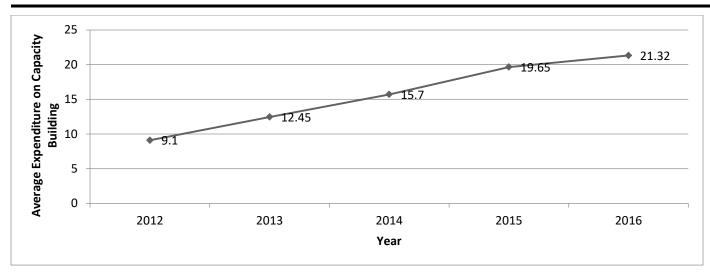


Figure 2: Expenditure on Capacity Building

The study findings indicated that the average amount allocated towards capacity building by the three firms has been increasing over the last five years from an average of 9 Million in the year 2012 to an average of 21 million in the year 2016. This is an indication that there is an increasing need to train the employees and build more capacity as a result of the changing work environment. The fact that the year 2015 and 2016 has the highest expenditure reveals that a change to digital migration led to a need to have environmental adaptive strategy in order to cope with the change. The respondents were also asked to rate statements on environmental-adaptive strategy on five point Likert scale namely strongly disagree, disagree, neutral, agree and strongly agree. The average responses are as indicated in Table 2.

**Table 2 Environmental-Adaptive strategy** 

Statements	Mean	Std Dev
The employees have the required technical knowhow to cope with digitization requirements	4.62	0.79
The employees are well knowledgeable on digital requirements	5.00	0.00
The staff have been trained on operation flexibility regarding new technology	3.29	1.14
The employees have the required skills to operate post the digital migration era	3.12	1.26
The staffs respond well to changes in job requirements	3.45	1.34
Average	3.90	0.91

The findings of the study indicated that the majority of the respondents strongly agreed that the employees have the required technical know-how to cope with digitization requirements (Mean 4.62). All the respondents also strongly agreed that the employees are well knowledgeable on digital requirements (mean 5.00). However, some respondents neither agreed nor disagreed that the staff have been trained on operation flexibility regarding new technology and that the employees have the required skills to operate post the digital migration era (mean 3.29 and 3.12 respectively). Finally, the respondents agreed that the staff respond well to changes in job requirements (mean 3.45). Overall the respondents agreed with the statements that environmental-adaptive strategy affect the performance of media firms in Kenya. The standard deviation revealed that there was variation in the responses given by the respondents. The findings of the study are in agreement with the findings of a study by Bresnahan, *et al.* (1998) who found that productivity is not significantly associated with worker skill or with the interactive term of IT and percent professional workers and is associated with decentralized work organization (including employee voice) and its interaction with IT capital.

# **Power-Coercive Strategy**

The study sought to assess the influence of power-coercive strategy on performance of selected media firms in Kenya. The respondents were asked to rate the statements on power-coercive strategyon five point Likert scale namely strongly disagree, disagree, neutral, agree and strongly agree. The average responses are as indicated in Table 3.

**Table 3 Power-Coercive Strategy** 

Statements	Mean	Std Dev
The top management plays a role in fair allocation of responsibilities	3.82	1.40
The top management plays a significant role in financial support	3.36	1.55
The management provides a supportive organizational culture	3.89	1.44
The management commits to new operations	3.19	1.42
Top management provides a chance for nurturing transformational leaders to spearhead change	3.33	1.19
Average	3.52	1.40

The summary of the study findings showed that the respondents agreed that top management plays a role in fair allocation of responsibilities (mean 3.82). The respondents also agreed that management provides a supportive organizational culture (mean 3.89). However the respondents neither agreed nor disagreed with the statements that the top management plays a significant role in financial support, the management commits to new operations and that the top management provides a chance for nurturing transformational leaders to spearhead change (mean 3.36,3.19 and 3.33 respectively). On average the mean of the responses indicated from the results was 3.52 which show that the respondents agreed with the statements on power-coercive strategywhile the standard deviation was 1.40 which indicates that the answers received were varied as they were dispersed far from the mean.

