

**EFFECT OF ORGANIZATIONAL CHANGE ON EMPLOYEE PERFORMANCE IN BANKING INDUSTRY OF NEPAL**

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## **Statement of Authorship and Originality**

I hereby certify that I am the author of this document and that any assistance I received in its preparation is fully acknowledged and disclosed in the document. I have also cited all the sources from which I obtained data, ideas, or words that are copied directly or paraphrased in the document. Sources are properly credited according to accepted standards for professional publications.

I also certify that this research project report was prepared by me for partial fulfillment of requirements for the MBM degree at the Faculty of Management, Tribhuvan University.

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## Report of Research Committee

Miss. Gaura Timalina has defended a research proposal entitled “Effect of Organizational Change on Employee Performance in banking industry of Nepal” Successfully. The research committee has registered the dissertation for further progress. It is recommended to carry out the work as per suggestions and guidance of supervisor Asso. Prof. Gyan Mani Adhikari and submit the thesis for evaluation and viva voce examination.

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## Approval Sheet

We, the undersigned, certify that we have carefully read the research project report submitted by Miss.Gaura Timalisina and conducted the viva-voce examination of the candidate. We are fully satisfied with the quality and academic standard of the research project report. The candidate has defended his research work very satisfactorily, therefore recommend that the research project entitled “Effect of organizational change on employee performance in banking industry of Nepal” be accepted as partial fulfillment of the requirements for the award of the degree of Master of Business Management (MBM) of Tribhuvan University.

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## Table of Contents

Statement of Authorship and Originality .....	ii
Report of Research Committee .....	iii
Approval Sheet.....	iv
Acknowledgements.....	v
List of Tables .....	ix
List of Figures .....	x
Common Abbreviation Used .....	xi
Executive Summary .....	xii
CHAPTER I.....	1
INTRODUCTION .....	1
1.1 Background of the Study.....	1
1.2 Problem Statement .....	3
1.3 Research Questions .....	4
1.4 Objective of the Study.....	4
1.5 Hypotheses of the Study.....	5
1.6 Rationale of the Study .....	5
1.7 Limitation of the Study .....	5
1.8 Organization of the Study .....	6
CHAPTER II.....	7
LITERATURE REVIEW .....	7
2.1 Theoretical Review .....	7
2.1.1 Organization Change .....	7
2.1.2 Theories and Topology of Organizational Change.....	8
2.2 Empirical Studies .....	17
2.3 Research Gap.....	28
CHAPTER III .....	33

RESEARCH METHODOLOGY.....	33
3.1 Research Design.....	33
3.3 Nature and Sources of Data Collection.....	34
3.3.1 Reliability Analysis.....	34
3.4 Data Collection Procedure and Instruments.....	35
3.4.1 Data Collection Procedures.....	35
3.4.2 Data collection Instruments.....	35
3.5.1 Descriptive Analysis.....	36
3.5.2 Inferential Statistics.....	36
CHAPTER IV.....	40
RESULTS AND DISCUSSION.....	40
4.1 Data Presentation and Analysis.....	40
4.1.1 The Demographic Characteristics of Respondents.....	40
4.2 Descriptive Analysis.....	41
4.2.2 Analysis of Strategic Change.....	44
4.2.3 Analysis of Technological Change.....	46
4.2.4 Analysis of Employees Performance.....	48
4.3 Inferential Analysis.....	49
4.3.1 Correlation Analysis.....	49
4.3.2 Regression Analysis.....	52
4.3.3 Content Analysis.....	55
4.4 Findings.....	56
4.5 Discussion.....	58
CHAPTER V.....	60
SUMMARY AND CONCLUSION.....	60
5.1 Summary.....	60
5.2 Conclusions.....	61

5.3 Implications .....	62
5.4 Recommendations for Future Research .....	63
References	
Appendix	

## List of Tables

	Page No.
2.1 Literature Review Matrix	23
2.2 The operational definition of Variables	34
3.1 Reliability test of dependent and independent variables	38
3.2 Rules for correlation coefficient range	41
4.1 Respondents Profile	44
4.2 Analysis of Structural change	47
4.3 Analysis of Strategic change	48
4.4 Analysis of technological change	50
4.5 Analysis of Employee Performance	53
4.6 Correlation	56
4.7 Model Summary	59
4.8 ANOVA table	59
4.9 Coefficient: Organizational change and employee performance	59
4.10 Result of Hypothesis test	62

## List of Figures

	Page No.
2.1 Mckinsey Model	9
2.2 Research Framework	32

## **Common Abbreviation Used**

SC: Structural Change

SPSS: Statistical Package for Social Science

Stc: Strategic Change

Std: Standard Deviation

Tc: Technological Change

## **Executive Summary**

The objectives of the study were to investigate the effect of organizational change in employee performance development banks in head offices. The study was conducted to assess the nature of organizational change, to examine the extent of employee performance, to find out the relationship between organizational change and employee performance, to investigate the effect of organizational change on employee performance in case of development banks of Nepal. The researcher adopted descriptive and inferential research design with a mixed research approach. Convenience and Purposive sampling techniques were employed for this research with 210 sample size. Only primary data collection was applied for data collection with the main data collection instruments of questionnaire and observation. Descriptive statistics, correlation analysis and multiple regression analysis techniques were used to analyze the data. The finding of relationship results showed a positive relationship between the organizational change dimension and employee performance at the development bank. The study revealed that structural change, strategic change and technological change is a significant determinant of employee performance. The researcher recommends that managers must provide training for their employees who resist change. So change can increase employee efficiency in their work activities to make satisfied employees and customers. The manager must create a regular training program to update employees.

**Keywords:** organizational change, structural change, strategic change, technology change, employee performance.

## CHAPTER I

### INTRODUCTION

#### 1.1 Background of the Study

These days, businesses are evolving swiftly, which broadens the market and creates additional opportunities for revenue growth. Changes that have an overall impact on the organization, such as those that effect the vision, procedures, integrations, collaborations, and other aspects, are often referred to as organizational changes. Some research claim that organizational change also includes organizational transformation.

Organizational change can come in several forms. Organizational change is the transition of an organization from one state of affairs to another, and it may involve changes to a company's structure, philosophy, or rules, procedures inside the organization, technology, or culture. A change in the environment may force an organization to make the change, or it may be planned out years in advance. Organizational change can be drastic and affect how an organization functions, or it can be gradual and change how things are done over time. Change requires letting go of the old methods of doing things and adapting to the new ones, regardless of the type. Therefore, fundamentally, it is a process that involves effective people management.

The context and character of the organizations are where the concept of organizational change originates. Fundamentally, change refers to a sequence of occasions that aid in an organization's development. Organizational change typically entails operational scheduling, new technology development and change, rightsizing, and significant partnerships. (Tarekegn, 2020).

Organizational change is one of the important factors for the organization to be focused. Organizational change could be used as a basic example in regulating a staff's behavior so that the pattern of beliefs and basic values of an organization can be understood and imbued and can be easily practiced by organizations and their members. Organizational change is an integrating knowledge of organizational behavior about how people react to factors that cause pressure to produce results more effectively. The organizational

changes could be managed by regulating the goal setting. To achieve a new organizational change, an agency must review its planning and implementation strategies and the use of a modern system (Rozanna1, Adam, & Majid, 2019).

Employee performance is regarded as the backbone of an organization because it effectively leads to its development. Employees' performance is critical to a company's ability to meet its goals and objectives. Workers are a valuable resource to any company, and their actions can have a favorable or unfavorable effect. Today's businesses face the challenge of advocating for changes that affect their employees' performance as a result of unavoidable environmental changes. As a result, top management must ensure that factors influencing employee performance are taken into consideration (Eyanuku, 2022).

Banking sector is the only sector where every deal and transaction accounts for its own progress and also impacts directly on the economy of the country as well. In today's dynamic and competitive economy, the organizations require more well qualified, dedicated and capable employees in order to achieve their goals and to prosper in the intense competitive environment. By effectively utilizing the talented people, organizations may achieve successful results and develop a highly productive workforce (Rehman & Ahmed, 2013).

The banking industry is one of the few in Nepal that has grown significantly and had a considerable impact on the country's capital market. There is now severe rivalry in this market as a result of the significant investments made in it over the years in light of its growth potential. In this competitive era, when consumers can transact with banks outside of their home countries across international borders and the world is turning into a globe without borders, the performance of these institutions is more vital than ever.

Since employees are such an important resource, it is important to thoroughly examine the important factors that affect how well they perform at work. The effectiveness of an employee is influenced by a variety of things. Among them are technical change, structural change, and change in strategy. This study aims to comprehend how specific change elements impact the bank workers' performance in Nepal. Being a service-oriented sector, the banking business in Nepal strongly depends on the effectiveness of its employees. As a result, the financial institutions can use the study's findings to boost

employee performance. Since there is fierce rivalry in the banking industry, improving staff performance is essential. Therefore, this study will allow the banking institutions to understand these factors of changes which will also help Nepal Rastra Bank to initiate directives that can address such problems.

## **1.2 Problem Statement**

These days, because of the fierce competitive environment, fast changes happened in the organizations which expanded the competition for gaining revenues and growth. The perception of organizational change interests mainly with the organizational wide transformation, which mainly include the changes in terms of mission of the organization, operations of the organization, mergers, major partnerships etc (Daniel, 2019).

The productivity and effectiveness of employees may decline as a result of changes. It consequently has a detrimental effect on an employee's performance. Every working day, employees must interact with customers. Employees therefore play a crucial part in banking businesses. The performance of an organization's personnel determines whether it succeeds or fails. Employee underperformance may have an impact on the bank's profits and reputation.

Organizations are said to require the notion of strategic transformation in order to succeed in the dynamic and cutthroat business climate. Most businesses have gone through change. Although organizations are used to change, implementation success is still very uncommon.

The performance of individuals and groups inside organizations as well as interactions between them are impacted by changes in technology. Technology is subject to change, and the condition of technology directly affects how well a manager and employee get along.

The banking sector in Nepal is changing due to technology innovation, which is having an impact on staff performance. Employees have been impacted by the new technology since many lack the knowledge, credentials, education, and experience necessary to successfully adapt; as a result, many have lost their jobs.

On the impact of organizational change on employee performance, numerous studies have been done. For instance, (Karanja, 2015) investigated how the postal corporation of Kenya's organizational change affected employee performance; the results showed that organizational change had a favorable impact on staff performance. Technology is the factor that has altered the most and positively impacted worker performance.

Even though various academics looked into this topic in various nations, there is still no research on the topic as it relates to the banking sector in Nepal. Therefore, it is unknown whether organizational change has an impact on employee performance, either positively or negatively. As a result, the study's goal is to discover how organizational transformation affects employee performance in the context of the Nepalese banking industry.

### **1.3 Research Questions**

To evaluate and investigate the factors that affect employees' performance, various research questions have emerged for this study. Some of the research questions are as follows:

1. What are the major factor that affect employees' performance in the Nepalese banking industry?
2. How is organizational change and employees' performance are related in the Nepalese banking industry?
3. What is the effect of organizational change on employees' performance in Nepalese Banking industry?

### **1.4 Objective of the Study**

The major objective of this study is to evaluate the effect of organizational change on employee performance in the banking industry of Nepal.

The specific objective of the study are as follows:

1. To examine the effect of structural change on employees' performance in the banking sector in Nepal.

2. To analyze the effect of strategic change on employees' performance in the banking sector of Nepal.
3. To explore the effect of technological change on employees' performance in case of banking sector of Nepal

### **1.5 Hypotheses of the Study**

After reviewing the literature of the different scholar and researcher, we found out that there exists some relationship (either positive or negative) between organizational change and employees' performance. Based on those literature following hypotheses are constructed;

H1: There is a positive effect of structural change on employees performance in the banking industry.

H2: There is a positive effect of strategic change on employees performance in the banking industry.

H3: There is a positive effect of technological change on employees performance in the banking industry.

### **1.6 Rationale of the Study**

The study is useful in determining the type of organizational change, the extent of employee performance, the association between organizational change and employee performance, and how organizational change has affected employee performance in the case of the Nepalese banking sector.

### **1.7 Limitation of the Study**

The primary focus of this study is on how organizational change affects staff performance in Nepal's development banks. The biggest drawback of this study is that not all of the organizations in the nation could be included. The main problem was the management's reluctance to give information due to concerns over confidentiality and the lack of readily available records and reports on the operations of development banks. Some of the other limitations are as follows;

1. This study covers only three factors of organizational change, other factors like organizational culture, procedural justice are not considered.
2. The data were collected from the development banks having head offices in Kathmandu valley only.
3. This study only uses correlation, regression and ANOVA analysis for generating the result, other methods like Structural Equation Modeling (SEM), Factor analysis methods are not used.

### **1.8 Organization of the Study**

This study is classified into five chapters:-

First chapter covers the introductory section, which includes background information, a problem description, the study's purpose, a research question, its significance, its justification, its limitations, and how the paper is organized.

Review of theoretical and empirical literature as well as analysis of the research gap are covered in the second chapter. Finally, the theoretical foundations for this study project were provided.

The study's methodology is covered in the third chapter, which also includes the approach adopted, the research design, the data source, the data collection tool, the sampling procedure and size, and the method of data analysis.

Data analysis and interpretation from the gathered data were presented in the fourth chapter.

The final part of the report concludes the investigation and offers recommendations based on its findings.

## **CHAPTER II**

### **LITERATURE REVIEW**

This chapter summarizes the research on the effects of organizational change on employee performance, both theoretical and empirical. Relevant theoretical foundations and empirical investigations are explored in order to comprehend these issues. After reviewing the independent variables in respect to the dependent variable, the chapter continues.

#### **2.1 Theoretical Review**

##### **2.1.1 Organization Change**

Any activity or series of actions that results in a change in strategy or procedure and has an impact on how an organization functions is referred to as organizational change. Being different is the process of change. Change may be intentional and planned by top executives within the company (such as the transition from an inpatient hospital focus to an outpatient primary care model) or it may originate from outside the company (such as a budget cut by Congress) and be out of its control (Karanja, 2015).

