

# Effects of modernization strategy on performance of department of immigration and citizen services in Kenya

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**Abstract:** Modernization as strategy has been widely discussed in the strategy field, where the majority of studies have examined the performance consequences of diversification. The study was anchored under Life Cycle Theory. The study populace was 124 representatives of the Department of Immigration and Citizen Services. The researcher utilized a straightforward separated arbitrary examining technique to choose a sample size of 74 respondents. Questionnaires were utilized which had open finished and shut finished inquiries to gather information which were then analyzed and information presented in tables showing Mean, frequencies and standard deviation for interpretation. The study recorded a response rate of 78%, with a gender ration of 60.3% of the respondent were male while 39.7% were female. modernization strategy yields a  $\beta$  value of 0.435 (effect) on the performance of the state department of immigration and citizen services in Kenya, and a p- value of 0.05 which is considered huge yet to weak levels. The study revealed that the organizations had adopted appropriate technologies suitable to context, that technology improvement had been streamlined to be in line with the competency desired and that it helped improve on the operations efficiency. The study recommended to the various scholars and academicians as it has made an important contribution to the scholarly world and in the general advancement of academic knowledge on turnaround strategies especially in the state owned organizations which mostly experience the decline in performance and end up closing doors.

**Keywords;** Institutional Theory, reorganization, modernization strategy, Department of Immigration and Citizen Services and performance,

## I. BACKGROUND OF THE STUDY

Most organizations around the world, private and public alike have continuously pursued strategic objectives that are designed to enhance the effectiveness and efficiency of their operations through the innovative application of information and communications technologies (ICT) in both core and non-core operations processes. Public organizations have specifically attempted to enhance, through e-government initiatives, the way in which services are delivered to its citizens and through ICT-mediated operations, promoted government transparency and openness (IRTM, 2011).

The benefit of technology to service organization, their employees and their customers have received widespread academic attention. Research suggests that technology enhances a firm's value chain (Porter, 1985), and enhances

service quality (Bitner et al, 2000). Kowalkowski & Brehmer, (2008) observe that ICT can be used to reconfigure existing service processes, thereby improving the internal efficiency of offered services. This is true because ICT can affect the structure (facilities, flow of goods/services and technology) and the infrastructure (planning, control and quality) design of the operations.

There has been rise and growth of a new category of services, which can be termed as the hybrid services. The distinguishing characteristic of this service category is that customers' interactions with a firm are a mix of human and technology interactions. Information technology tools are utilized to increase efficiency and effectiveness of service delivery (Marshall, 2006). But still these services are not totally devoid of human interactions (Aldrich, 2000).

The Department of Immigration Services is the sole institution under Kenyan law entrusted with offering of immigration services. As a public entity, it must conform to the general public service policy guidelines and / or regulations as revised from time to time. The Department has been one of the public institutions that have embraced ICT in the delivery of immigration services' courtesy of the public sector reforms and performance contracting under Kenya's vision 2030. As envisaged in these documents, e-government is to drive innovation through the application of ICT and improve on public service quality and delivery through improved efficiency and effectiveness in public institutions' management.

### *Statement of the problem*

In the 21<sup>st</sup> century many countries have been implementing various reform initiatives aimed at improving the quality of life for their citizens. In 2005, Kenya introduced Citizens' Service Delivery Charters to hold public institutions accountable for delivery of the highest possible quality of service to the public (Commonwealth secretariat, 2010).

The Department of Immigration was earmarked as one of the six ICT flagship sub-sectors that were to bring about improvements in public service through delivery of quality services. This is possibly due to the fact that ICT supported operations in the public service offer the potential to eliminate opportunities for corrupt use of discretion by dis-

intermediating services and allow citizens to conduct transactions themselves.

Denni (1996) stress that every business must bring ICT into their business operation and take advantage of the benefits they offer. Some empirical studies by Bartelsman and Doms (2000), Brynjolfsson and Yang (1996), Dedrick et al. (2003), Kohli and Devaraj (2003) and Melville et al. (2004) confirms the positive effect of information and communication technologies (ICT) on firm performance in terms of productivity, profitability, market value and market share. Their study also reveals that ICT has some effect in terms of intermediate performance measures, such as process efficiency, service quality, cost savings, organization and process flexibility and customer satisfaction (Alam, 2009). This study seeks to fill this research gap by conducting a local study to investigate the effect of modernization strategy on performance of Department of immigration and citizen services in Kenya.

#### *Specific objective of the study*

The specific objective of this study was to evaluate the effect of modernization strategy on performance of Department of immigration and citizen services in Kenya

#### *Research question*

The study sought questions to the research question

What are the effects of modernization strategies on performance at the Department of immigration and citizen services in Kenya?