The findings of the study are in agreement with the findings of a study by Kamugisha (2013) who found out that the main challenge facing the management in the implementation of change management strategies was inadequate resources, lack of enough skilled and experienced staff, inadequate infrastructure and strong resistance from the staff due to the organizational culture.

# **Normative Re-educative Strategy**

The study sought to assess the influence of normative re-educative strategyon performance of selected media firms in Kenya. The respondents were asked to rate the statements on normative re-educative strategy on five point Likert scale namely strongly disagree, disagree, neutral, agree and strongly agree. The average responses are as indicated in Table 4.

**Table 4 Normative Re-educative strategy** 

Statements	Mean	Std Dev
The management has invested in enough ICT hardware to aid in the new digital requirements	3.99	1.22
The management has invested in enough ICT software to aid the new digital requirements	4.40	0.97
Organizational processes have been re organized to factor in the new operations	3.64	1.11
The organizational policies have been reviewed to factor in the new requirements	3.89	1.22
The company legal framework has been revised to incorporate in the new requirements	3.99	1.22
Average	3.98	1.15

The study findings indicated that the respondents agreed that the management has invested in enough ICT hardware to aid in the new digital requirements (mean 3.99). The respondents also agreed with the statements that management has invested in enough ICT software to aid the new digital requirements, organizational processes have been re-organized to factor in the new operations and that the organizational policies have been reviewed to factor in the new requirements (mean 4.40, 3.64 and 3.89 respectively). Finally the respondents also agreed that the company legal framework has been revised to incorporate in the new requirements (3.99). On average the respondents agreed with the statements that normative re-educative strategyaffect the performance of media firms in Kenya. The standard deviation also revealed that there was a small variation of the answers given by the respondents (standard deviation 1.15). The findings of the study are in agreement with the findings of a study by Mohamad (2007) who found that top management support is a strong determinant of ICT implementation and utilization success

# **Empirical-Rational Strategy**

The study sought to assess the influence of empirical-rational strategy on performance of selected media firms in Kenya. The respondents were asked to rate the statements on empirical-rational strategy on a five point Likert scale namely strongly disagree, disagree, neutral, agree and strongly agree. The average responses are as indicated in Table 5.

**Table 5 Empirical-Rational strategy** 

		Std
Statements	Mean	Dev
Proper communication structures have been set up to aid information flow vertically and horizontally	5	0.79
There is better communication on the new requirements of digital operation	5	0.41
There is better communication on the new tasks to be performed	5	0.50
Better communication structures have been set to allow questions to be asked  Better communication structures have been set to allow easier transmission of feedback on digital	4	0.81
operation	4	0.50
Average	4.55	0.60

The summary of the study findings indicated that the respondents strongly agreed that proper communication structures have been set up to aid information flow vertically and horizontally (mean 5.00). The respondents also strongly agreed with both statements that there is better communication on the new requirements of digital operation and that there is better communication on the new tasks to be performed (mean 5.00). Moreover, the respondents also agreed with both statements that better communication structures have been set to allow questions to be asked and that there is better communication structures have been set to allow easier transmission of feedback on digital operation (mean 4.00 respectively). On average the mean of the responses indicated from the results was 4.55 which show that the respondents strongly agreed with the statements on power-coercive strategywhile the standard deviation was 0.60 which indicates that the answers received had a small variation as they were slightly dispersed from the mean. The findings of the study are consistent with the results of a study by Miyumo (2003) which found out that, various challenges facing change management were critiques of change, communication and cost associated with change. If the cost is high, and donor funds are low, then that is likely going to have an impact on implementation of change management strategy.