Employee performance is highly impacted by organizational change (structural, strategic, and technical), according to a 2019 study by Methode et al. This is due to the fact that structural changes, such as adjustments to employee job duties, the elimination of redundant tasks, the development of new policies, cyclical modifications in line with market demands, and the establishment of new departments as a result of market shifts, all lead to an improvement in performance through better work. When deadlines are met, work is completed on time, and people arrive at work on time, strategic change in terms of institution visions and objectives, consideration of culture and employee behaviors before introducing a change, can boost employee performance. The utilization of technological innovations, such as software customisation or teaching staff on how to use the new equipment, will enhance worker performance by making them more efficient.

At a country club in Kwazulu Natal, Tefera & Mutambara (2016), as reported in Tarekegn (2020), performed research on the impact of organizational changes on employees' motivation. The study's main conclusions revealed that the management had not given workers opportunity to contribute. Employee demotivation was a result of feeling excluded from the decision-making process.

### **2.1.2 Theories and Topology of Organizational Change**

#### **The McKinsey 7S model**

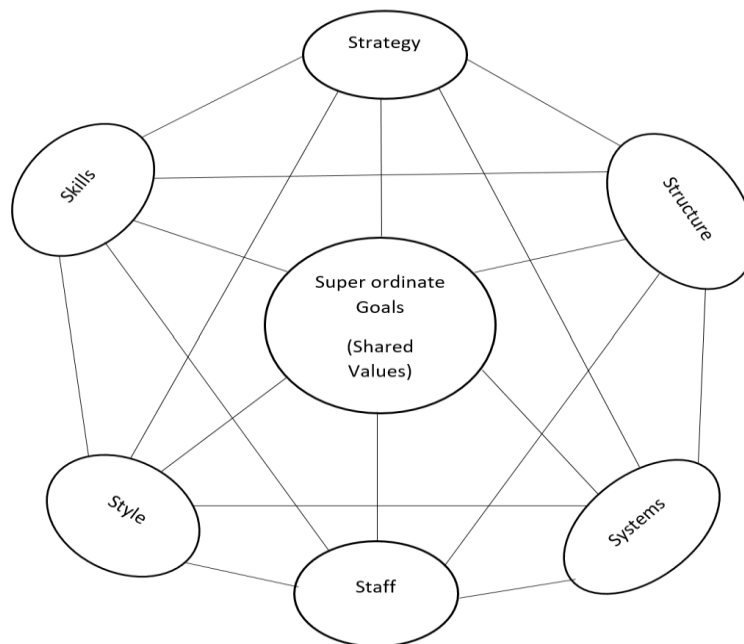
The McKinsey 7S model is a tool that evaluates the organizational architecture of a corporation by examining 7 crucial internal factors: strategy, structure, systems, shared values, style, personnel, and skills, in order to determine if they are properly aligned and enable the organization to achieve its goals.

In the 1980s, McKinsey consultants Tom Peters, Robert Waterman, and Julien Philips created the McKinsey 7s model with assistance from Richard Pascale and Anthony G. Athos. The model has been utilized extensively by academics and professionals since its inception and is still one of the most regularly used strategic planning tools today. Instead of the usual mass-production tangibles of capital, infrastructure, and equipment, it aimed to emphasize human resources (Soft S) as a key to improved productivity.

The model's objective was to demonstrate how the alignment of seven corporate components—Structure, Strategy, Skills, Staff, Style, Systems, and Shared Values—can result in effectiveness in a corporation. The model's main insight is that all seven domains are interrelated, and for a firm to function efficiently, changes in one area necessitate changes in the others.

Below the researcher can find the McKinsey model, which represents the connections between seven areas and divides them into 'Soft Ss' and 'Hard Ss'. The shape of the model emphasizes interconnectedness of the elements.

Figure 2.1 McKinsey Model



Source: Kenton (2021)

The seven organizational areas of the McKinsey model are split into "soft" and "hard" components. Compared to soft elements, strategy, structure, and systems are hard elements that are considerably simpler to recognize and handle. On the other hand, soft areas are the backbone of the business and are more likely to produce a long-lasting competitive advantage, despite being more difficult to manage.

A company's strategy is a plan created to obtain long-term competitive advantage and effectively compete in the market. What does the 7s McKinsey model mean by a well-aligned strategy? A sound strategy is typically one that is well-articulated, long-term, contributes to the creation of competitive advantage, and is supported by a solid vision, mission, and set of values. When a technique is examined in isolation, it might be difficult to determine whether it is well-aligned with other factors. Therefore, the key to the 7s model is to check whether each component is in alignment with the others rather than looking at your organization to find the best strategy, structure, processes, etc. For

instance, a company's short-term plan is typically a poor decision, but if it is in line with the other 6 elements, then it may provide strong results.

The organization of company divisions and units is represented by structure, which also includes information about who is responsible for what. In other words, the organization chart of the business is its structure. It is also one of the framework's most noticeable and adaptable components.

Systems are the company's policies and practices, which disclose the day-to-day operations and decision-making processes. Systems should be the key area of focus for managers throughout organizational change because they are the part of the business that dictates how business is done.

Skills are the tasks that employees of a company excel at performing. They also contain aptitudes and skills. The question of what capabilities the organization will actually require to support its new strategy or new structure often emerges during organizational transition.

What kind and number of employees the organization will require, as well as how they will be hired, taught, motivated, and compensated, are all aspects of the employee element.

Top-level managers' management style, interactions, actions, and symbolic significance are represented by style. In other words, it refers to the leadership style of the organization.

The cornerstone of the McKinsey 7s model is shared values. They serve as the guidelines for employee conduct and corporate decisions, serving as the backbone of every corporation.

### **Kurt Lewin's three step change theory**

The three step change theory was first put forth by Kurt Lewin in 1951. According to Lewin, behavior is a dynamic equilibrium of forces acting in opposing directions. He noticed that motivating factors encourage transformation since they nudge workers in the right direction. Restrictive variables, according to his theory, prevent change since they pull employees in the opposite way. The result of Lewin's theory tips the scales in favor of the desired transformation. According to Lewin's theory, the first step in modifying behavior is to unfreeze the current circumstance, also known as the status quo, which is regarded as the equilibrium condition. He noted that overcoming the pressure that individual resistance and collective conformity may put on the transformation process requires unfreezing. Lewin suggested three approaches to completing the unfreezing stage of the transformation process: (i) Boost the driving forces that influence behavior to depart from the status quo. (ii) Reduce the restraining pressures that hinder movement away from the current equilibrium; (iii) Strike a balance between the driving and restraining forces in order to move in the direction of the desired change. Lewin called the second stage of the behavior-changing process the "Movement Stage." The target system is now relocated to a new equilibrium level. Employees are persuaded to acknowledge that the status quo does not serve their interests during this phase, and they are encouraged to approach the issue from a novel angle, collaborate in the search for fresh, pertinent information, and link their opinions to those of respected, influential leaders who are also in favor of the change.

Refreezing is the final of Lewin's three step change models. After the intended change has been made, this step is performed. The stage is related to the necessity for the change to be sustainable (Tarekegn, 2020).

#### **2.1.3 Typology of Organizational change**

Under the aforementioned description, organizational transformation is further classified into four types as follows;

**Anticipatory change:** Any systematically planned modifications meant to take advantage of anticipated solutions are referred to as anticipatory alterations.

**Reactive Change:** Modifications done in reaction to pressure or unanticipated environments.

**Incremental Change:** This refers to small-scale system modifications required to keep an organization on its intended track. For instance, introducing a night shift to accommodate the company's product's unexpectedly high demand.

**Strategic Change:** Modifying the organization's overall structure or direction, such as moving from building houses to building complexes or apartment buildings (Tarekegn, 2020).

### **Model of Organization Change**

Kotter's Model was developed as a result of research on more than 100 businesses of various sizes and industries, which revealed that the majority of large change projects failed. He completed his model in order to avoid crucial errors throughout the transition phase. The following were the key lessons from Kotter's model:

- 1) There are various phases that change processes go through, and each one lasts for a sizable amount of time.
- 2) The momentum of the transformation process could be severely harmed by serious mistakes committed during any of the phases.

### **Types of Organizational change**

The size of the change can be divided into two categories: large-scale, paradigm-shifting "transformational change" and small-scale, slowly-shifting "incremental change" models.

#### **Incremental Change termed as First Order Change**

Changes to functional processes, including as communication systems, acknowledgment and reward programs, and decision-making procedures, are frequently used to classify incremental change and first order change. It includes:

**Cost changes:** These changes happen when businesses try to cut expenses in order to increase productivity or performance.

**Process modifications:** These adjustments are made to increase the efficacy or efficiency of organizational processes and procedures.

#### **Transformational or Radical Change termed as Second Order Change**

A qualitative, discontinuous change spanning many dimensions and levels is the radical/2nd order change. An organizational paradigm shift is required by these changes. It results in a new identity for the organization under consideration. It is thought to be a significant structural and cultural transformation. Due to the increased need for change, a second order change happens.

According to researchers like Kleiner and Corrigan, transformational change, often referred to as second order change, can be characterized as radical, revolutionary changes that demonstrate a profound break from styles of organizational behavior and operation. It contains;

**Cultural shifts** although these modifications are the least obvious of all the different sorts, they can also be the most challenging. The collective set of presumptions, values, ideas, and thoughts inside an organization make up its culture.

**Structure:** This change affects how the organization is structured. Mergers, acquisitions, consolidations, and the sale of operating units are just a few of the numerous strategies that can be used to try and alter the organizational structure.

### **Importance of Organization change**

Everybody and every organization needs change immediately now. Failure could result from continuing to use an outdated methodology. The first priority is to make this modification. Change is the introduction of a change in the way tasks are completed, work is done, and issues are resolved.

### **Buildup Competition:**

In an organization, change might be large or minor, simple or complex. Change may not always signify a significant transformation. But creating competition can really benefit, which can help firms advance and grow. Without change, businesses would find it difficult to rise to the challenge presented by their rivals. When a company alters the way it conducts business and gains more clients, the nearby rival will undoubtedly notice this and strive to alter the way he typically conducts business. As a result, change has a highly good impact on increasing rivalry, which motivates businesses to outperform their rivals in terms of development.

### **Bring Technological Advancement:**

Technology is essential to the growth of any firm. In most firms, the advancement of technology leads to change, and while this change can initially be disruptive, it ultimately tends to boost productivity and customer satisfaction. Organizations can employ new technologies to outperform the competition. When competitors are advancing quickly with new technologies, the same, old, and antiquated ways of thinking won't work. It also makes it possible for workers to adapt new technologies, which indirectly aids in business expansion.

#### **Develop Satisfied Customers:**

Organizations that adopt change may experience some degree of employee and customer unhappiness. However, once a change has a positive impact, both customers and staff begin to accept it. In the end, this improvement results in happy customers who then favorably affect other customers. As is frequently remarked, happy customers are advantageous for every business. A minor adjustment to your strategy can work wonders for you. Change ultimately has a very good effect in fostering competitiveness, which motivates organizations to advance themselves further than their rivals. Additionally, change is a necessary and inevitable component of any business. Change is something that every company aspires to, and it finally results in business greatness.

#### **Implement of Change**

To achieve the intended future organizational state, change strategies developed in the identification and engagement phases are converted into tactics, or actions, in the implementation phase. The development and application of processes and technologies are subject to criticism from employees. They are most aware about how these elements must be tailored for the greatest results because they have direct, everyday experience with these procedures and technologies. Employees across the organization must keep in mind the change's purpose while putting so much effort into implementing it. Managers should therefore frequently remind staff of the change and its significance through a variety of media, including emails, progress celebrations, and casual chats. It should be emphasized that regardless of the change management approach selected, the main challenge with strategy implementation is the change from the "flat" system, which is a strategic plan, to the "alive" system, which is an organization that carries out defined strategic goals through logical resource management. The stage of change implementation involves getting the organization ready to continue operating in accordance with the chosen strategy. Changes in both the static aspect (structure) and the dynamic aspect

are necessary for the implementation of the new strategy (processes). Due to these modifications, it is necessary to move beyond conventional functional or divisional structures. The process of implementing a strategy establishes organizational perspectives and enables evaluation of whether the strategy was chosen correctly. Implementing a strategy primarily entails making choices and organizing actions that allow the so-called social structure of the company to absorb the plan.

### **Measure of Employees performance**

#### **Employees' Performance**

Employee performance means employee productivity and efficiency as a result of employees' growth (Khan & Jabbar, 2013). According to (Donohoe, 2019; (Tarekegn, 2020). Employee performance refers to how your workers behave in the workplace and how well they perform the job duties you've obligated to them. Employee performance in the organization is very important to determine a company's success and profitability. According to (Tavakoli, 2010), employees' performance will drop due to downsizing innovations and mergers in the organization, as well as changing of the location, time, quality and quantity of the task and responsibilities.

#### **Strategic Change on Employees' performance**

Strategic change is the implementation of changes to important characteristics of a business, for instance in response to new market threats or opportunities. Upper management and the Chief Executive Officer in particular bear responsibility for this change (Janse, 2019).

In the study of Factors Influencing Strategic Change Management Practices at Coca-Cola Company in Kenya (Mwendwa, 2016), which examined the influence of strategic change management practices at Coca-Cola Company in Kenya, it was found that the company's main challenges included the incompatibility of the new change with the existing organizational structure, information technological innovations, political interference, social factors, and consumer behavior. The study was carried out using a case study and made use of the Kanter model of change management, the three step theory of change, and force field analysis theory.

### **Structural Change on Employees' performance**

Organizational structure changes can be classified into three types, according to McLagan (2002), as cited in (Eyanuku, 2022). Transactional, transitional, and transformative structural change are the three forms. For transactional modifications, minor interventions are necessary, such as training, modifying the incentive structure, or updating the software. Because it calls for modifications to institutions, power structures, and roles, transitional change is more challenging. The development of a new factory in a different area, which would require more thorough planning and experience, is an excellent illustration of this kind of shift. In order to respond to the demands of the global business environment, transformational change entails revamping the entire organization, especially the underlying values and conventions.

### **Technology Changes on Employees' performance**

Technological change is an increase in the efficiency of a product or process that results in an increase in output, without an increase in input (Bauer & Bender, 2004), as cited in (Tarekegn, 2020). Small business technology requirements are always evolving and adjusting in response to market demands and technological breakthroughs in the sector. In today's world, almost all businesses rely on technology at every level of their operations.