#### *Significance of the Study*

The investigation tried to recognize weaknesses, loopholes and challenges facing the state department of immigration and citizen services. The findings of this study may benefit various stakeholders including other Government Ministries like the Tourism Ministry, Ministry of Trade and Commerce which will be able to market Kenya as a safe destination for tourism and investment. Others that would also benefit include the Department of Civil Registration and Registration of Persons The study recommendations provide solutions that may fast track the attainment of the Departments strategic plan and by extension Kenya Vision 2030.

#### *Scope of the Study*

This was to scrutinize the effect of diversification strategy on performance of department of immigration and citizen services in Kenya. The study was done in Nairobi which hosts the headquarters of the department targeting various employees. The data collection process was done within a duration of one month.

#### *Life Cycle Theory*

The theory was first introduced in 1966 by Raymond Vernon to explain the expected life cycle of a typical product from design to obsolescence, a period divided into the phases of

product introduction, product growth, maturity, and decline. The theory further finds its application on companies which also go through the same phases of life (Sasaka, 2016). Penrose (2010) argued that the turnaround process “if successful, may be chartered as an inverse product life cycle”. Life cycle theories entail the “extension” of the life of a product or, the life of a business. He ponders on the information types that should be included in the investigative stage, which forms the focus of their study. Penrose (2010) aligns the product life cycle theory with turnaround and argue that a turnaround is an extended life added to the existing deteriorating life span of a business. The growth stage includes gestation stage, infant stage and step-learning stage. The regeneration and mature stage includes youth stage and prime stage. The aging and death stage includes stabilization stage, noble stage, early bureaucracy stage, bureaucracy stage and death. The character changes of various stages in the lifecycle of enterprise essentially reflect the change of enterprise culture, and to keep lively enterprise culture and flexible organization structure is very important in this theory (Hanks, 2009). The theory has a bearing modernization, it simply depends with the life cycle stage of the company under consideration and the necessary change is adopted. Most of the companies undergoing the decline stages tend to run for strategies that can keep them longer in the business with the hope of revamping back hence end up adopting modernization. This can help these companies to shed their negative trends and assume positive trends hence adding a new lifeline to themselves (Wandera, 2012)

#### *Modernization Strategy and Performance*

Modernization implies a model of reformist advancement from a 'pre-present' day or 'traditional' to an 'progressed' strategy for completing things. It permits associations to boost the utilization of their current resources as they advance toward more light-footed and practical innovation conditions. At the point when appropriately organized, these undertakings can show a positive profit from interest in only a couple years. Long haul, they can keep on bringing massive expense and spryness benefits while empowering the business changes important to develop top-line income (Morrow, 2007).

The modernization cycle starts with an appraisal of an association's present climate and application portfolio and thought of the organization's vital and strategic prerequisites. After the evaluation, a modernization guide is assembled that diagrams the ideal blend of modernization approaches for every application to be modernized. Modernization permits associations to expand their utilization of existing resources as they advance toward better innovation conditions. Most associations have wound up performing grimly because of not putting resources into advancements and other infrastructural improvements subsequently performing admirably for just a brief timeframe just to lose the cutthroat edge sooner rather than later (Scherrer et al, 2010).

Proactive and strategically thinking firms target lowering long-term technology and infrastructural improvement costs and focus on radical modernization as the preferred strategy for mission-critical applications, weed out the old, tired and unneeded applications that might be costly and inefficient to the organization and subsequent adoption of better technologies, this requires broad participation by technicians to foster training and experience share, focus on technology integration costs as a key performance indicator, creating a synergy between the systems and procedures and positioning technology and infrastructural development as strategic partner with the business (Morrow et al, 2007). This might have the effect of revolutionizing the whole organization to the better in its pursuit to ensure improved performance.

**Conceptual Framework**

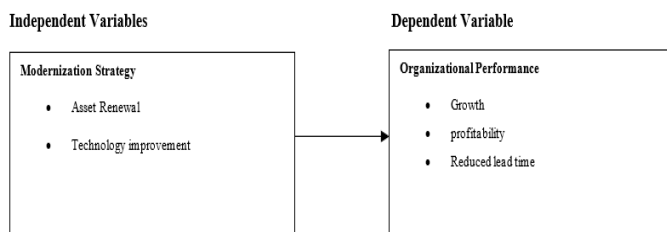


Figure 1 Conceptual Framework.

Source: researcher, 2022.