#### **Performance of Media Firms**

The study sought to establish the changes in the average revenue of the three media firms for a period of five years from the year 2012 to the year 2016. The average revenue in billions was used to establish the trends. The study findings in Figure 4.4 indicate unsteady trends in the average revenue of the three media firms on a five year period from the year 2012 to the year 2016. The highest revenue was recorded in the year 2013 after which it decreased to 5.64 billion in the year 2014. The lowest revenue was experienced in the year 2016. A possible change to digital migration would have played a significant role in the sudden decline of revenue.

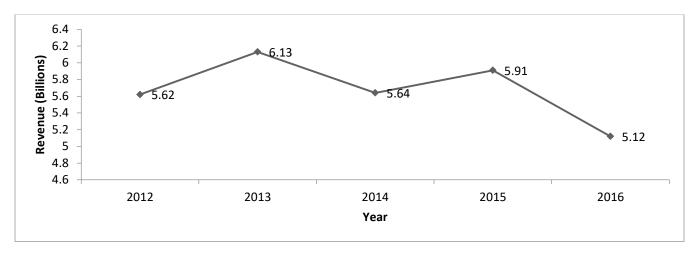
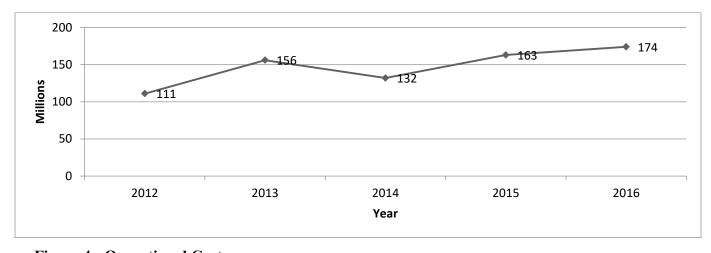


Figure 3: Average Revenue

The study also sought to establish the changes in operational costs over a five year period from the year 2012 to the year 2016. The unsteady performance reflected in the revenue can also be shown by increasing operational costs over the period of five years. From the year 2012, there has been a steady increase in the operation costs in terms of average millions among all the three media firms. The highest expenditure in terms of operational costs was recorded in the year 2016. Again this can be attributed to the need to manage the change brought about by digital migration.



**Figure 4: Operational Costs** 

The market share in terms of the percentage of the market covered by the three biggest media firms in Kenya was also established and indicated in a trend analysis from the year 2012 to the year 2016. The results indicate a steady increase in the coverage up to 91% of the market in the year 2014. From the year 2014, there was a small decrease in the market share to 86% of the market. However, in the year 2016, the three media firms increased their market share to 88%.

This implies that there was a small decline in the market share as a result of digital migration where consumers were kept in the dark due to the need to purchase set boxes. After which, there was an increase in tuning in to the three top media firms after the purchases. Proper change management strategies also played a role in the successful recovery of the market share following a decline.

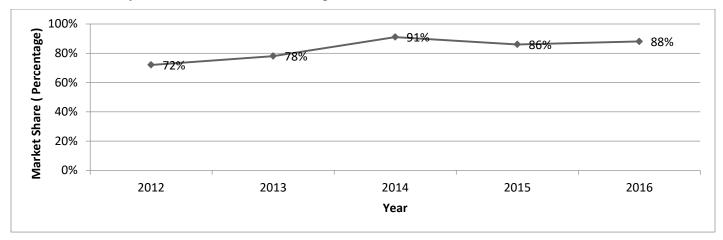


Figure 5: Market Share

The study further sought to establish the rating of statements on Performance of Media firms on a five point Likert scale namely strongly disagree, disagree, neutral, agree and strongly agree. The average responses are as indicated in Table 6.