Technology transformation in Dashen Bank is the organizational change that has the greatest impact on employee performance. Employees feel scared and fear that technology may replace their jobs when technology is presented. 45 The association between organizational change variables and employee performance was determined using the Pearson's correlation coefficient, and the results revealed a favorable and substantial relationship between the variables (Tarekegn, 2020).

Organizational transformation has a growing impact on employee performance in Pakistan's banking sector, where descriptive statistics and correlation analysis approaches have been implemented. Expected to demonstrate initiative, motivation, and effort. The effectiveness of an organization depends on how it maximizes human capabilities as well as how it enhances employee performance and fosters loyalty to the company. The ability of a firm to compete on quality and adapt to change appears to depend heavily on employee dedication and a skilled staff (Karanja, 2015).

## 2.2 Empirical Studies

Different academics have carried out a number of studies on the effects of organizational transformation on employee performance.

Csaszar (2008) created and tested a model to explain how organizational structure affects performance. The study employed a cutting-edge method that employs bootstrapping to produce metrics that are comparable across funds. A group of people's decision-making process was conceptualized as the organizational structure. The empirical setting consisted of 609 mutual funds' selections of more than 150,000 stocks. According to the study, a variety of organizational performance factors are affected by organizational structure in meaningful and predictable ways. Applications include creating organizations that account for people's prejudices and accomplish a specific balance of exploitation and discovery.

Fong et al., (2011) was examined how organizational changes affected employees' performance. The questionnaire was created and given to workers via a random sample. The reliability analysis, frequency analysis, explanation of the correlation coefficient analysis, and test of hypothesized correlations between the dependent variable and the independent variables were all performed using the Statistical Package for Social Science (SPSS) software. According to the study, there is a positive substantial association between employees' performance and communication, procedural justice, employee growth, and tolerance for change. On the other hand, there is a strong negative correlation between leadership and employee performance.

Dauda & Akingbade (2011) examined the use of employee relations in managing technological transition. Additionally, it looked for efficient ways to use technology advancement to boost productivity in Nigeria's manufacturing sector. To ascertain the relationship between technological change and employee skill and between technological change and employee performance, two hypotheses were developed. 1256 questionnaires were given to Nigeria's 30 manufacturing sectors, including the beverage, textile, steel, cement, and chemical industries. The questions were developed based on the hypotheses. Findings showed that there is little connection between technology advancement and employee relations. The report made the suggestion that in order for Nigeria's

manufacturing sector to be profitable, competitive, and survive, employee relations should be taken into account when making management technological changes.

Ahmed et al., (2013) examined the effect of organizational reform on employee performance. The elements taken into account for this study are leadership, communication, procedural fairness, employee development, and change tolerance. In order to analyze the data in SPSS software, the researcher employed descriptive statistics and correlation analysis approaches. The instruments for gathering data were questionnaires. The findings demonstrate that organizational transformation in Pakistan's banking industry positively and significantly affects employee performance. The study recommended that additional research be done in various industries and by introducing more organizational change-related aspects in order to observe the total effect of organizational change on employee performance.

Kimotho (2013) looked into how Kenyan public sector savings and credit cooperative groups managed strategic change. Using a descriptive study design was the method. This study's cross-sectional design sought to identify the strategic change management tactics used by Kenyan savings and credit cooperative organizations in the public sector. This study employed a simple random sampling methodology and questionnaires to collect primary data. The data analysis employed descriptive statistics. Structure modifications, technological developments, organizational leadership styles, and changes in the political and economic environment were the key forces behind development in savings and credit cooperative groups. According to the report, the public sector SACCOs had changed their organizational structure but were not benefiting from the change. Examining how organizational change management impacted workers' performance in Kenya's 16 Parliamentary Service Commissions was the aim of the current study. The research encouraged savings and credit cooperative societies to implement restructuring and corporate governance principles uniformly in order to improve their service performance and profitability.

Kinoti (2013) evaluated consequences of change management on Co-operative Bank of Kenya Limited employees' performance. The research design for the study was a case study. The primary benefits of case study-based research are that it enables the researcher to address "how" and "why" questions in order to comprehend the complexity

of the processes occurring in change management in banks (Amit & Schoemaker, 1993). Interviewees who are in control of important departments at the head office and are in charge of implementing change were subjected to in-depth interviews. IT, Operations, Human Resources, Finance, and Marketing were important departments. The findings were presented in a qualitative manner. The term "qualitative" suggests an emphasis on the characteristics of things, events, and ideas that cannot be empirically tested or quantified in terms of amount, amount, intensity, or frequency. According to the study, a manager's choices, delegation of authority, and interactions with staff members can have an impact on the entire business. The study also discovered that embracing technology has enhanced organizational operations by providing a technological platform, which greatly enhanced staff performance. The study came to the conclusion that the Co-operative Bank uses an autocratic leadership style with a hint of democracy because senior management occasionally talks with employees before making a decision but ultimately takes charge.

Abbas et al., (2014) examined the effects of information technology on Allied Bank workers' performance. Unstructured interviews were used to collect the data, and IBM SPSS Text Analytics was used to evaluate the responses. It was discovered that technology significantly increases worker productivity and time efficiency. It had a significant impact on staff workload and made sure that errors and frauds were under control. The ease of use and quick access to information allowed bank workers to provide top-notch service. However, businesses that have adopted new technology should give their staff the right training; it will improve their performance. Similar to this, all requirements must be satisfied before beginning the implementation process; otherwise, poor performance and subpar customer service may occur.

Maqbool & Shafique (2014) evaluated the effect of technological development on bank employees' performance. The effect of technology innovation on employee performance was examined using primary data. The software program SPSS 16 was used to examine the employee feedback and statistical methodology. To examine the effect of technological progress on employee performance, regression analysis was performed. The data was extremely effectively analyzed, and it was discovered that technology

development significantly affects staff training and motivation. Employee performance is significantly impacted by motivation, but training has little to no effect.

Imran et al., (2014) examined the effects of technological development on workers' productivity in the banking industry. This research examines how technological innovation affects employee performance using primary data. The software program SPSS 16 is utilized to examine the employee feedback and statistical methodology. To examine the effect of technology innovation on worker performance, regression analysis is performed. A total of 140 questionnaires were given out to various banks, and 100 of them were filled out and returned. The data was extremely effectively analyzed, and it was discovered that technology development significantly affects staff training and motivation. Employee performance is significantly impacted by motivation, but training has little to no effect. Moreover, there were important connections between them because they both focused on the development of technology and employee performance.

Uzoamaka & Okechukwu (2015) evaluated the impact of a changing workplace on workers' performance as well as the difficulties organizations face in the face of change. Survey research was used as the research design for this study. Both secondary and primary sources of data were employed to get the data for this investigation. Frequency tables, percentages, mean calculations, and the z-test were all used in the data analysis. The study discovered, among other things, that main obstacles to change management for businesses include insufficient planning, poor communication, group conformity, resistance to change, conflicts, and a lack of resources. Additionally, it was determined that good planning, human resources strategy, building distinctive talents, motivation and involvement, effective communication and consultation are required to manage organizational change effectively in manufacturing firms. The study suggested that managers can involve employees in the change process by communicating openly about changes, giving workers advance notice of impending changes, and assuring them that change won't compromise their security. This will help managers overcome resistance to change and boost performance.

Almatrooshi et al.,(2015) investigated the factors that determine how well an organization performs and created a framework that could be useful for executives. The systematic review of articles on the variables affecting organizational performance was used in this paper. A framework has been developed for the effect of cognitive, emotional, and social competencies on leadership competences, which in turn affect both employee and organizational performance, based on the study's findings. The findings of this study can be used by leaders to improve their leadership skills with the goal of raising organizational and individual employee performance.

Tefera & Mutambara (2016) evaluated the execution of strategic change management at a country club in Kwazulu Natal; employee involvement in the process; and its effects on staff motivation. Employee participation, organizational development, communication, employee motivation, and incentive were employed as study variables. A sample of 80 country club employees underwent the quantitative research approach with descriptive analysis. The study's main conclusions showed that the management had not given workers participation possibilities. Employees believed that if they had been involved, they could have contributed. Due to insufficient communication, employees felt demotivated and excluded from the decision-making process.

Kimathi (2016) examined variables affecting the Kenyan Coca-Cola Company's strategic change management processes. Using an interview guide, primary data was gathered from the strategy manager of the Coca-Cola Company of Kenya at the Upper Hill headquarters. Using content analysis methods, the data was examined. The study was carried out using a case study and made use of the Kanter model of change management, the three step theory of change, and force field analysis theory. According to the research's conclusions, the organization now has additional markets and chances for growth and revenue because of globalization. The results also showed that management of the firm must be able to foresee, identify, and deal with change in the internal and external environment for any business to thrive and prosper. According to the study's findings, strategic change is long-term in nature, has an impact on the entire business, and seeks to increase effectiveness. In order to deal with the rapid environmental changes of today, the organization must work to adopt strategic change management strategies.

Turner (2017) explored the effect of a project to improve a business process on those personnel who would be subject to change management during system installation. This study examined how a system implementation upgrade affected workers' performance on the job in the central administration division of a prestigious research university in the South of the United States. 11 employees were interviewed face-to-face for the aim of data collection. Through the use of pattern matching, data were examined. According to the research, employees at first had positive feelings about taking part in the project to improve company processes. Employees actually encountered the following issues during the project: (a) a lack of training, which they advised management was crucial to a new process; (b) a lack of clear assistance and communication for individual concerns; and (c) management's increased job duties and responsibilities without increasing compensation; and (d) feeling undervalued in employee meetings.

Yuvaraj & Nadheya (2018) examined the impact of technology on employee performance and behavior as well as on interpersonal connections within the workplace. For this investigation, both primary and secondary data were employed. Through the use of questionnaires, primary data has been gathered. Through the use of a structured questionnaire, data have been gathered. 250 questionnaires were given out, and 220 of them were returned. And papers, journals, magazines, etc. were used to gather the secondary data. The two types of analysis that were used were percentage analysis and descriptive analysis. The study discovered that the firm is enhancing the performance of its personnel thanks to the implementation of technology. But because all work is done through ICT, which has reduced the amount of human connection, this has also reduced the interpersonal relationships between employees.

Onono (2018) investigated the effect of General Electric Africa's organizational structure on performance. This study employed a descriptive research design. The intended audience consisted of 290 General Electric personnel working in the Sub-Saharan African region and based at four General Electric locations: Nairobi, Kenya; Lagos, Nigeria; Luanda, Angola; and Johannesburg, South Africa. To get quantitative data, a structured questionnaire was used. Descriptive statistics and SPSS version 21 were used

to examine the data. In order to determine the relationship between organizational structure and performance, the study used Pearson correlation. The findings showed that there was a significant and positive relationship between organizational structure and performance ( $r=0.404^{**}$ ,  $p0.000$ ). To ascertain the association between the dependent and independent variables, the study also ran a regression. Organizational structure had a value of  $=0.371$ ,  $p0.001$ . This suggests that organizational structure was responsible for 37.1% of the change in performance. The results showed that the type of organizational structure adopted by an organization had an impact on decision-making speed and accuracy. It also had a direct impact on the culture of learning and growth within the organization as well as the effectiveness of information exchange within the organization.

Nene & Pillay (2019) investigated the effect of organizational structure on the effectiveness of the organization. It is obvious that the goal of the study was to provide a useful understanding of how a complicated organizational structure affects some aspects of employee job satisfaction and departmental performance. Statistics were used for both descriptive and inferential data analysis. The inference between these factors and the true goal of this study was demonstrated in the conclusion. The study sought to determine the general agreement among the participants on the likelihood that they would adopt the study's ideas and recommendations rather than directly comparing the analysis of performance and the influence of organizational structure on it. The organizational structure is clearly inefficient. According to observations, the structure's inefficiency contributed to the low job satisfaction levels within the participants.

Chinyerem et al. (2020) examined the impact of organizational change on employee commitment and how people view it. Organizational transformation, employee dedication, and employee attitude were employed as study variables. For the investigation of the intrinsic antecedents of each element, its impact on employee commitment, and how attitudinal factors relate to organizational change, the researchers used pertinent literature. This study aided organizational policy makers in implementing successful change initiatives that improved organizational commitment by bringing about changes to each change lever.

Angelkoska (2021) analyzed several banks in the Republic of North Macedonia's organizational frameworks. Analytical case studies were employed in this paper. In this research, analysis was conducted using case studies of several banks. The case demonstrates that the adjustment has a favorable effect on the bank's overall effectiveness and efficiency as well as on each of its internal parts independently.