**Research Design**

The study adopted the descriptive research design. A descriptive design is one in which data is collected without changing the environment. Descriptive studies are usually the best methods for collecting data that will demonstrate relationships and describe the world as it exists. Descriptive research design has been used successfully to describe the characteristics of certain groups, determine the proportion of people who behave in a certain way; make specific predictions and to determine relationships between variables. It was successfully used in the study “Influence of transformational leadership on organizational performance of state corporations in Kenya (Datche, 2015). The data was expressed quantitatively to allow easy analysis.

**Target Population**

As per Kothari (2012), the target populace is population which the researcher wants to

generalize results. This study targeted 124 employees of the Department of Immigration and Citizen Services in Kenya which involved the top, center, and Support levels of the executives.

**Sample Design and Procedure**

A defined irregular testing configuration was utilized in the study. Characterized self-assertive testing is a system for examining that incorporates the division of a general population into more unobtrusive social affairs known as layers Cooper *et al* (2008), This technique was fitting since it

had the option to address the general populace as well as the vital subgroups of the populace, this strategy was additionally be the best since it limits predispositions. The overall strategy for taking a delineated example was to define the populace, characterizing various separate parts utilizing test size, and afterward the scientist was to consolidate the outcomes to get the necessary delineated examples. The example was then drawn from every layer shaped which respondents were chosen. The analyst in this way at that point took an example size of 74 addressing 60% of the objective populace.

Categories	Target Population	Sample Size	%Distribution
Strategic Managers	11	7	10
Tactical Managers	48	29	39
Operational Managers	65	38	51
<b>Total</b>	<b>124</b>	<b>74</b>	<b>100</b>

Source: Researcher, (2022)

**Data Collection Instruments**

Information assortment permits the researcher to gather data that they need about the study objects

**Questionnaires**

The researcher utilized a survey as the fundamental information gathering instrument. The determination of this apparatus was guided by the idea of information that the specialist intends to gather, the time accessible, and the destinations of the study. This comprised of both organized and unstructured inquiries to try not to be excessively unbending and to evaluate the information, particularly where organized things were utilized. This strategy assisted the specialist with gathering solid data.

**Response Rate**

The response rate can be define as the ratio of successfully filled questionnaire and returned to that of the sampled population expressed as a percentage. Out of 74 questionnaires distributed 58 were returned indicating 78% of the total population, while 16 were not returned which represent 22%. As cited by Creswell, *et al* (2007) observed that a 50% response rate is adequate, 60% is good, while 70% rated very good. This suggests that the reaction rate in this study was satisfactory for additional study which was credited to the viable information assortment techniques utilized by the researcher.

**Modernization Strategy**

Table 2: Responses on Modernization

Does modernization strategy affect the performance of the department of immigration and citizen services in kenya		Frequency	Valid Percentage
Valid	Yes	38	65.5
	No	20	34.5
	<b>Total</b>	<b>58</b>	<b>100.0</b>

Source: Field Data (2022)

Modernization insinuates an affinity for a unique improvement from a 'standard' to a 'forefront' strategy for completing things. It empowers relationship to enhance the usage of their present assets as they push toward progressively adroit and canny mechanical conditions. Proactive and intentionally thinking firms target cutting down long stretch development and infrastructural improvement costs and focus on radical modernization as the favored strategy for urgent applications. The response on effects of modernization strategy on performance of department of immigration and citizen services in Kenya with 65.5% indicating it does affect the performance of department of immigration and citizen services in Kenya while 34.5% disagreed.

*Modernization Strategy on Organizational Performance*

The question that helped in gathering information on the objectives of modernization strategy towards the performance of department of immigration and citizen services in Kenya the respondents to respond via ticking on a scale of 1-5 where 1=Strongly Disagree, 2=Disagree, 3=Neutral 4=Agree and 5=Strongly agree. It helped understand their arguments on whether modernization strategy affects the performance of department of immigration and citizen services in Kenya. The output of the objectives is as below.

Table 3: Modernization Strategy on Organizational Performance

Opinion statements	N	Mean	Std. Deviation
The organization has replaced the obsolete and out dated assets	58	3.57	1.299
The organization is always scheduling timely assets replacement to guard against decreased productivity	58	4.52	1.364
Technology has been streamlined to be in line with the competency desired	58	3.89	1.284
Continuous technology improvement has ensured improved efficiency in the organization operations	58	3.59	1.380
Turnaround success is a result of the continuous technology improvement done by the institution	58	3.77	1.327
Valid N (listwise)	<b>58</b>		

Source: Field Data (2022)

Modernization of firms measures is another kind of methodology for turnaround and that it included fostering another innovation or updating the current technique which may thus guarantee expanded creation, diminished expenses and improved productivity. The organization has replaced the obsolete and outdated assets scored a mean of 3.57. This shows that most of the respondents agreed technology has revolutionized the operation at organization by disposing obsolete items.

