BUSINESS PROCESS RE-ENGINEERING AND ORGANIZATIONAL PERFORMANCE: A SURVEY OF SAVINGS AND CREDIT CO-OPERATIVE SOCIETIES IN THE SOUTH RIFT REGION, KENYA

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ABSTRACT

Organizational performance is the accumulated end result of all the organizational work processes, activities and approaches that enable organizations to withstand competitive pressure. In order to improve performance and have an edge over competitors, organizations are required to improve their processes. This has influenced the adoption of business strategies such as business process reengineering (BPR). Although BPR is important due to its capacity to ensure that organizations remain competitive, adequate studies have not been carried out to determine the impact of BPR strategies (business rebranding and innovation) on the performance of Deposit Taking SACCOs (DTSs). Therefore, this paper examined the effect of business rebranding and innovation on the performance of DTSs in the South Rift Region, Kenya. The analysis was based on the descriptive survey research design and focused on 41 branch managers of DTSs in the South Rift Region. Primary data was collected using questionnaires and analyzed using both the descriptive and inferential statistics. The findings revealed that business rebranding and business innovation positively influenced the performance of DTSs in the South Rift Region. The findings are significant to policy makers, practitioners and scholars in understanding the link between BPR and performance of DTSs. It was recommended that the management of DTSs in the South Rift Region should take advantage of the benefits of BPR to continue enhancing the performance of their DTSs.

Key Words: Business process re-engineering, Business innovation, Business rebranding, Organizational performance, Savings and Credit Co-operative Society, Deposit Taking SACCOs

INTRODUCTION

Business Process Re-engineering (BPR) is a strategy that focuses on designing work flows and processes within an organization to help the organization survive in the more competitive and volatile business environments (Donnelly & Linton, 2017). BPR has generated global research interest because it offers a mechanism of managing change while also making it possible to achieve dramatic gains in organizational performance. Consequently, many organizations have reengineered their business processes to enable them to succeed in today’s competitive global market. Thus, the possible benefits derived from BPR are immense including improved productivity, efficiency, strategic focus, quality service and compliance with regulations. The BPR strategies adopted are expected to relate to organizational performance. In this paper, the BPR strategies that were considered were business rebranding and business innovation.

At a basic level, the concept of rebranding refers to revitalizing, repositioning or rejuvenating of a brand or rebirth of a brand (Donnelly & Linton, 2017). It entails bringing variations to the whole physical image of the brand like the logo, symbols, name or it can comprise more structural aspects like marketing, advertising or change of policy. Rebranding can either be organizational, encompassing the whole company or it can be focused on the product level.

Innovation is the creation of new procedures, products, services or ideas (Damanpour, 2018). Through innovation organizations can convert ideas into refined services, outcomes or procedures so as to differentiate, challenge or advance themselves profitably in the market place. Although there are many types of innovation, product/service, process, marketing and organizational mode are often used during BPR (Holt, Roper & Parker, 2016). The focus of this paper was on process innovation, product innovation and marketing innovation. Product innovation is the launch of a service or good that is current or notably updated in terms of its usage, specification, materials, function and characteristics. Process innovation is the application of significantly up to date or better delivery and production methods and it can be deliberate for various purposes such as to increase quality, strengthen quality, or produce updated or upgraded products. Marketing innovations aims at tackling consumer needs more appropriately by placing the firms' commodity on the market with the intent of increasing sales. Both rebranding and innovation seek to enhance organizational performance.

The ultimate goal of any organization is to increase organizational effectiveness, efficiency and ability to continuously deliver goods and services. Therefore, organizational performance comprises of the actual results of an organization measured against its intended outcome indicators such as cost effectiveness, quality products, effective service delivery and profitability (Wibowo, 2017). It also encompasses the financial performance indicators as measured by return on investment (ROI), product market performance and shareholder return. Richard (2019) conceptualizes organizational performance as encompassing the ability of the organization to prevail through improved sales turnover, returns on equity and returns on assets. Thus, the key measures of organizational performance in the context of a SACCO might include improved turnover, the rate of dividends, asset growth, increased share capital, membership growth and increase in the number of branches.