**Table: 2.1 Literature Review Matrix**

Author Year	Topics	Objectives	Variables used	Data Analysis method	Findings
Csaszar (2008)	Organizational Structure as a Determinant of Performance: Evidence From Mutual Funds	To develop the organizational structure model and test its effect on organizational performance	organizational structure Organizational performance	novel technique that uses bootstrapping to create measures which are comparable across funds	On a variety of organizations, organizational structure has relevant and predictable consequences.
Fong, Ting, Hui, Ying, & Ee (2011)	The impact of the organizational change towards employees performance in banking industry	To investigate the organizational factors that affect the employees' performance in the Malaysian banking industry.	Communication, leadership, procedural justice, employees' development and tolerance to change	Descriptive Analysis	A positive significant association exists between employees' performance and communication, procedural justice, employee growth, and tolerance for change. On the other hand, there is a strong negative correlation between leadership and employee performance.
Dauda & Akingbade (2011)	Technological change and employee performance in selected manufacturing industry in Lagos state of Nigeria	To examine how employee relation could be employed for technological change management	Technological change, employee relation, employee performance	Descriptive analysis	Employee relation do not have significant relation with the technological change
Ahmed, Rehman, Asad, Hussain, & Bilal (2013)	The impact of organizational change on the	To analyze the impact of organizational	Communication, Leadership,	Descriptive statistics and Correlation analysis	The strongest influential factor toward employee performance in

	employee's performance in banking sector of Pakistan	change towards employee performance in the banking sector of Pakistan	Procedural Justice Employee Development Tolerance to Change ,Employee Performance		banking industry is tolerance to change while the lowest influential factor affecting the employee performance in banking industry is procedural justice
Kimotho (2013)	Strategic management practices adopted by saving and credit cooperative societies in public sector in Kenya	To examine the strategic change management techniques used by Kenya's public sector saving and credit cooperative societies	Changes in organizational leadership styles, political and economic environments, and technical and structural change	Descriptive research design	Because they had implemented structural change in their operations, the SACCOs operating in the public sector did not reap the benefits that came with it.
Kinoti (2013)	Effects of change management on employees performance on cooperative banks of Kenya	To evaluate the effects of change management on employees performance on cooperative banks of Kenya	Structural change, strategic change, technological change, employees performance	Case study research design	embrace of technology had improved the organizations operations by offering a technology platform, which significantly improved employee performance
Imran, Maqbool, & Shafique (2014)	Impact of technological advancement on employee performance in banking sector	To check the impact of technological advancement on employee performance in banking sector	Technological advancement, employees motivation. Employee training. Employees performance	Descriptive research design	Technological advancement has a significant impact on the motivation and training of the employees
Abbas, Muzaffar, Mahmood, Ramzan, & Rizvi (2014)	Impact of technology on performance of employees (A case study on allied bank ltd, Pakistan)	To examine the impact of technology on performance of employees (A case study on allied bank ltd, Pakistan)	Technological change, employee performance	Descriptive analysis	Positive impact of technology on employees performance
Imran, Maqbool, & Shafique (2014)	Impact of technological advancement on employee performance	To check the impact of technological advancement on employee	Technological advancement , employees performance	Descriptive analysis	positive impact of technological advancement on the motivation and

	in banking sector	performance in banking sector			training of the employees
Uzoamaka & Okechukwu (2015)	Effects of strategic change on employees performance in manufacturing industries	To determine the effects of strategic change on employees performance in manufacturing industries	Changing workplace , employees performance	Descriptive analysis	Positive effects of strategic change on employee performance
Almatrooshi, Singh, & Farouk (2016)	Determinants of organizational performance: a proposed framework	To review the existing literature on determinants that influence organizational performance and to develop a framework that could be beneficial for leaders.	Organizational performance, Employee performance, Leadership competencies	This paper uses a systematic review of articles on the factors that influence organizational performance. The purpose of this systematic review is to collect and summarize all empirical evidence from literature that fits the context of this study	The findings of the study have been weaved together in a proposed framework for the role of cognitive, emotional, and social competencies on leadership competencies that in turn influence both employee and organizational performance
Mwendwa (2016)	Factors influencing the strategic change management practices at Coca-Cola Company at in Kenya	To determine the factors influencing strategic change management practices at Coca Cola Company in Kenya.	Organizational structure, technological advances in information, governmental interference, social variables, and customer behavior	content analysis technique	strategic change is long term in nature, affects the entire organization and aims at achieving effectiveness
Tefera & Mutambara (2016)	Effect of organizational changes on employees' motivation at a Country Club in Kwazulu Natal: from the employees' participation perspectives	To evaluate the strategic change management implementation at a country club in Kwazulu Natal	Employee development, communication, employee participation, incentive, Employee motivation	quantitative research method with descriptive analysis was administered	Organizational change has negative impact on the employees motivation

Kendra M. Turner (2017)	Impact of Change Management on Employee Behavior in a University Administrative Office	To explore the impact of a business project on employees affected by change management in a system implementation upgrade	Change management Employee behavior	Data were analyzed through pattern-matching techniques.	The findings were that employees initially felt positive about being a part of the business process project later they found some lackness in management
Yuvaraj & Nadheya (2018)	A study on the role of technology on employees behavior and their performance	To examine the role of technology on employees behavior and their performance	Technology, employees behavior, employees performance	Percentage analysis , descriptive analysis	Introduction of technology has helped the organization in excelling its employees performance but has condensed the interpersonal relationship
Onono (2018)	The impact of organizational structure on performance as general electric Africa	To investigate the impact of organizational structure on performance as general electric Africa	Organization structure, employees performance	Descriptive analysis	the type of organizational structure embraced in an organization affected the speed and accuracy of decision making and directly influenced the learning and growth culture within the organization as well as the efficiency of information exchange within the organization
Nene & Pillay (2019)	An Investigation of the Impact of Organizational Structure on Organizational Performance	To investigate the impact of organizational structure on employee performance	Organizational structure Employees performance	Data analysis was done through descriptive and inferential statistics.	The organizational structure negatively impacted staff morale, it also inadvertently negatively affected the performance of the department.
Chinyerem, Mayowa, & Oluwole (2020)	Employees attitudes towards organizational change and its effects on the employees commitment	To examines the attitudes of employees towards organizational change	Employee Attitude, Employee Commitment, Organizational Change	Review of literature was used as the method of discussion	The relevance of the results and conclusions are interpreted focusing the impact of organizational change

					On relevant organizational commitment.
Angelkoska (2021)	Organizational structural change within the banks.	To analyze the organizational structural change within the banks.	Organizational structural change , banks	Case study method	Change has positive impact on effectiveness and efficiency of banks

### 2.3 Research Gap

On the impact of organizational change on employee performance, numerous research have been done. For instance, Karanja (2015) examined how Kenya's postal corporation's organizational change affected employee performance, and the results showed that change in the organization had a beneficial impact on employee performance. Technology is the factor that has altered the most and positively impacted worker performance.

Even though various academics looked into this topic in various nations, there is still no research on the topic as it relates to the banking sector in Nepal. Therefore, it is unknown whether organizational change has an impact on employee performance, either positively or negatively. As a result, the study's goal is to discover how organizational transformation affects employee performance in the context of the Nepalese banking industry

### 2.4 Research Frameworks and Definition of Variables

This study aims to look into how employee performance at Nepalese Commercial Banks is affected by organizational change. Understanding the different ways that organizational change affect employee performance can have long-term effects on how individuals, businesses, and nations as a whole prosper economically. The conceptual framework for this study is derived from the literature review and includes the numerous components of organizational change that affect employee performance. A conceptual framework is a fundamental structure made up of specific abstract building blocks that stand in for the experiential, analytical, and synthetical components of a process or system under consideration.

Both a descriptive and analytic investigation will be conducted at this time. From the study of the various literature, following conceptual framework is created using a variety of dependent and independent variables.

**The table 2.2 shows the summary of studies that used Strategic change, Structural Change, Technological Change and Employee Performance.**

Strategic Change	Kimathi Fiddy Mwendwa (2016), Maina Peter Kimotho (2013), Kwizera Methode, Olutayo K. Osunsan, Irau Florence, Wandiba Augustine, Patricia Abiria and Bayo Innocent (2019)
Structural Change	Sinqobile W. Nene, Alan S. Pillay (2019), Edward o. Onono (2018), Hellen Nafula Mukhebi (2019), Kwizera Methode, Olutayo K. Osunsan, Irau Florence, Wandiba Augustine, Patricia Abiria and Bayo Innocent (2019)
Technological Change	Hellen Nafula Mukhebi (2019), Kwizera Methode, Olutayo K. Osunsan, Irau Florence, Wandiba Augustine, Patricia Abiria and Bayo Innocent (2019)

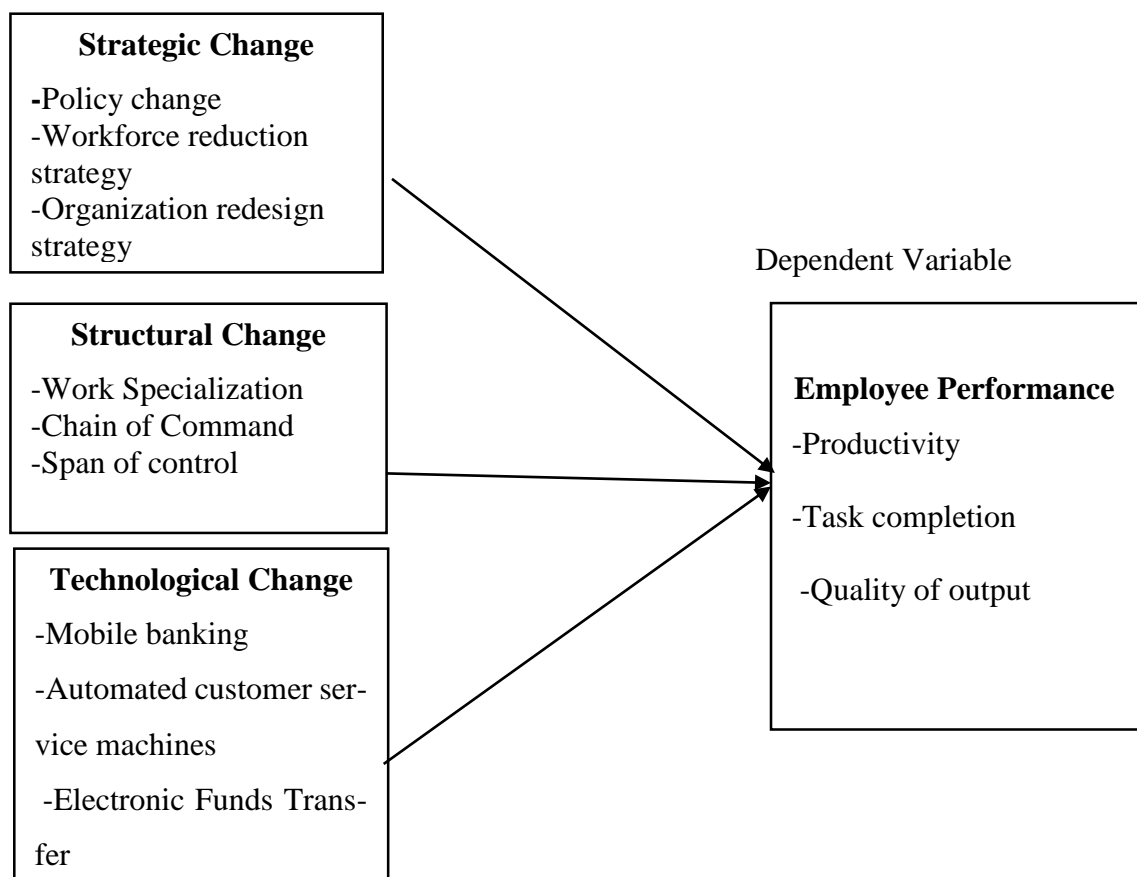
Employee Performance	Z. Ahmed, Z.U. Rehman,N. Hussain, A. Bilal(2013), BashaerAlmatrooshi, Sanjay Kumar Singh and Sherine Farouk(2016), Edward O. Onono(2018), HellenNafulaMukhebi(2019),KwizeraMethode,Olutayo K. Osunsan,IrauFlorence,WandibaAugustine,PatriciaAbiria and Bayo Innocent(2019)
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Table 2.2 shows the summary of studies that used the independent and dependent variables used in this research such as strategic change, structural change, technological change, and Employee performance respectively. Based on the review of different literature following framework has been developed.

Figure: 2.2 Research framework

Independent Variables

Source: Tarekegn (2020)



This study's framework is based on this model. This study aims to investigate the relationships between four factors in Nepalese commercial banks: structural change, strategic change, technological change, and personnel performance. There are three independent variables: technological change, strategy change, and structural change. There is also one dependent variable: employee performance. This model is used to examine the substantial relationship between organizational change and employee performance.

### **Definition of Variables**

#### **i. Strategic change**

Strategic change is the implementation of changes to important characteristics of a business, for instance in response to new market threats or opportunities. Upper management and the Chief Executive Officer in particular bear responsibility for this change (Janse, 2019).

#### **ii. Structural change**

Organizational structure changes can be classified into three types, according to McLagan (2002), as cited in (Eyanuku, 2022). There are three types of transactions: transactional, transitional, and transformational.

#### **iii. Technological change**

According to Bauer & Bender (2004), technological change is an improvement in a product's or process's efficiency that leads to a rise in output without a corresponding increase in input (Tarekegn, 2020).

#### **iv. Employees' Performance**

Employee performance is their attitude toward their jobs at work. From an organizational standpoint, employee performance is crucial because it increases employees' organizational commitment, and high commitment promotes the success and development of the organization as a whole (Tarekegn, 2020).

**Table: 2.2The operational definition of variables**

Variables	Types of variable	Indicators	Measurement Scale	Data collection tools	Data Analysis
Strategic change	Independent	-Policy change -Workforce reduction strategy -Organization redesign strategy	Scale	Questionnaire	Descriptive and Inferential
Structural change	Independent	-Work Specialization -Chain of Command -Span of control	Scale	Questionnaire	Descriptive and Inferential
Technological change	Independent	-Mobile banking -Automated customer service machines -Electronic Funds Transfer	Scale	Questionnaire	Descriptive and Inferential
Employee Performance	Dependent	-Productivity -Task completion -Quality of output	Scale	Questionnaire	Descriptive and Inferential

The table 2.2 shows the operational definition of the variables along with their indicators, measurement tools, data collection tools and data analysis method.

## **CHAPTER III**

### **RESEARCH METHODOLOGY**

An outline of the paper's research methodology is provided in this section. It covers topics including research design, sample size, population, and sample method as well as data source and data analysis method.

#### **3.1 Research Design**

The research used a descriptive survey approach. The effectiveness of organizational change constructs like strategic change, technological change, and structural change was also explored or explained using this methodology (dependent variables). The design also had the capacity to generate adequate information on new issues with the change management and employee performance of Nepal's development banks, as well as space for probing for additional information and exploring novel concepts. Therefore, the design was a practical, appropriate, and reliable approach for conducting research on the particular topic of organizational change in development banks. The researcher's sampling of respondents, data collecting, and analysis were made easier by this design.

#### **3.2 Population, Sample and Sampling Design**

The term "population" describes the total collection of people, occasions, or interesting objects that a researcher desires to study. This analysis is based on data from seven of Nepal's 17 development banks that have corporate headquarters in the Kathmandu valley. The development bank personnel served as the study's research subjects. The population for this study was chosen by the researcher from among the staff of Garima-Bikash Bank, JyotiBikash Bank, KamanaSewaBikas Bank, LumbiniBikash Bank, MahalaxmiBikash Bank, MuktinathBikas Bank, and Shangrila Development Bank. The researcher uses a convenient and purposeful sampling approach to gather the information. According to the development bank's website and other sources of information, there are 350 people living there in total. A sample of 210 people, or 60% of the entire population, is chosen.

### 3.3 Nature and Sources of Data Collection

Only primary source was used for the collection of data from the respondents.