**Table 6 Performance of Media firms** 

		Std
Statements	Mean	Dev
There has been an improvement in revenue generated by the firm since the digital migration took effect	4.62	0.79
There has been a decrease in operational costs since the digital migration took effect	4.20	0.31
There has been an improvement in geographical coverage since the digital migration took effect	4.65	0.55
There has been a decrease in technical hiccups since the migration to digital process	3.55	1.50
There has been an improvement in market share since the digital migration took effect	4.08	0.38
Average	4.38	0.64

The results of the findings revealed that majority of the respondents strongly agreed there has been an improvement in revenue generated by the firm since the digital migration took effect (mean 4.62). The respondents also strongly agreed that there has been a decrease in operational costs since the digital migration took effect and that there has been an improvement in geographical coverage since the digital migration took effect (mean 4.20 and 4.65 respectively). Moreover, the results showed that the respondents generally agreed with the statements that there has been a decrease in

technical hiccups since the migration to digital process and that there has been an improvement in market share since the digital migration took effect (mean 3.55 and 4.08 respectively). On average the results of the study reveal that the respondents agreed with the statements on the performance of media firms in Kenya. The answers received were varied from the mean as indicated by a standard deviation of 0.64. The findings agree with the findings of a study by Omari, Ateka and Nyaboga (2013) who found that strategic change management greatly affect the management of businesses in Kenya.

# **Correlation Analysis**

The study used a correlation analysis to establish the association among the variables used in the study. A Pearson correlation was used since the data was discrete.

**Table 7 Correlation coefficients** 

Correlations		Environmental adaptive strategy	Power coercive strategy	Normative re- educative strategy	Empirical rational strategy	Performance of media firms
Correlations		strategy	strategy	strategy	strategy	111 1113
Environmental adaptive strategy	Pearson Correlation	1				
	Sig. (2-tailed)					
Power coercive strategy	Pearson Correlation	272*	1			
	Sig. (2-tailed)	0.012				
Normative re-educative strategy	Pearson Correlation	-0.15	-0.209	1		
	Sig. (2-tailed)	0.171	0.055			
Empirical rational strategy	Pearson Correlation	0.129	0.072	.341**	1	
	Sig. (2-tailed)	0.239	0.514	0.001		
Performance of media firms	Pearson Correlation	.328**	.235*	.458**	.479**	1
	Sig. (2-tailed)	0.002	0.030	0.000	0.000	
	N	85	85	85	85	85
* Correlation is significan	nt at the 0.05 level (2-	tailed).				

The study reveals that there was a weak but positive and significant correlation between environmental adaptive strategy and the performance of media firms in Kenya as indicated by a Pearson coefficient of 0.328 and significance level of 0.002. This shows that an increase in environmental adaptive strategies like training of the staff to enhance their operational knowledge to cope with changing environment, training of staff to have positive response to changes in job requirements, staff training on operation flexibility regarding new technology and required skills to operate according to the environmental demands leads to a positive significant influence on performance of media firms. The study findings are consistent with the findings of a study by Bresnahan, et al. (1998) found that increased IT investment is associated with higher output increases in firms with decentralized work organization or high levels of skills and that productivity is not significantly associated with worker skill or with the interactive term of IT and percent professional workers and is associated with decentralized work organization and its interaction with IT capital. The study findings further revealed that power coercive strategy has a weak positive but significant correlation with the performance of media firms in Kenya as indicated by a Pearson coefficient of 0.235 and significance level of 0.030. This implies that an increase in power coercive strategies such as top managements' role in fair allocation of responsibilities, financial support, and managements' supportive organizational culture and managements' commitment to new operations would lead to a positive and significant increase in the performance of media firms. The study findings are consistent with the findings of a study by Kamugisha (2013) who established that the main challenge facing the management in the implementation of change management strategies was inadequate resources, lack of enough skilled and experienced staff, inadequate infrastructure and strong resistance from the staff due to the organizational culture.