Previous studies show that organizational performance has been researched with a focus on specific areas of concern such as financial performance, product market performance and shareholder return (Nadeem & Ahmad, 2016). In these studies different dimensions of organizational performance have been investigated. For instance, Cascio (2014) underscored the importance of achieving organization's mission as reflected in specific tasks that can be assessed as high, medium or low and in terms of intangible assets like customer services and quality products. Hefferman and Flood (2019) focused on organizational ability to accomplish its goals using the available resources. In this study, the emphasis of organizational performance is placed on productivity, quality, consistency and efficiency. Kotter (2019) conceptualized organizational performance in terms of the net income, revenue, number of employees, physical expansion, increased market share and financial sustainability and certainty. Kasanga (2005) assessed the determinants of organizational performance in SACCOs in Kenya and revealed that vigorous pursuits of cost reduction, outstanding customer service and operational efficiency were significant dimensions of organizational performance. Mwangi (2017) established that profitability and quality service were significant factors in organizational performance. In this paper, organizational performance was measured by nonfinancial indicators such as growth in shares/dividends, growth in market niche, market share, financial products and services offered in DTSs.

The success of DTSs has been attributed to the centralization of management and supervision by the Sacco Societies Regulations Act (SASRA) (Kargi, 2020). Although most DTSs are managed by democratically elected officials (Ponka, 2018), their daily activities are directed by the Board of Directors and the Supervisory Committee through specialized sub committees responsible for various activities under the leadership of the Chief Executive Officer (Ponka, 2018). This is different from other financial institutions such as commercial banks which are governed by the Companies Act, the Central Bank of Kenya Act and managed by competitively recruited staff. DTSs are registered under the Cooperative Services Act, CAP 4142(Kithinji, 2018).

In the South Rift Region there are many DTSs some of which have adopted BPR. However, many of these DTSs still have a long string of pending loan applications from the members; some pay little or no dividends on members' savings. Others have low multiplier factor or limited concurrent loans. In comparison to other financial institutions, failure to automate financial services makes members and clients of some DTSs queue for long hours to receive services, a situation that dents the image of the DTSs. Mutinda (2017) has observed that BPR has been embraced in some DTSs but the problem still persists hence the need to ascertain the effect of BPR on the performance of DTSs in Kenya.

Statement of the Problem

SACCOs play a significant role in spurring socio-economic development. Due to their ability to reach clients in areas that are unattractive to other financial institutions, SACCOs have played a critical role in improving the livelihood of many people (Brent, 2018; Weiermair, 2006). However, the performance of many SACCOs has been dwindling. This is particularly frustrating for the DTSs because such a situation limits their ability to continue playing their critical role of socio-economic development. A number of DTSs have adopted BPR strategies to respond to the declining performance. Adopting BPR strategies does not only ensure that the DTSs carry out their mandate effectively but the services and products offered are relevant, timely, and meet the financial needs of the members. However, there has been a concern about the deteriorating performance of DTSs including those that adopted BPR strategies (Kilonzo, 2015). This concern is particularly pronounced in the South Rift Region where it is not clear whether BPR improves the performance of the DTSs or not. This is because a survey of the DTSs in the South Rift region shows mixed outcomes as some DTSs have reported improved performance while others have posted deteriorating results with a few closing down (Langat & Wainaina, 2019). In addition, studies have been done to ascertain the effect of BPR on organizational performance (Achieng, 2017; Morwabe & Muturi, 2019). The results of these studies suggest a significantly positive relationship between BPR and performance especially in commercial banks. Such a finding is expected because decisions on strategies adopted by commercial banks rest with qualified directors who are competitively recruited from diverse disciplines (Kithinji, 2018). DTSs are different because they are formed by people who have a common factor which limits them in management diversity. They are also governed by democratically elected board of directors which deny them opportunity for competitive recruitment (Ponka, 2018). Moreover, previous studies focusing on SACCOs examined the obvious factors determining the financial performance without seeking to establish the probable effect of BPR strategies on performance. The studies targeting DTSs in the South Rift region did not address the combined effect of business rebranding, business innovation and integrated marketing communication on the performance of DTSs. This presented both the empirical and thematic gap in relation to the effect of BPR on the performance of DTSs. It is against this background that this study sought to determine the effect of BPR on the performance of DTSs in the South Rift Region, Kenya.