#### Primary Source

Raw information that is being observed or gathered from first-hand experience is referred to as primary data. Since primary data represents unadulterated knowledge regarding an experiment's or observation's findings, it is crucial for all types of research. The main information was gathered from respondents using questionnaire surveys and direct observation from notable respondents.

#### 3.3.1 Reliability Analysis

According to Drost (2015), reliability is the extent to which measurements can be repeated whether they are carried out by different people for varied reasons, under other circumstances, and ostensibly with other equipment that purports to measure the construct or skill. The Cronbach's alpha coefficient value is displayed below. The Effect of the Organizational Change in Employee Performance in the Banking Industry of Nepal was the name of the questionnaire the researcher used for this study.

**Table: 3.1 Reliability test of dependent and independent variables**

<b>Variables</b>	<b>Cronbach's Alpha</b>
Structural Change	0.838
Strategic Change	0.795
Technological Change	0.865
Employees' Performance	0.847
Average	0.836

Source: Appendix (A2)

Table 3.1 displays the dependent and independent variables' Cronbach's alpha coefficients. Nunnally (1978) recommended that the Cronbach's alpha value be 0.7 or above. When the dependent and independent variables' Cronbach's alphas are both greater than 0.70, the research's instrumentation is regarded as dependable.

### **3.4 Data Collection Procedure and Instruments**

#### **3.4.1 Data Collection Procedures**

The university provided the researcher with an introduction letter approving the research. Through field study, primary data were gathered. The researcher introduced herself and described the study's objectives to the respondents before beginning to gather data. In order to get their cooperation throughout the data gathering exercise, the researcher generated several letters of authority and authorization for individuals who requested them. The questionnaire was hand-delivered to the banks that were the subject of the study for self-administration by the researcher, and it was then retrieved after a few days.

#### **3.4.2 Data collection Instruments**

##### **Questionnaire**

A questionnaire is a type of research tool used to gather information from respondents and consists of a list of questions and additional prompts. They are typically produced for statistical study of response. The survey follows a predetermined framework (close-ended). When answering a closed-ended or structured inquiry, respondents select the response that most accurately explains their situation from a list of all available options. Since they are in an instant format, the questionnaires' two components are simpler to examine.

- Four questions are included in the first section of the questionnaire that measure various demographic aspects of the respondents, including gender, age, education level, and position within the firm.
- A five-point Likert scale (1=strongly Disagree, 2=Disagree, 3=Neutral, 4=Agree, and 5=Strongly Agree) is used in the second questionnaire's questions to quantify the study's variables.

### **3.5 Method of Data Analysis**

The Statistical Package for Social Science (SPSS) software version 20 was used in this study to analyze and present the data after it had been obtained using various statistical

tools. Variables have been described using descriptive statistics including mean, standard deviation, and frequencies. In order to accomplish the goal of the study, statistical tools were mostly employed to test the hypothesis and to evaluate how the data acquired through questionnaires were distributed and tended. Tables, figures, the mean, the standard deviation, and the percentage distribution were specifically employed in the descriptive study portion for presentation and analysis. Tables, the mean, the standard deviation, Pearson's correlations, and linear regression were also included in the hypothesis testing portion.

The link between the dependent and independent variables is examined using correlation analysis. To determine the specific contribution of independent factors to dependent variables, standard stepwise regression is used.

- i. Cronbach's alpha for reliability statistics.
- ii. Descriptive analysis.
- iii. Inferential analysis (Pearson's coefficient of correlation, multiple regression analysis and hypothesis testing, anova test).

### **3.5.1 Descriptive Analysis**

The demographic and general results of descriptive statistics, which are shown in tables with frequency distributions and percentages, were examined using descriptive analytic techniques. The replies to each question and the methods used to get the mean and standard deviation for each variable are also helpful in determining how employees are coping with organizational change.

### **3.5.2 Inferential Statistics**

An inferential statistical test is one in which conclusions about the population are drawn from the examination of a sample drawn from it. By using information about the features of a sample of the population, it can estimate or predict the characteristics of a population. It offers resources for computing the participants' future behavior probabilities. It is possible to generalize from a sample to the population using inferential statistics. This study makes use of the multiple regression analysis, the ANOVA test, and the Pearson's correlation coefficient.

### 3.5.2.1 The Pearson Correlation Analysis

Employee performance is the dependent variable, and the independent variables are structural change, strategic change, and technology change. Two or more variables are said to be correlated if a change in one variable appears to be linked to or associated with a change in the values of the other variables. Correlation shows the strength of the relationship between two or more variables. The causal flow is not adequately represented.

**Table 3.2: Rule for correlation coefficient range**

<b>Coefficient range</b>	<b>Interpretation</b>
0.00-0.10	Negligible correlation
0.11-0.39	Weak correlation
0.40-0.69	Moderate correlation
0.70-0.89	Strong correlation
0.90-1.00	Very strong correlation

Source: (Tarekegn, 2020)

### 3.5.2.2 Regression Analysis of Organizational Change and Employee Performance

An approach to figuring out the statistical relationship between two or more variables where a change in one or more independent variables is linked to and dependent on a change in the dependent variable. A statistical technique called multiple regression is used to calculate a criterion's value from a number of other independent variables. Multiple factors are combined simultaneously to determine how and how much they influence a certain outcome. It can be applied to predict the consequences or repercussions of changes. Point estimates may be obtained through the analysis of multiple linear regressions.

## Model Specification

The researcher made use of multiple regression analysis. It is the most appropriate and often used method for analyzing the relationship between a dependent variable and two or more independent variables due to the well-developed underlying statistical procedure. A multiple regression strategy was utilized to assess the effect of independent variables on dependent variables. In multiple regression analysis, the value being predicted is referred to as a dependent variable because it is contingent on the actions of other variables. The value of the independent variable is normally determined using the population or sample. The amount of change in the result variable is compared to changes in the sum of two or more predictor variables. The researcher used a regression analysis model to determine the relationship between the dependent variable and one or more independent variables. It is also employed to gauge the degree to which variables are connected to one another.

In this study, the dependent variables (employee performance) and independent factors (structural change, strategy change, and technology change) were incorporated into the equation of multiple regressions. The major objective of using a regression equation in this study is to increase the researcher's capacity to explain, understand, predict, and control the indicated variables.

The basis of the equation of multiple regressions employed in this study will be the independent components (structural change, strategy change, and technological change) and the dependent variables employee performance. The major objective of using a regression equation in this study is to increase the researcher's capacity to explain, understand, predict, and control the indicated variables.

$$y = \beta_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + e$$

$$\text{Employee Performance} = \beta_1 + \beta_2 \text{STC} + \beta_3 \text{SC} + \beta_4 \text{TC} + e$$

Where:-

Employee performance

STC = Structural Change

SC = Strategic Change

TC = Technological Change

e = error

**Source:** (Tarekegn, 2020)

Mathematically,  $Y = \beta_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4$

Where,

Employee performance is the dependent variable (Y), while the independent (explanatory) variables are X<sub>2</sub>, X<sub>3</sub>, and X<sub>4</sub>.

Although its mechanical interpretation is the average value of Y when the stated independent variables are set to zero, B<sub>1</sub> is the intercept term and provides the mean or average effect on Y of all the variables omitted from the equation.

The coefficient of each independent variable, denoted by 2, 3, 4, measures the change in the mean value of Y for each unit change in the independent variable.

## CHAPTER IV

### RESULTS AND DISCUSSION

The information retrieved from the data gathered is the subject of this chapter. The researcher gathered these information from respondents through surveys and in-person observation. A table presents the results of the analysis of the responses. It consists of three components. The response rate and the demographics of the respondents are covered in the first and second parts, respectively. Data analysis and interpretation round up the third and last section.

#### 4.1 Data Presentation and Analysis

##### 4.1.1 The Demographic Characteristics of Respondents

Table 4.1: Respondents profile

No	Factors	Categories/ Characteristics	F	%
1	Gender	Male	86	47.8
		Female	94	52.2
		Others	0	0
2	Age	18-20 years old	17	9.4
		21-30 years old	72	40
		31-40 years old	56	31.1
		41-50 years old	27	15
		Above 51 years old	0	0
3	Educational level	Diploma	9	5
		Degree	67	37.2
		Master	104	57.8

		PhD	0	0
4	Position	Managers	40	22.2
		Non managers	140	77.8

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Table 4.1 shows that, women make up 52.2 percent of the development bank of Nepal's workforce, while men make up 47.8 percent. The gender distribution of the respondents suggests that the study was based on respondents who were predominately drawn from the female group. According to the respondents' ages, which are depicted in table 4.1 above, (40%) were in the age range of 21–30 years, with the age range of 31–40 years coming in second (31.1%). Given that the majority of employees are young, this strongly suggests that banks are favoring newer, younger hires, which is good for business. New ideas are welcomed by young employees.

Respondents at banks were asked to specify their degree of education, and the majority (57.8 percent), which shows that the respondents at banks were asked to specify their educational background, the majority (57.8%) indicated a master's degree, followed by a degree (37.2%) and a diploma (5%). This demonstrates that master's degree holders make up the bulk of the workforce. The position group non managerial, which makes up 77.8% of responders at the bank, is dominant, followed by management respondents at 22.2 percent. This suggests that the majority of replies were from workers who held non-managerial roles.

#### **4.2 Descriptive Analysis**

The descriptive study included evaluations of organizational change categories such as structural change, strategic change, technical change, and personnel performance. The statements were anchored on a five point Likert-type scale, with 5 being the strongest agreement and 1 being the strongest disagreement, and respondents were asked to indicate how much they agreed or disagreed with each statement. Included with the descriptive statistics were percentages, frequencies, means, and standard deviations. The most typical value in a set of values is described by the term "mean," which is a measure

of central tendency. The distribution's standard deviation reveals how far out from the mean it is.

#### 4.2.1 Analysis of Structural Change

Table 4.2: Analysis of structural change

N	Items		Rating Scales					Mean	St. dev.
			1	2	3	4	5		
1	Structural change in the organization has led to enhanced employee commitment and availability at work	F	16	14	52	90	8	4.3	1.003
		%	8.9	7.8	28.9	50	4.4		
2	Structural change in the organization has led to setting of better quality goals	F	4	6	14	52	104	4.37	0.927
		%	2.2	3.3	7.8	28.9	57.8		
3	Job redesign as a result of structural changes has resulted to faster employee response and completion of work	F	4	2	13	52	108	4.4	0.854
		%	2.2	1.1	7.2	28.9	60.6		
4	Changes in work teams in the organization has led to enhanced teamwork and better performances from staff	F	4	7	14	36	119	4.44	0.952
		%	2.2	3.9	7.8	20.0	66.1		
5	Structural changes has resulted to increased innovation in the organization	F	4	3	17	45	111	4.42	0.897
		%	2.2	1.7	9.4	25	61.7		
6	Structural changes have improved communication within the organization	F	4	2	10	54	110	4.47	0.835
		%	2.2	1.1	5.6	30.0	61.1		
Average Mean							4.23	0.911	

**Key: 1 = strongly disagree; 2 = disagree, 3 = neutral; 4 = agree and 5 = strongly agree**

**Source: Appendix (A2)**

Table 4.2 reveals that organizational structural change has increased employee engagement and availability at work, as evidenced by the 90 (50%) and 8 (4.4%) respondents who agreed and strongly agreed, respectively. There is significant variance from the mean, with a mean of 3.3 and a standard deviation of 1.003. On the other hand, with a mean of 4.37 and a standard deviation of 0.927, 104 (57.8%) of the respondents strongly agreed and an additional 52 (28.9%) agreed that structural change in the organization has led to the creation of stronger quality targets. This indicates that there may be some mean deviation. As evidenced by 119, changes to the organization's work teams have improved teamwork and staff effectiveness (66.1 %)

The results also shows that, with a mean of 4.4 and a standard deviation of 0.854, 108 (60.6%) and 52 (28.9%) of the surveyed respondents strongly agreed and agreed, respectively, that job redesign as a result of structural changes has resulted in quicker employee response and completion of work. A small majority of respondents 156 (86.7%) said that structural changes have promoted innovation inside the business, with 111 (61.7%) strongly agreeing and 45 (25%) agreeing, for a mean score of 4.42 and a standard deviation of 0.897. Finally, with a mean of 4.47 and a standard deviation of 0.835 indicating a significant variation from the mean, 110 (61.1%) and 54 (30%) of the respondents, respectively, strongly agreed and agreed that structural changes had enhanced communication inside the organization.

### 4.2.2 Analysis of Strategic Change

Table 4.3: Analysis of strategic change

No	Items	Rating Scales					Mean	St. dev.	
		1	2	3	4	5			
1	Policy change doesn't affect my ability to work	F	4	0	43	93	40	3.92	0.811
		%	2.2	0	23.9	51.7	22.2		
2	Change in vision and mission alter the way I do things and affect my performance	F	4	10	25	54	87	4.17	1.011
		%	2.2	5.6	13.9	30.0	48.3		
3	I don't feel threatened when strategy change occur in my organization	F	4	3	19	60	94	4.32	0.894
		%	2.2	1.7	10.6	33.3	52.2		
4	Leadership change in my organization affect my work	F	4	5	27	48	96	4.26	0.965
		%	2.2	2.8	15.0	26.7	53.3		
5	Productivity of employee are improving due to change in organization plan and policies	F	4	2	10	48	116	4.50	0.836
		%	2.2	1.7	5.6	26.7	64.4		
6	Your organization monitor and implement strategies to ensure successful implementation	F	4	2	8	52	114	4.50	0.822
		%	2.2	1.1	4.4	28.9	63.3		
Average Mean							4.27	0.889	

**Key: 1 = strongly disagree; 2 = disagree, 3 = neutral; 4 = agree and 5 = strongly agree**

**Source: Appendix (A2)**

Table 4.3 demonstrates that employees' capacity to do their jobs is unaffected by organizational policy changes, as evidenced by the 93 (51.7%) and 40 (22.2%) of respondents who strongly agreed and agreed, respectively. There is medium dispersion from the mean, which is shown by a mean of 3.92 and a standard deviation of 0.811. According to the above mentioned data, the mean score and standard deviation were accepted by 87 (48.3%) strongly agreed respondents and 55 (30%) agreed respondents (4.17 & 1.011 respectively). This shows that the majority of workers believe that a shift in vision has a significant impact on how they carry out their jobs.