The organization is always scheduling timely asset replacement to guard against decreased productivity scored a mean of 4.52. This shows that majority of the respondents strongly agreed that that the organization schedule timely assets replacement. Technology improvement has been streamlined to be in line with the competency desired Based

on the mean of 3.89. This shows that there is a majority of the respondent's feels that technology has streamlined to be in line with the competency desired.

Continuous technology improvement has ensured improved efficiency in the organization operations scored a mean of 3.59. This shows that majority agreed that technology has enabled efficiency in the operation in the organization. Turnaround success is a result of the continuous technology improvement done by the institution scored a mean of 3.77. The results indicated that organization has adopted modernization as a strategy for turnaround as they agree that organizations had appropriate technologies to enhance the efficiency. These outcomes are upheld by Ruiz (2008) who in his investigation of turnaround and reestablishment in a Spanish shipyard discovered that modernization system prompted wasteful use of assets which further caused the terrible showing. He clarified that by the way that a few tasks in modernization technique included restoration which at times may mean the evacuation of part of proficient daily practice or assets, conclusion of certain divisions, conservation and additionally development in other business henceforth in dynamic activities at the underlying stage.

*Modernization Strategy ANOVA Results*

Analysis of variance (ANOVA) was used to test whether the regression analysis model used is fit or the relationship of the variables just occurred by chance. In this case the F ratio (F=57.925, p=0.000) was found to be statistically significant hence the model used for analysis was fit.

*Modernization Strategy ANOVA Results*

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	36.536	1	36.536	57.925	.000 <sup>b</sup>
Residual	104.073	165	.631		
Total	140.608	166			

- a. Dependent Variable: Organizational Performance
- b. Predictors: (Constant), Modernization Strategy

Source: Researcher (2022)

*Regression Results for Modernization Strategy on Performance*

The individual regression results reveal statistically significant moderate positive linear relationship between Modernization strategy and Performance ( $\beta = 0.435$ , P-value = 0.000).

The results show that modernization strategy contributed moderately significant to the model since the p-value for the constant and gradient is 0.000. The fitted equation is;  $Y = 0.850 + 0.435X$ .



*Regression Coefficients of Modernization Strategy*

Model	Unstandardized	Standardized	t	Sig.	Coefficients	
	B	Std.			Beta	Error
(Constant)	.850	.251	3.379	.001		
Reorganization	.435	.510	7.611	.000		strategy

a. Dependent Variable: Organization al Performance  
source researcher (2022)

## II. SUMMARY OF FINDINGS

The study sought to examine the relationship between modernization turnaround strategy and performance of department of immigration and citizen services in Kenya. The specific indicators that were initially used to study this variable were asset renewal and technology improvements. Notable, was that the organizations had adopted appropriate technologies suitable to context, that technology improvement had been streamlined to be in line with the competency desired and that it helped improve on the operations efficiency. Discoveries demonstrated that there was a huge moderate positive connection among modernization and performance. The results showed that modernization strategy had insignificant relationship to performance of state department of immigration and citizen services in Kenya

## III. CONCLUSIONS

Factor analysis was conducted and only one variable found to be a critical factor which formed the basis of further analysis. Modernization insinuates an affinity for a unique improvement from a 'standard' to a 'forefront' strategy for completing things. It empowers relationship to enhance the usage of their present assets as they push toward progressively adroit and canny mechanical conditions. Proactive and intentionally thinking firms target cutting down long stretch development and infrastructural.

## IV. RECOMMENDATIONS

The results of the analysis extended the frontiers of knowledge by generating valuable insights for both the managerial action and academic purposes. Therefore, the results of this study were of interest to managers of most of the state owned companies/organization that have at some point gone through or are going through the turnaround process. The key implication of the study was the identification of the key turnaround strategy indicators which the study has gone a long way in determining them and further establishing their effect on organizational performance. The study showed the effects of each of the variables on the performance level which is of immense help to managers when making a decision on which turnaround strategies to adopt.

The study is further recommended to the various scholars and academicians as it has made an important contribution to the

scholarly world and in the general advancement of academic knowledge on turnaround strategies especially in the state owned organizations which mostly experience the decline in performance and end up closing doors. In addition, the results of this study have been particularly important in addressing the earlier identified knowledge gaps and therefore contributing to the frontiers of knowledge. The study has not only advanced an elaborate conceptual framework of the relationship between turnaround strategies and organizational performance but has also empirically tested it.

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