THEORETICAL AND EMPIRICAL REVIEW

Theoretical Literature

The paper was guided by the force-field analysis theory which was first postulated by Kurt Lewin in 1951. In the theory, Lewin (1951) presents four stages that organizations go through to change their process namely awareness creation, adoption, implementation and institutionalization. The theory views any situation warranting change as a dynamic balance between the forces for and against the change. The process of change usually begins with the analysis of the problem situation which leads to the discovery of the forces already driving the problem towards a solution and the forces restraining progress. Once the driving and restraining forces have been discovered, they are either maximized or minimized to generate the progress towards the solution. To facilitate change process, either the forces for change should be increased, or those resisting change should be lowered. The theory prescribes three phases to any change effort. These are the unfreeze, change and refreeze stages (Todnem, 2015). In the unfreeze stage, the internal or external forces compels an organization to change. When the need to change has been determined, the organization moves forward and creates conducive environments for the change to take place. In the case of adoption of BPR, the triggers for change could be economic, political, legal, social, technological or internal factors (Todnem, 2015). To unfreeze, a provocative issue needs to be presented to the people for them to identify the need for change and to look for new solutions. The problem builds pressure for change in attitude and thinking in order to welcome change. The second phase is the change itself which entails designing and implementing the desired changes. It also entails communicating to stakeholders about the changes, the desired outcomes and the expected costs and benefits (Axelrod, 2016). The third phase is 'Refreeze'. This phase involves bringing back the stability after changes have been implemented.

This theory has immense implications on the relationship between BPR and organizational performance. For instance, as SACCOs work to benefit the members, they need to strive to bring about changes that might help actualize this goal. The starting point for SACCOs is crating awareness and understanding the need for change. In this regard, the implementation of the BPR requires identifying the core business processes, making decision to redesign and implement the chosen action. However, the factors driving and restraining the adoption of BPR must be considered before it is implemented. This would help to ascertain whether the adoption of BPR can enhance organizational performance. In this regard, the force field analysis theory was considered relevant because adoption of any change is usually characterized by conflict between forces agitating for the retention of the status quo and those driving for change. The main driving forces include technological advancement and the need to promote the interest of the members. However, these forces can be slowed down by the restraining forces such as complicity especially from employees who might view the change as an additional responsibility on their part. Perhaps, this is the candid explanation for the emergence of BPR and other business strategies. Therefore, it is important for SACCOs to implement BPR with an aim of gaining optimal organizational performance.

Empirical Literature

Business rebranding and Organizational Performance

Business rebranding is a strategy in which a new name, emblem, symbol, design, logo, product, slogan, concept or a combination thereof is created for an established brand with the intention of developing a new, differentiated identity in the minds of the stakeholders (Holt, Roper & Parker, 2016). Theoretically rebranding is pursued as a means of signaling business renewal as postulated in the force-field analysis theory. Consequently, when new brands are adopted the old business activities are thoroughly examined to create the necessity for change. Since organizations need to expedite profit maximization, rebranding should be based on effective organizational processes that promote competitive advantage.

Studies show that rebranding has been adopted in diverse organizations. For instance, Yi-Lin, Chekitan and Pradeep (2015) assessed the impact of rebranding by testing a novel method in the hospitality industryto analyze the link between brand name change and performance. The study quantified the potential benefits of rebranding and revealed some insights into what kinds of rebranding boosted financial performance. In the study, the effect of rebranding appeared to be a function of the new brands and the fit between the brands and hotel properties. Nadeem and Ahmad (2016) examined the effect of rebranding and reposition on brand loyalty and equity in a Mobilink in Pakistan. Rebranding and repositioning were the independent variables, brand loyalty was the mediating variable and brand equity was the dependent variable. The result showed that brand loyalty was not affected by rebranding and repositioning. Makasi, Krishna and Nyasha (2014) investigated the effect of rebranding on consumer perceptions in Zimbabwe. The study used a sample size of thirty customer representatives and five staff members drawn from a recently rebranded local bank. Based on the results, rebranding had a positive effect on consumers' perceptions and financial performance of the organization.