The findings also shows that, when strategic change occurs in their organization, 94 (52.2%) and 60 (33.3%) of the sampled respondents highly agreed and agreed, respectively. This shows that the majority of employees agree that a change in strategy doesn't endanger their ability to execute their jobs, with a mean of 96 strongly agreeing (53.3%) and 48 agreeing (26.7%), with a mean of 4.26 and a standard deviation of 0.965. According to 116 (64.4%) and 48 (26.7%) respondents who strongly agreed and agreed with the mean of 4.50 and standard deviation of 0.836, changes in organizational plans and policies have improved employee productivity.

Last but not least, the data shows that 114 (63.3%) and 52 (28.9%) of all respondents strongly agreed and agreed that their organization monitors and implements plans to ensure the 0.822 standard deviation and a mean of 4.50 indicate that the tactics have been successfully implemented. It means that the higher number of the respondents are agreed with the tactics that has been used.

### 4.2.3 Analysis of Technological Change

Table 4.4: Analysis of technological change

No	Items	Rating Scales					Mean	St. dev.	
		1	2	3	4	5			
1	There has been increase in the job performance after adopting new technologies	F	6	6	7	54	107	4.39	0.959
		%	3.3	3.3	3.9	30.0	59.4		
2	Technological change has resulted to increase in the efficiency and productivity of the employees in the company	F	4	2	6	39	129	4.59	0.803
		%	2.2	1.1	3.3	21.7	71.7		
3	Technological change has led to improve in the quality of work	F	4	1	12	37	126	4.56	0.827
		%	2.2	1.7	7.2	25	63.9		
4	Technological change has results to reduction in the total errors	F	4	3	13	45	115	4.47	0.874
		%	2.2	2.8	15.0	26.7	53.3		
5	I am able to accomplish work tasks quickly due to new technologies	F	4	2	9	35	130	4.58	0.874
		%	2.2	1.1	5.0	19.4	72.2		
6	Technological changes have improved communication within the organization	F	4	2	12	38	124	4.53	0.848
		%	2.2	1.1	6.7	21.1	68.9		
Average Mean							4.52	0.576	

**Key: 1 = strongly disagree; 2 = disagree, 3 = neutral; 4 = agree and 5 = strongly agree** Source: Appendix (A2)

Table 4.4 shows that with mean of 4.39 and a standard deviation of 0.959, 54 respondents (or 30.0 %) who agreed and an additional 107 answers (or 59.4 percent) who strongly agreed that there had been an improvement in job performance following the adoption of new technology. This suggests that the mean has been deviated from in some way. The findings also showed that, according to 39 (21.7%) and 129 (71.7%) of the responses, respectively, technological progress has contributed to an increase in the effectiveness and productivity of the staff in the organization. The majority of respondents 126 (63.9 percent) and 45 (26.7 percent) strongly agreed that technological development has improved the caliber of employment, with a mean of 4.47 and a standard deviation of 0.874 indicating this. There is some variability from the mean, as seen by the mean value of 4.47 and the standard deviation of 0.874. Regarding errors, 115 respondents (or 53.3%) strongly agreed that technological advancements have led to a decrease in the overall number of errors, while 45 respondents (or 26.7%) agreed with a mean agreement of 4.47 and a standard deviation of 0.874.

The study also indicated that, with a mean of 4.58 and a standard deviation of 0.874, 35 (19.4%) and 130 (72.2%) of the respondents, accordingly, agreed and strongly agreed that they are able to complete work duties swiftly because of modern technology. Finally, with a mean of 4.53 and a standard deviation of 0.848, which implies that there is some variability from the mean, 38 (21.1%) of the respondents agreed that they are able to communicate more effectively because of new technologies, and an additional 124 (68.9%) strongly agreed.

#### 4.2.4 Analysis of Employees Performance

Table 4.5: Analysis of Employees Performance

No	Items		Rating Scales					Mean	St. dev.
			1	2	3	4	5		
1	Employees are efficient and effective in service delivery	F	4	4	13	50	109	4.42	0.890
%		2.2	2.2	7.2	27.8	60.6			
2	Employees are able to adjust to changing priorities at workplace	F	4	2	8	49	117	4.52	0.822
%		2.2	6	4.4	35.6	65.0			
3	Employees are able to meet their set targets at workplace	F	4	1	8	64	103	4.45	0.800
%		2.2	0.6	4.4	35.6	57.2			
4	Employee are proactive in service delivery	F	4	3	10	59	104	4.42	0.852
%		2.2	1.7	5.6	32.8	57.8			
5	Employees are able to solve problem at work independently	F	4	2	19	59	96	4.34	0.879
%		2.2	1.1	10.6	32.8	53.3			
6	Employees are able to meet all their deadline at work place	F	4	1	6	52	117	4.54	0.787
%		2.2	0.6	3.3	28.9	65.0			
Average Mean							4.44	0.838	

**Key:** 1 = strongly disagree; 2 = disagree, 3 = neutral; 4 = agree and 5 = strongly agree

**Source:** Appendix (A2)

In terms of efficient and effective service delivery, 109 (60.6%) of the selected respondents strongly agreed, with a mean of 4.42 and standard deviation of 0.890, and 50 (27.8%) of the respondents believed that staff can make service delivery effectively. Similarly, the results showed that with a mean of 4.52 and a standard deviation of 0.822, employees are able to react to shifting priorities at work, with 49 (27.2%) of respondents agreeing and 117 (65.0%) strongly agreeing. Additionally, it can be seen from the table that 64 respondents (or 35.6%) and 103 responders (or 57.2%) strongly agreed that employees are able to accomplish all of the goals stated at work.

The findings also showed that, according to 59 (32.8%) and 104 (57.8%) of the sampled respondents, personnel in their organization are proactive in service delivery because of change management, respectively. There is some divergence from the mean when the mean is 4.42 and the standard deviation is 0.852. Finally, a mean of 4.54 and a standard deviation of 0.787 show that the findings also suggested that employees can accomplish all of their obligations at work.

### **4.3 Inferential Analysis**

To ascertain if the variations observed between parameters are significant or not, inferential analysis performs a test hypothesis. By drawing conclusions and forming generalizations based on samples, it generates new information. This chapter will test the hypothesis put out in the previous chapter and offer the methodology for interpreting the empirical results. Correlation and regression are the two analytical techniques covered in this section.

#### **4.3.1 Correlation Analysis of Organizational change and Employee Performance**

The association between two or more variables is referred to as correlation. For variables with straightforward multiple-choice responses, Pearson's correlation analysis was performed. A positive correlation shows that the link is positive and that one is rising in response to the other's rise, whereas a negative correlation shows the opposite of the above: that one is rising when the other is falling (Sharma & Chaudhary, 2018). Strong correlation is defined as  $r > 0.60$ , while moderate correlation is defined as  $r > 0.30$  and weak correlation as  $r < 0.30$ .

In order to determine their interdependence, correlations between structural change, strategic change, technological change, and personnel performance have been calculated. The table below displays the correlation between these dependent and independent factors.

Table 4.6: Correlation Analysis of the organizational change and employee performance

(N= 180)

Variables		FinalSC	FinalSTC	FinalTC	FinalEP
FinalSC S	Pearson Correlation Sig. (2-tailed)	1			
FinalSTC S	Pearson Correlation Sig. (2-tailed)	0.731** .000	1		
FinalTC S	Pearson Correlation Sig. (2-tailed)	0.788** 0.000	0.805.** 0.000	1	
FinalEP S	Pearson Correlation Sig. (2-tailed)	0.753** 0.000	0.779** 0.000	0.825** 0.000	1

Source: Appendix (A2)

\*\* . Correlation is significant at the 0.01 level (2-tailed).

\* . Correlation is significant at the 0.05 level (2-tailed)

### Structural change

The p-value is equivalent to 0.000, which is less than 0.05, as shown in Table 4.6, (p0.05). As a result, there is a considerable positive association between structural reform and staff performance in the Nepalese Development Bank.

Because of the positive correlation coefficient value, which is 0.753, the result indicates that there is a positive association between structural change and employee performance. This means that when structural changes take place, employee performance improves.

This correlation coefficient's value of 0.753 is within the range of 0.70 to 0.89. As a result, there is a significant correlation between structural change and personnel performance.

With a p-value of 0.000, which is less than the significance limit of 0.01 ( $p < 0.05$ ), the SPSS results indicated a significant positive link between structural change and staff performance in development banks.

The conclusion is backed up by numerous investigations. Because the structural change management coefficient is positive and significant, it can be concluded that this approach improves the productivity of development bank staff in Nepal.

### **Strategic change**

The p-value is equivalent to 0.000, which is less than 0.05, as shown in Table 4.6, ( $p < 0.05$ ). As a result, strategic transformation and employee performance in development banks are positively significant.

The correlation coefficient's positive value of 0.775, or 77.5 percent, indicates that there is a positive association between strategic change and employee performance. Thus, performance levels among employees will rise as strategic change frequency increases. This correlation coefficient's value, 0.775, falls within the range of 0.70 to 0.89.

As a result, there is a significant correlation between strategic change and employee performance. With a p-value of 0.000, which is less than the significance criterion of 0.01 ( $p < 0.05$ ), the SPSS results indicated a significant positive link between strategic change and employee performance in development banks.

### **Technological Change**

The p-value is equivalent to 0.000, which is less than 0.05, as shown in Table 4.6, ( $p < 0.05$ ). As a result, there is a strong positive correlation between technology change and employee performance in development banks.

The correlation is 0.825, 82.5 percent of the results indicate that there is a strong correlation between technological change and employee performance. This is due to the positive correlation coefficient value. Therefore, as technology advances, employee performance will improve. This correlation coefficient's value of 0.825 is within the range of 0.70 to 0.89.

As a result, there is a moderate association between technology change and employee performance. With a p-value of 0.000, which is less than the significance criterion of

0.01 ( $p < 0.05$ ), the SPSS results indicated a significant positive link between technology change and staff performance in development banks.

#### 4.3.2 Regression Analysis of Organizational change and Employee Performance

Regression is a statistical method that allows us to summarize and study relationships between the dependent variable i.e Employees Performance and independent variable (Structural Change, Strategic Change and Technological Change).

##### Regression Model of dependent and independent variables

Table 4.7 Model Summary

Model	R	R Square	Adjusted R square	Std. Error of the Estimate
1	.856	.732	.727	1.97912

Predictors: (Constant), FinalTC, FinalSC, FinalSTC

Table 4.8 ANOVA Table

Model		Sum of Square	df	Mean Square	F	Sig.
1	Regression	1883.201	3	627.734	160.262	.000
	Residual	689.376	176	3.917		
	Total	2572.57	179			

a. Dependent Variable: FinalEP

b. Predictors: (Constant), FinalTC, FinalSC, FinalSTC

Table 4.9: Coefficient: Organizational Change and Employees Performance

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error			
(Constant)	3.319	1.080		3.074	.002
FinalSC	.189	.061	.203	3.079	.002
FinalSTC	.273	.069	.271	3.980	.000
FinalTC	.426	.072	.447	5.911	.000

a. Dependent Variable: FinalEP

Source: Appendix (A2)

The components of independent variables are the things that have an impact on an employee's output. The following equation approach can be used to determine this as follows:-

$$y = \beta_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + e$$

Source: (Tarekegn, 2020)

y = employees performance

$\beta_1$  = constant

X<sub>2</sub> = Structural Change

X<sub>3</sub> = Strategic Change

X<sub>4</sub> = Technology Change

b = Regression of Coefficient of X<sub>i</sub>,

i = 2, 3, 4

e = an error term,

Y (staff performance) = 3.319 + 0.189 (structure change) + 0.273 (strategic change) + 0.426 (technology change) + e

The relationship between structural change, strategy change, and technology change on employee performance is demonstrated by the regression equation previously discussed.

According to the Model Summary table, there is a significant correlation between the three independent variables of structural change, strategy change, and technical change and the performance of the workforce. This is due to the fact that the correlation (R) for this study is 0.856 whereas the coefficient of determination (R<sup>2</sup>) for the regression model under consideration is 0.732.

Based on the literature, researchers agreed that structural change, strategy change, and technological change all had an effect on employee performance. While the findings for development banks indicated that changes in structure, strategy, and technology were not meaningful determinants of employee performance (72.7 %). The remaining 27.3 percent of the other factors also have an effect on employee performance. This is because the change made by the development bank to boost performance was implemented properly and communicated to staff members. Together with the senior management, they take part in making decisions. When changes are made, DB managers should teach their workforce. The independent variables frequently have a favorable effect on the dependent variables.

The F value of 160.262 is significant at the 0.05 level, according to the ANOVA table. Due to the p-value of 0.002, which is less than 0.05 ( $p < 0.05$ ), this is the case. Overall, the regression model was successful in describing the variation in employee performance using the three independent variables of structural change, strategic change, and technology change.

According to the Coefficient table, structural adjustments significantly improve employee performance, as shown by the  $t=3.079$ ,  $p=0.002$ , and  $b_2=0.189$ . This implies that employees' performance will rise by 0.189 units for every unit increase in structural change.

Since  $t=3.980$ ,  $p=0.000$ ,  $b_3=0.273$ , strategic modifications have had a significant favorable impact on employees' performance. This implies that an employee's performance will rise by 0.273 units for every unit increase in a strategic change.

Additionally, there is a favorable significant influence for technology change on employee performance. The outcomes were as follows:  $t=5.911$ ,  $p=0.000$ ,  $b_4=0.426$ . Therefore, this demonstrates that employee performance will increase by 0.426 for every unit increase in technology change.