Moreover, the study findings indicated that there was a strong positive and significant association between normative re-educative strategy and the performance of media firms in Kenya as indicated by a Pearson coefficient of 0.458 and significance level of 0.000. This implies that an increase in normative re-educative strategies such as investment in enough ICT hardware and software, re organization of organizational processes to factor in the new operations and reviewing organizational policies to factor in the new requirements leads to a positive significant influence on performance of media firms. The findings are consistent with the findings of a study by Albion (1999) revealed that there was a strong positive relationship between available ICT infrastructure and ICT utilization in the schools. Further, the study findings indicated that there was a strong positive and significant association between empirical rational strategy and the performance of media firms in Kenya as indicated by a Pearson coefficient of 0.479 and significance level of 0.000. This implies that an increase in empirical rational strategies like setting up of proper communication structures to aid information flow vertically and horizontally, adopting better communication on new requirements in operation and on the new tasks to be performed leads to a positive significant influence on performance of media firms. The findings are consistent with the findings of a study by Miyumo (2003) found that various challenges facing change management were critiques of change, communication and cost associated with change. If the cost is high, and funds are low, then that is likely going to have an impact on implementation of change management strategy.

#### **Regression Analysis**

The study used a regression model to establish the influence of change management strategies on performance of selected media firms in Kenya. The results for model summary are presented in Table 8.

**Table 8 Model Summary** 

			Adjusted R	Std. Error of the
Model	R	R Square	Square	Estimate
1	0.797	0.636	0.618	0.256487

Predictors: (Constant), empirical rational, power coercive, environmental adaptive, normative re-educative

The study findings indicated that change management strategies account for 63.60% of the variation in the performance of media firms in Kenya. This implies that environmental adaptive strategy, power coercive strategy, normative re-educative strategy and empirical rational strategy jointly account for up to 63.60% of the variation in performance of media firms in Kenya. This is indicated by an R-square value of 0.636. Further research should be conducted to investigate the other factors that explain the remaining 36.4% of performance of media firms in Kenya. The regression results show that R was 0.797 which shows that the correlation between the joint predictor variables adaptive strategy, power coercive strategy, normative re-educative strategy and empirical rational strategy) and dependent variable (performance of media firms) is positive.

**Table 9 ANOVA (Fitness)** 

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	9.187	4	2.297	34.913	0.000
	Residual	5.263	80	0.066		
	Total	14.45	84			

a Dependent Variable: performance

The model fitness results indicate that the overall model linking performance of media firmsin Kenya was significant as indicated by a significant F (4, 80) statistic as shown by (0.000) significance level which was less than 0.05 at 5% level of significance. This implies that change management strategies can significantly be used to predict the performance of media firms in Kenya. Table 10 indicates the regression model coefficients.

b Predictors: (Constant), empirical rational, power coercive, environmental adaptive, normative re-educative

**Table 10 Regression Coefficients** 

Predictor Variables	В	Std. Error	Beta	t	Sig.
(Constant)	0.534	0.399		1.338	0.185
Environmental adaptive strategy	0.328	0.047	0.523	6.979	0.000
Power coercive strategy	0.171	0.026	0.485	6.577	0.000
Normative re-educative strategy	0.249	0.034	0.576	7.324	0.000
Empirical rational strategy  Dependent Variable: Performance	0.214	0.089	0.181	2.404	0.019

The study findings indicate that environmental adaptive strategy affects the performance of media firms in Kenya positively as indicated by a beta coefficient of 0.328. The effect is also significant as shown by a significance level of 0.000 which is less than 0.05 at 5% level of significance. The study findings indicate that an increase in environmental adaptive strategies like training of the staff to enhance their operational knowledge to cope with changing environment, training of staff to have positive response to changes in job requirements, staff training on operation flexibility regarding new technology and required skills to operate according to the environmental demands leads to a positive significant influence on performance of media firms. These results are consistent with the results of a study by Bartel and Sicherman (1998) which revealed that the training gap by education narrows and the proportion of workers receiving training increases at higher rates of technological change.

The study findings also reveal that power coercive strategies affects the performance of media firms positively as indicated by a beta coefficient of 0.171. The effect is also significant as shown by a significance level of 0.000 which is less than 0.05 at 5% level of significance. An increase in activities related to power-coercive strategy such as top managements' role in fair allocation of responsibilities, financial support, and managements' supportive organizational culture and managements' commitment to new operations would lead to a positive and significant increase in the performance of media firms. These results are in agreement with the results of a study by Meyer & Herscovitch (2001) identified employability, trust in management, change communication and decision making process in an organization as the main factors that affect organizational change management process. Moreover, the study findings indicate that normative re-educative strategy affect the performance of media firms in Kenya positively as indicated by a beta coefficient of 0.249. The effect is also significant as shown by a significance level of 0.000 which is less than 0.05 at 5% level of significance.