**Table 4.10 Results of Hypothesis Testing**

Hypothesis	Accept/Reject
1. H1: There is a positive effect of structural change on employees' performance in the banking industry.	Accept
2. H2: There is a positive effect of strategic change on employees' performance in the banking industry.	Accept
3. H3: There is a positive effect of technological change on employees' performance in the banking industry.	Accept

#### 4.3.3 Content Analysis

Content analysis was used to test data that is qualitative in nature or aspect of the data collected from the open ended questions. From the open ended question filled by the respondents of merged development banks some of the suggestions with regard to planning and management of organizational change in order to enhance employee performance in the bank were answered. Some of the suggestions that were given by the employees to manage the after change affects on employee performance were "Proper planning and training policy, strong HR organization, strong communication structure and channel regarding their matter". Some of the employees were dissatisfied by the change therefore they think "Change is only the plan of increasing capital rather than facilitating some benefits to the employees". As we are familiar that change management brings employees a lot of works and dedication so employees should be given the compensation regarding the problem they are facing. The bank should provide the facilities according to the qualification, efficiency and effectiveness of employees. Training should be provided on regular basis. Work should be delegated in an appropriate manner in order to enhance efficiency. Since the change brings a lot of pressure

to the employees the bank work loads will ultimately increase therefore, bank should focus on delegating tasks between employees so that there is less workload and higher productivity

#### **4.4 Findings**

The purpose of the study was to determine how change management affected employee performance in Nepalese development banks. 210 staff from 7 Nepali development banks were included in the study's sample. Structure, strategy, and technology changes were used to conceive organizational change. Task completion, output quality, and timeliness were used to gauge employee success. Data was gathered using surveys, and descriptive statistics (frequency and percentage) and inferential statistics (correlation and regression) were used to evaluate the data with a significance level of 0.05. The research tool was determined to be trustworthy, and each variable's dependability varied from 0.717 to 0.811. The validity of the research tool was also confirmed. The key findings for each target are outlined below.

##### **i. Effect of Structural Change on Employees' Performance in development banks of Nepal**

The initial goal was to assess how structural change affected employees' performance at Nepalese development banks. With a standard deviation of 0.911, the overall management of structural change was found to be 4.23. This implied that the mean had been significantly deviated from. The standard deviations, which vary from 0.835 to 1.003, suggest that respondents' opinions on some of the measures used to gauge how well structural changes were managed were divided. Both job redesign as a result of structural changes has resulted in faster employee reaction and completion of work (Mean=4.4, SD=0.854) and there was a substantial deviation on the structural changes leading to enhanced innovation in the business (Mean=4.42, SD=0.897). The findings also showed that, with a mean of 4.44 and a standard deviation of 0.952, most respondents believed that organizational modifications to work teams had improved teamwork and staff performance.

According to inferential findings, structural change has a major impact on the performance of staff in Nepal's development banks. The structural change management unstandardized regression coefficient ( ) value was 0.189 (0) with a p-value of 0.002 (0.05), indicating that a unit change in structural change management would result in a change in employee performance of 0.189 in the same direction. As a result, managing structural change is a key predictor of staff performance in Nepal's development banks.

## **ii. Effect of Strategic change on Employees' Performance in development banks of Nepal**

The second goal was to assess how strategic change affected employees' performance at Nepalese development banks. The results showed that the majority of respondents agreed that altering organizational goals and policies will boost workers' output (Mean = 4.50, SD = 0.836). The correct application of change management inside the firm to increase productivity, cut costs, boost productivity, and improve competitiveness has increased as a result of strategic change. However, a slim majority of the respondents claimed that a change in leadership had improved employee workload distribution and supervisor loyalty. For the management of strategic change in development banks, a standard deviation of between 0.811 and 1.011 indicated a considerable departure from the mean. The management of strategic change overall mean was 4.27, and the standard deviation was 0.889, further indicating a considerable departure from the norm.

According to inferential findings, strategic change has a considerable impact on the productivity of personnel in Nepal's development banks. Strategic change and employee performance are significantly moderately correlated, according to the correlation data ( $R=0.775$ ,  $P=0.00$ ). It statistically significantly explains up to 60.06 percent ( $R^2=0.600$ ,  $P0.000$ ) of the variation in employee performance.

According to the downsizing management's unstandardized regression coefficient ( ) value of 0.273 (0) and significance level of p-value 0.000, a unit change in the strategic change management would lead to a change in employee performance of 0.273 in the same direction.

As a result, strategic transformation is a key indicator of staff performance in Nepal's development banks.

### **iii. Effect of Technological Change in development banks of Nepal**

The final goal was to look at how personnel at Nepalese development banks performed once technology changed. With a standard deviation of 0.576, the mean of technical change as a whole was 4.52. This suggested that the mean had been deviated from in some way. The standard deviation, nevertheless, varied from 0.803 to 0.959. All of the technical change indicators showed means greater than 4, with a high of 4.58. In particular, the majority of respondents firmly believed that technology advancements have helped them complete their work (Mean=4.58, SD=0.848) and improved the caliber of their work (Mean=4.56, S.D=0.827). On the other hand, most respondents (Mean=4.53, S.D=0.848) concurred that modern technologies have improved their ability to communicate.

The performance of staff at Nepal's development banks was significantly impacted by technological change management, according to the findings of inferential analysis. According to the results of the correlation analysis, there is a significant association between technological change and employee performance ( $r=0.825$ ,  $p<0.00$ ). Employee performance changed 82.5 percent ( $R^2=0.680$ ,  $p<0.000$ ) and was significantly explained by management of technological change.

The technological change management unstandardized regression coefficient ( $\beta$ ) value was 0.426 ( $\beta$ ) with a significance level of  $p\text{-value}=0.000$  ( $0.05$ ), indicating that a unit change in technological change management would result in a change in employee performance by 0.426 in the same direction.

As a result, managing technological change is a key predictor of staff performance in Nepal's development banks.

## **4.5 Discussion**

The results of the study have shown a positive relationship between organizational change and employee Performance. Organizational change has positive implications on employees' Performance. It helps them to increase and sustain their performance. It

enables them to communicate more effectively and more efficiently. It also helped them to innovate more. This helped them to improve the overall performance of the employees in the banking sector.

The results of this study corroborate those of other studies that discovered a beneficial association between organizational transformation and employee performance, including those by Abbas, Muzaffar, Mahmood, Ramzan, and Rizvi in 2014; Mukhebi, 2019; and Nene & Pillay, 2019.

Similar to the results of this study, research by Mwendwa (2016) and Kimotho (2013) indicated a positive association between strategic change and employee performance.

From the analysis of the data, there is a positive relationship between organizational change and employees' performance in the development bank of Nepal. Structural change, strategic change and technological change are the major factors that will affect the performance of the employees in an organization.

The results of the study are similar to the findings of the previous literature that organizational structure has a positive impact on the organizational performance which is supported by the study of (Onono, 2018) and (Kinoti, 2013).

There have been numerous studies on organizational change and employee performance, such as those by Karanja (2015), Ahmed, Rehman, Asad, Hussain, & Bilal (2013), and Khan & Jabbar (2013), but none of them examined organizational change in terms of structural change, strategic change, or technological change; or employee performance in terms of quality of work, timeliness, and effectiveness. The results of these studies were also mixed. Therefore, this study adds to the body of information showing technical, strategic, and structural changes all have a major impact on staff performance in the Nepali banking industry.

## CHAPTER V

### SUMMARY AND CONCLUSION

This chapter provides a summary, recommendations, and findings of the study on how organizational transformation affects employee performance in Nepalese development banks. Three sub sections make up this chapter. The study's summary is covered in the first section. The second section focuses on the summary's conclusions, while the third portion gives recommendations based on those conclusions and, finally, suggests areas for additional investigation.

#### 5.1 Summary

The goal of this study was to determine how organizational change affected employees' performance in Nepal's development banks. The banking sector in Nepal is changing as a result of innovation and technology, which is having an impact on staff performance. The problem has not been explored in the case of the banking sector in Nepal, despite the fact that various researchers have looked into this topic in various nations. Therefore, it was unclear whether there was a connection between organizational change and employee performance, or whether it had either a beneficial or bad impact on the workforce. The study's goal was to ascertain, in the context of the Nepalese banking industry, the impact organizational transformation has on employee performance.

The study is useful in determining the type of organizational change, the extent of employee performance, the relationship between organizational change and employee performance, and how organizational change has affected employee performance in the case of the Nepalese banking sector.

The study is useful in determining the type of organizational change, the extent of employee performance, the relationship between organizational change and employee performance, and how organizational change has affected employee performance in the case of the Nepalese banking sector.

This study used both a descriptive and an inferential research design. The intended audience consisted of 210 workers at a development bank with a corporate headquarters in the Kathmandu Valley. Structured questionnaires were used to collect quantitative

data, which was then coded using SPSS and Microsoft Excel. A descriptive statistical analysis was carried out to identify key trends and their impacts on the performance outcomes of organizational change variations from the respondents' input. Regression analysis was also used to look at the correlational relationships between the three organizational change-related factors and internal performance outcomes.

## **5.2 Conclusions**

Investigating the effects of organizational reform on employee performance in Nepal's development banks was the study's main goal. The overall finding was that organizational transformation had a considerable and advantageous impact on the worker performance at a Nepalese development bank. According to the objectives, the exact conclusions are as follows:

### **i. Effect of Structural change on Employee Performance in development banks of Nepal**

The study found that employee performance was impacted by structural change management. It was discovered that the majority of Nepal's development banks have undergone significant structural changes, both in terms of management and other facets of their human resource management. So higher staff performance would arise from development banks managing structural change effectively. In particular, effective adjustments in work teams had improved team performance and resulted in restructuring jobs to fit into the new structure, leading to employee responsiveness and prompt task completion. In the development banks, structural change management had also enhanced innovation and staff commitment.

### **ii. Effect of Strategic change on Employee Performance in development banks of Nepal.**

The study looked at the impact of the strategic shift and came to the conclusion that the organization's new policy has no impact on the workers' capacity to conduct their jobs. To encourage employees to perform better, effective leadership is required. The proper impact of a strategic shift in an organization should also be monitored by the organization.

### **iii. Effect of technological change in development banks of Nepal.**

The study examined the effects of managing technological change and found that when technological change was controlled, employees at Nepal's development banks performed better. Established banking institutions in Nepal implemented major technology enhancements to combat financial fraud and cybercrime. Some of these institutions have consequently failed. The usage of tools including mobile banking, mobile money transfer, ATM use, online banking, service automation, marketing automation, real-time gross settlement (RTGS), block chain technology, and social media platforms will therefore aid in better managing technological change.

## **5.3 Implications**

The study sought to investigate effects of organizational change on employee performance in development banks of Nepal. Based on the findings, the study has the following implications:

### **5.3.1 Managerial Implications**

#### **5.3.1.1 Technological Change**

According to the study's findings, technological change has the highest beta value of all the factors. According to the correlation coefficient's result, there is a substantial positive association between technical advancements and staff performance in the banking sector. This demonstrates the need for businesses to focus more on the advancement of staff technology to increase their openness to change.

Due to globalization, no financial institution is immune from technological development; as a result, it's important to delight clients and maintain market competitiveness. Employee resistance, however, might prevent development banks from reaping these advantages. The report therefore advised management of commercial banks to evaluate their current system before implementing new technological change. To strengthen their support for technological change in this situation, employees should be periodically consulted and the new system should be created with them in mind. The study suggested that management create a better technology change plan to facilitate an easy transition for employees.

### **5.3.1.2 Strategic Change**

Among the variables, strategic change had the second-highest beta value. According to the correlation coefficient results, there is a substantial positive association between strategic changes and employee performance in the banking sector. This shows that leaders and organizations need to be able to motivate staff members because doing so will greatly increase commitment due to the appropriate use of the approach.

According to the report, managers of development banks should inform their staff about the organization's strategic plans and projected turnaround times. This would reassure the remaining staff that the program was implemented to raise their pay and enhance the effectiveness of the company. Strategic change victims should receive full assistance from management and the remaining staff, as well as psychological preparation.

### **5.3.1.3 Structural Change**

Last but not least, structural transformation is the ultimate beta value to improve employee performance. According to the research, structural modifications have a favorable, statistically significant association with employee performance in the banking sector.

According to the research, management of structure had improved employee commitment and raised inventiveness. The study therefore advised the development bank management to concentrate on participative leadership and communication tactics during structural change to improve workers' readiness for change.

## **5.4 Recommendations for Future Research**

The results of this study are hoped to add to the corpus of currently known information and serve as a foundation for further inquiry. Thus, the following research fields were recommended.

i) Future research should strive to determine whether the same organizational change practices are applicable to other sectors of the economy, as the current study concentrated on the impact of organizational change practices on employees' performance of development banks in Nepal.

ii) Additional research should concentrate on the difficulties encountered when putting organizational change management approaches into practice, as well as potential solutions to these difficulties.

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## Appendix

### A1 Questionnaires

#### **“Effect of Organizational Change on Employees’ Performance in banking industry of Nepal”**

Dear Respondent,

Greetings

I am a student at Tribhuvan University, in partial fulfillment of the requirements for the degree of master conducting a study on “Effect of organizational change on Employee performance in banking industry of Nepal”

For the purpose of facilitating my research work, I wish to collect data through questionnaires. I will be grateful if you would kindly extend to me the help I may need to have this questionnaire completed. This information is purely for the purpose of my research work and therefore it shall be treated with strict confidentiality. The questioner has two parts. Please respond to the questionnaire.

Thank you in advance, I look forward to your assistance.

Sincerely,

Gaura Timalina (researcher)

## Part A

Please place a tick “√” or fill in the blank for each of the following:

## 1. Gender:

 Male Female Others

## 2. Age:

 18-20 years old 41-50 years 21- 30 years old 51 years old and above 31-40 years old

## 3. Educational level

 Diploma Degree Master PhD

## 4. Job position level

 Managers non managers

## Part B

Please tick your answer to each statement using 5 Likert scale [(1) =strongly disagree; (2) = disagree; (3) = neutral; (4) = agree and (5) = strongly agree

Structural Change						
SNo.	Questions	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	Structural change in the organization has led to enhanced employee commitment and availability at work					
2	Structural change in the organization has led to setting of better quality goals					
3	Job redesign as a result of structural changes has resulted to faster employee response and completion of work					
4	Changes in work teams in the organization has led to enhanced teamwork and better performances from staff					

5	Structural changes has resulted to increased innovation in the organization					
6	Structural changes have improved communication within the organization					

Strategic change						
SNo.	Questions	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
7	Policy change doesn't affect my ability to work					
8	Change in vision and mission alter the way I do things and affect my performance					
9	I don't feel threatened when strategy change occur in my organization					
10	Leadership change in my organization affect my work					

11	Productivity of employee are improving due to change in organization plan and policies					
12	Your organization monitor and implement strategies to ensure successful implementation					

Technological change						
SNo.	Questions	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
13	There has been increase in the job performance after adopting new technologies					
14	Technological change has resulted to increase in the efficiency and productivity of the employees in the company					
15	Technological change has led to improve in the quality of work					

16	Technological change has results to reduction in the total errors					
17	I am able to accomplish work tasks quickly due to new technologies					
18	Technological changes have improved communication within the organization					
Employees' Performance						
SNo	Questions	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
19	Employees are efficient and effective in service delivery					
20	Employees are able to adjust to changing priorities at workplace					
21	Employees are able to meet their set targets at workplace					

22	Employee are proactive in service delivery					
23	Employees are able to solve problem at work independently					
24	Employees are able to meet all their deadline at work place					

25 .What suggestions would you give to face the challenges resulting from the organizational change in the bank?