The study findings indicate that an increase in normative re-educative strategies such as investment in enough ICT hardware and software, re organization of organizational processes to factor in the new operations and reviewing organizational policies to factor in the new requirements leads to a positive significant influence on performance of media firms. These results are consistent with the results of a study by Fullan (2003). Additionally, the study findings indicate that empirical rational strategy affects the performance of media firms in Kenya positively as indicated by a beta coefficient of 0.214. The effect is also significant as shown by a significance level of 0.019which is less than 0.05 at 5% level of significance. The study findings indicate that an increase in empirical rational strategies such as an increase in Empirical-rational strategy practices like setting up of proper communication structures to aid information flow vertically and horizontally, adopting better communication on new requirements in operation and on the new tasks to be performed leads to a positive significant influence on performance of media firms. The results are consistent with the results of a study by Meyer & Herscovitch (2001) identified employability, trust in management, change communication and decision making process in an organization as the main factors that affect organizational change management process.

#### Conclusion

The study concluded that environmental-adaptive strategy positively and significantly influences the performance of media firms in Kenya which implies that an increase in environmental-adaptive strategies leads to a positive and significant influence on the performance of media firms in Kenya. Some of the environmental-adaptive strategies include training of the staff to enhance their operational knowledge to cope with changing environment, training of staff to have positive response to changes in job requirements, staff training on operation flexibility regarding new technology and required skills to operate according to the environmental demands. The study also concluded that power-coercive strategy has a positive and significant influence on the performance of media firms. An increase in activities related to power-coercive strategy such as top managements' role in fair allocation of responsibilities, financial support, and managements' supportive organizational culture and managements' commitment to new operations would lead to a positive and significant increase in the performance of media firms.

The study concluded that normative re-educative strategy has a positive significant influence on performance of media firms. An increase in normative re-educative strategies such as investment in enough ICT hardware and software, re organization of organizational processes to factor in the new operations and reviewing organizational policies to factor in the new requirements leads to a positive significant influence on performance of media firms. Another conclusion is that empirical-rational strategy has a positive significant influence on the performance of media firms in Kenya implying that an increase in empirical-rational strategy leads to a significant positive influence on the performance of media firms. An increase in Empirical-rational strategy practices like setting up of proper communication structures to aid information flow vertically and horizontally, adopting better communication on new requirements in operation and on the new tasks to be performed leads to a positive significant influence on performance of media firms.

#### **Policy Recommendations of the Study**

The study recommends that media firms can enhance their performance by adapting to the changes in operating environment through implementation of environmental-adaptive strategy. Some of the environmental-adaptive

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strategies include training of the staff to enhance staff knowledge to cope with digitization requirements, training of staff to have positive response to changes in job requirements, staff training on operation flexibility regarding new technology and required skills to operate post the digital migration era. Media firms can also enhance their performance by adapting to the changes in operating environment through implementation of power-coercive strategy. Some of the power-coercive strategies are top managements' role in fair allocation of responsibilities, financial support, managements' supportive organizational culture and managements' commitment to new operations.

There is a need for media firms to implement normative re-educative strategies for instance investment in ICT hardware and software, re organization of organizational processes to factor in the new operations and reviewing organizational policies to factor in the new requirements so as to enhance their performance. Furthermore, for media firms to have a good performance in the changing environment, they should focus on implementing empirical-rational strategies such assetting up of proper communication structures to aid information flow vertically and horizontally, adopting better communication on the new requirements of changing environment as well as new tasks to be performed.

#### **Conflict of Interest**

No potential conflict of interest was reported by the authors.

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