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THANK YOU!!

## A2 SPSS Results

### i. Analysis of Demographic Variables

#### Frequency Table

##### *Gender of the respondents*

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	87	48.3	48.3	48.3
	Female	93	51.7	51.7	100.0
	Total	180	100.0	100.0	

##### *Education Level*

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Diploma	10	5.6	5.6	5.6
	Degree	66	36.7	36.7	42.2
	Master	104	57.8	57.8	100.0
	Total	180	100.0	100.0	

##### *Job Position Level*

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Managers	40	22.2	22.2	22.2
	Non managers	140	77.8	77.8	100.0
	Total	180	100.0	100.0	

*Age of the respondents*

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	18-20	21	11.7	11.7	11.7
	21-30	2	1.1	1.1	12.8
	31-40	74	41.1	41.1	53.9
	41-50	1	.6	.6	54.4
	50 and above	82	45.6	45.6	100.0
	Total	180	100.0	100.0	

**ii. Analysis of Structural Change**

*Structural change in the organization has led to enhanced employee commitment and availability at work*

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	16	8.9	8.9	8.9
	Disagree	14	7.8	7.8	16.7
	Neutral	52	28.9	28.9	45.6
	Agree	90	50.0	50.0	95.6
	Strongly Agree	8	4.4	4.4	100.0
	Total	180	100.0	100.0	

*Job redesign as a result of structural changes has resulted to faster employee response and completion of work*

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	4	2.2	2.2	2.2
	Disagree	6	3.3	3.3	5.6
	Neutral	14	7.8	7.8	13.3
	Agree	52	28.9	28.9	42.2
	Strongly Agree	104	57.8	57.8	100.0
	Total	180	100.0	100.0	

*Changes in work teams in the organization has led to enhanced teamwork and better performances from staff*

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	4	2.2	2.2	2.2
	Disagree	2	1.1	1.1	3.3
	Neutral	13	7.2	7.2	10.6
	Agree	52	28.9	28.9	39.4
	Strongly Agree	109	60.6	60.6	100.0
	Total	180	100.0	100.0	

*Structural changes have improved communication within the organization*

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	4	2.2	2.2	2.2
	Disagree	7	3.9	3.9	6.1
	Neutral	14	7.8	7.8	13.9
	Agree	36	20.0	20.0	33.9
	Strongly Agree	119	66.1	66.1	100.0
	Total	180	100.0	100.0	

### **iii. Analysis of Strategic change**

*Policy change doesn't affect my ability to work*

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	4	2.2	2.2	2.2
	Neutral	43	23.9	23.9	26.1
	Agree	93	51.7	51.7	77.8
	Strongly Agree	40	22.2	22.2	100.0
	Total	180	100.0	100.0	

*Change in vision and mission alter the way I do things and affect my performance*

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	4	2.2	2.2	2.2
	Disagree	10	5.6	5.6	7.8
	Neutral	25	13.9	13.9	21.7
	Agree	54	30.0	30.0	51.7
	Strongly Agree	87	48.3	48.3	100.0
	Total	180	100.0	100.0	

*I don't feel threatened when strategy change occur in my organization*

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	4	2.2	2.2	2.2
	Disagree	3	1.7	1.7	3.9
	Neutral	19	10.6	10.6	14.4
	Agree	60	33.3	33.3	47.8
	Strongly Agree	94	52.2	52.2	100.0
	Total	180	100.0	100.0	

*Leadership change in my organization affect my work*

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	4	2.2	2.2	2.2
	Disagree	5	2.8	2.8	5.0
	Neutral	27	15.0	15.0	20.0
	Agree	48	26.7	26.7	46.7
	Strongly Agree	96	53.3	53.3	100.0
	Total	180	100.0	100.0	

*Productivity of employee are improving due to change in organization plan and policies*

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	4	2.2	2.2	2.2
	Disagree	2	1.1	1.1	3.3
	Neutral	10	5.6	5.6	8.9
	Agree	48	26.7	26.7	35.6
	Strongly Agree	116	64.4	64.4	100.0
	Total	180	100.0	100.0	

*Your organization monitor and implement strategies to ensure successful implementation*

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	4	2.2	2.2	2.2
	Disagree	2	1.1	1.1	3.3
	Neutral	8	4.4	4.4	7.8
	Agree	52	28.9	28.9	36.7
	Strongly Agree	114	63.3	63.3	100.0
	Total	180	100.0	100.0	

#### **iv. Analysis of Technological Change**

*There has been increase in the job performance after adopting new technologies*

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	6	3.3	3.3	3.3
	Disagree	6	3.3	3.3	6.7
	Neutral	7	3.9	3.9	10.6
	Agree	54	30.0	30.0	40.6
	Strongly Agree	107	59.4	59.4	100.0
	Total	180	100.0	100.0	

*Technological change has resulted to increase in the efficiency and productivity of the employees in the company*

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	4	2.2	2.2	2.2
	Disagree	2	1.1	1.1	3.3
	Neutral	6	3.3	3.3	6.7
	Agree	39	21.7	21.7	28.3
	Strongly Agree	129	71.7	71.7	100.0
	Total	180	100.0	100.0	

*Technological change has led to improve in the quality of work*

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	4	2.2	2.2	2.2
	Disagree	1	.6	.6	2.8
	Neutral	12	6.7	6.7	9.4
	Agree	37	20.6	20.6	30.0
	Strongly Agree	126	70.0	70.0	100.0
	Total	180	100.0	100.0	

*Technological change has results to reduction in the total errors*

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	4	2.2	2.2	2.2
	Disagree	3	1.7	1.7	3.9
	Neutral	13	7.2	7.2	11.1
	Agree	45	25.0	25.0	36.1
	Strongly Agree	115	63.9	63.9	100.0
	Total	180	100.0	100.0	

*I am able to accomplish work tasks quickly due to new technologies*

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	4	2.2	2.2	2.2
	Disagree	2	1.1	1.1	3.3
	Neutral	9	5.0	5.0	8.3
	Agree	35	19.4	19.4	27.8
	Strongly Agree	130	72.2	72.2	100.0
	Total	180	100.0	100.0	

*Technological changes have improved communication within the organization*

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	4	2.2	2.2	2.2
	Disagree	2	1.1	1.1	3.3
	Neutral	12	6.7	6.7	10.0
	Agree	38	21.1	21.1	31.1
	Strongly Agree	124	68.9	68.9	100.0
	Total	180	100.0	100.0	

*I am able to accomplish work tasks quickly due to new technologies*

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	4	2.2	2.2	2.2
	Disagree	2	1.1	1.1	3.3
	Neutral	9	5.0	5.0	8.3
	Agree	35	19.4	19.4	27.8
	Strongly Agree	130	72.2	72.2	100.0
	Total	180	100.0	100.0	

*Technological changes have improved communication within the organization*

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	4	2.2	2.2	2.2
	Disagree	2	1.1	1.1	3.3
	Neutral	12	6.7	6.7	10.0
	Agree	38	21.1	21.1	31.1
	Strongly Agree	124	68.9	68.9	100.0
	Total	180	100.0	100.0	

#### **iv. Analysis of Employees' Performance**

*Employees are efficient and effective in service delivery*

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	4	2.2	2.2	2.2
	Disagree	4	2.2	2.2	4.4
	Neutral	13	7.2	7.2	11.7
	Agree	50	27.8	27.8	39.4
	Strongly Agree	109	60.6	60.6	100.0
	Total	180	100.0	100.0	

*Employees are able to adjust to changing priorities at workplace*

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	4	2.2	2.2	2.2
	Disagree	2	1.1	1.1	3.3
	Neutral	8	4.4	4.4	7.8
	Agree	49	27.2	27.2	35.0
	Strongly Agree	117	65.0	65.0	100.0
	Total	180	100.0	100.0	

*Employees are able to meet their set targets at workplace*

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	4	2.2	2.2	2.2
	Disagree	1	.6	.6	2.8
	Neutral	8	4.4	4.4	7.2
	Agree	64	35.6	35.6	42.8
	Strongly Agree	103	57.2	57.2	100.0
	Total	180	100.0	100.0	

*Employee are proactive in service delivery*

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	4	2.2	2.2	2.2
	Disagree	3	1.7	1.7	3.9
	Neutral	10	5.6	5.6	9.4
	Agree	59	32.8	32.8	42.2
	Strongly Agree	104	57.8	57.8	100.0
	Total	180	100.0	100.0	

*Employees are able to solve problem at work independently*

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	4	2.2	2.2	2.2
	Disagree	2	1.1	1.1	3.3
	Neutral	19	10.6	10.6	13.9
	Agree	59	32.8	32.8	46.7
	Strongly Agree	96	53.3	53.3	100.0
	Total	180	100.0	100.0	

*Employees are able to meet all their deadline at work place*

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	4	2.2	2.2	2.2
	Disagree	1	.6	.6	2.8
	Neutral	6	3.3	3.3	6.1
	Agree	52	28.9	28.9	35.0
	Strongly Agree	117	65.0	65.0	100.0
	Total	180	100.0	100.0	

**v. Correlation Analysis**

*Correlations*

		FinalSC	FinalSTC	FinalTC	FinalEP
FinalSC	Pearson Correlation	1	.731**	.788**	.753**
	Sig. (2-tailed)		.000	.000	.000
	N	180	180	180	180
FinalSTC	Pearson Correlation	.731**	1	.805**	.779**
	Sig. (2-tailed)	.000		.000	.000
	N	180	180	180	180
FinalTC	Pearson Correlation	.788**	.805**	1	.825**
	Sig. (2-tailed)	.000	.000		.000
	N	180	180	180	180
FinalEP	Pearson Correlation	.753**	.779**	.825**	1
	Sig. (2-tailed)	.000	.000	.000	
	N	180	180	180	180

\*\* . Correlation is significant at the 0.01 level (2-tailed).

**vi. Regression Analysis***Model Summary*

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.856 <sup>a</sup>	.732	.727	1.97912

a. Predictors: (Constant), FinalTC, FinalSC, FinalSTC

*ANOVA<sup>a</sup>*

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1883.201	3	627.734	160.262	.000 <sup>b</sup>
	Residual	689.376	176	3.917		
	Total	2572.578	179			

a. Dependent Variable: FinalEP

b. Predictors: (Constant), FinalTC, FinalSC, FinalSTC

**vii. Reliability Test****Structural change**

*Item-Total Statistics*

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
Structural change in the organization has led to enhanced employee commitment and availability at work	22.14	11.550	.590	.480	.818
Job redesign as a result of structural changes has resulted to faster employee response and completion of work	21.11	11.425	.685	.493	.797
Changes in work teams in the organization has led to enhanced teamwork and better performances from staff	21.03	12.262	.599	.444	.814
Structural changes have improved communication within the organization	21.03	11.865	.580	.428	.819
Structural change in the organization has led to setting of better quality goals	21.05	11.456	.711	.540	.792
Structural changes has resulted to increased innovation in the organization	21.01	12.743	.526	.296	.828

**Strategic change**

*Item-Total Statistics*

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
Policy change doesn't affect my ability to work	21.74	11.499	.366	.191	.801
Change in vision and mission alter the way I do things and affect my performance	21.49	9.614	.563	.362	.761
I don't feel threatened when strategy change occur in my organization	21.34	9.892	.619	.419	.746
Leadership change in my organization affect my work	21.40	9.850	.559	.343	.761
Productivity of employee are improving due to change in organization plan and policies	21.16	10.415	.567	.338	.760
Your organization monitor and implement strategies to ensure successful implementation	21.16	10.192	.629	.416	.746

**Technological Change***Item-Total Statistics*

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
There has been increase in the job performance after adopting new technologies	22.73	11.012	.607	.399	.854
Technological change has led to improve in the quality of work	22.57	11.264	.693	.553	.836
Technological change has resulted to increase in the efficiency and productivity of the employees in the company	22.53	11.312	.711	.554	.834
Technological change has results to reduction in the total errors	22.66	11.188	.657	.500	.842
I am able to accomplish work tasks quickly due to new technologies	22.54	11.792	.587	.373	.854
Technological changes have improved communication within the organization	22.59	11.026	.719	.557	.831

### **A3 Development banks of Nepal**

#### **List of development bank of Nepal**

- 1 Corporate Development Bank Ltd....
- 2 Excel Development Bank Ltd.....
- 3 Garima Bikas Bank Ltd.
4. Green Development Bank Ltd.
5. Jyoti Bikas Bank Ltd.
6. Kamana Sewa Bikas Bank Ltd.
7. Karnali Development Bank Ltd.....
8. Lumbini Bikas Bank Ltd.
9. Mahalaxmi Bikas Bank Ltd.
10. Miteri Development Bank Ltd.
- 11 Muktinath Bikas Bank Ltd.
12. Narayani Development Bank Ltd...
13. Sahara Bikas Bank Ltd.
14. Salapa Bikas Bank Ltd....
15. Shangrila Development Bank Ltd.
16. Saptakoshi Development Bank Ltd.
17. Shine Resunga Development Bank Ltd.
18. Sindhu Bikas Bank Ltd....

Source: (Basnet, 2021)

#### **List of development bank having corporate office in Kathmandu**

1. Garima Bikas Bank Ltd.
2. Jyoti Bikas Bank Ltd.
3. Kamana Sewa Bikas Bank Ltd.
4. Lumbini Bikas Bank Ltd.
5. Mahalaxmi Bikas Bank Ltd.
6. Muktinath Bikas Bank Ltd.
7. Shangrila Development Bank Ltd.

Source: (Basnet, 2021)