Machoki (2014) investigated the effect of rebranding strategy on performance of SACCOs in Meru County, Kenya by carrying out a survey of SACCOs. The survey incorporated both rebranded and non-branded SACCOs. 75% of SACCOs were selected using stratified random sampling based on the location of the SACCOs. The results revealed that the need to promote competitiveness, diversity and relevance influenced the SACCOs to rebrand. Putting the results into perspective, rebranding was a viable means for projecting a new image and improving market share. Mwangi (2017) explored the influence of strategic corporate re-branding on customer satisfaction among mobile service providers in Kenya. The study adopted the survey approach and targeted four mobile service providers in Kenya. The study found that rebranding was important in enhancing the customers' level of satisfaction. Moreover, it is evident that business rebranding has a positive impact on financial performance of organizations. However, none of the studies considered business rebranding in terms of change in logo, emblem, product and slogan (Schein, 1984).

Business Innovation and Organizational Performance

Business innovation generally refers to the change strategies which create effective workflow processes and methodologies (Hamel, 2017). Similarly, Hamel (2017) conceptualizes innovation as a marked departure from traditional business management processes that significantly alters organizational management with the aim of creating value for the organization. In this study, business innovation was conceptualized in terms of financial innovation, marketing innovation, product innovation and process innovation. The benefits of these innovations could be felt if organizations created awareness and understanding about the rationale for introducing the changes. The importance of business innovation has featured in previous studies. For instance, Nur, Topsakal and Dogan (2014) examined the extent to which strategic innovation acted as a barrier in the performance of hotels in Antalya province. However, the study revealed that the hotels mainly innovated to upgrade and improve service quality. Moreover, Urbancová (2017) examined whether competitive advantage could be achieved through innovation in the Czech Republic and established that innovative tradition was meaningful as it constituted not only the desired input but also the output of the change process.

Elsewhere, Commer (2017) investigated the effect of innovation types on different aspects of organizational performance in Pakistani manufacturing companies discovered that innovation impacted favourably on organizational performance in the firms studied. In Kenya, Oyoo (2019) assessed the financial potential of SACCOs prior and post deregulation and recommended that SACCOs should look beyond the internal operations and develop strategies to strengthen their economic survival in the future. Similarly, Karanja (2020) sought to determine whether competitive advantage could be established through innovation strategies in commercial banks in Kenya. The study established that innovation strategies adopted by banks contributed to the survival and success in the uncertain and competitive financial environment consequently achieving competitive advantage. In addition, Ngari and Muiruri (2014) researched on the outcome of financial innovation on the financial performance of commercial banks in Kenya.
Descriptive research design was adopted to assist in assessing the relationships between mobile banking, credit cards, internet banking and agency banking on the financial performance of commercial banks in Kenya. The study revealed that financial innovations greatly impacted on financial performance of the banks. Gachimu and Njuguna (2017) employed a correlation analysis to examine the nexus between technological innovation, market segmentation, product focus and location strategy on the financial performance of Saccos. The study revealed that Saccos used all the four positioning strategies to enhance their competitiveness.

Summary of Reviewed Literature and Research Gaps

Although all businesses including SACCOs need to be creative and innovative due to the competitive nature of businesses, the concept of BPR has been practiced mainly in the financial institutions where it has had an immense impact. Correspondingly, in most of the studies reviewed, business rebranding and innovation were found to be important factors in improving organizational performance. However, the results of the studies are clearly inconsistent. For instance, Ngari and Muiruri (2014) revealed a positive relationship between BPR and financial performance of the banks. Other studies have found BPR to be positively correlated with sales turnover and customer satisfaction while others have found BPR to be positively correlated with organizational profitability. Adeyemo (2004) revealed that there was no significant effect of BPR on organizational performance. This is, however, inconsistent with Holt, Roper and Parker (2016) who found that commercial banks that adopted innovative marketing strategies reported improved organizational performance. Moreover, Ofweneke (2015) found no statistical significance between BPR and performance. In addition to presenting inconsistent results, few studies have been done in developing countries especially Eastern Africa to determine the effect of BPR on organizational performance, and those that have been carried out have utilized inconsistent approaches. In Kenya, no recent study has been done on the effect of BPR in DTSs yet these institutions are integral in providing financial services just like commercial banks. To fill the knowledge gap evident in the reviewed literature, the paper explored the effect of BPR on organizational performance in DTSs in the South Rift Kenya.

Conceptual Framework

The conceptual framework shows the linkages among the independent and dependent variables. This interaction is represented in figure 1.

Independent variables

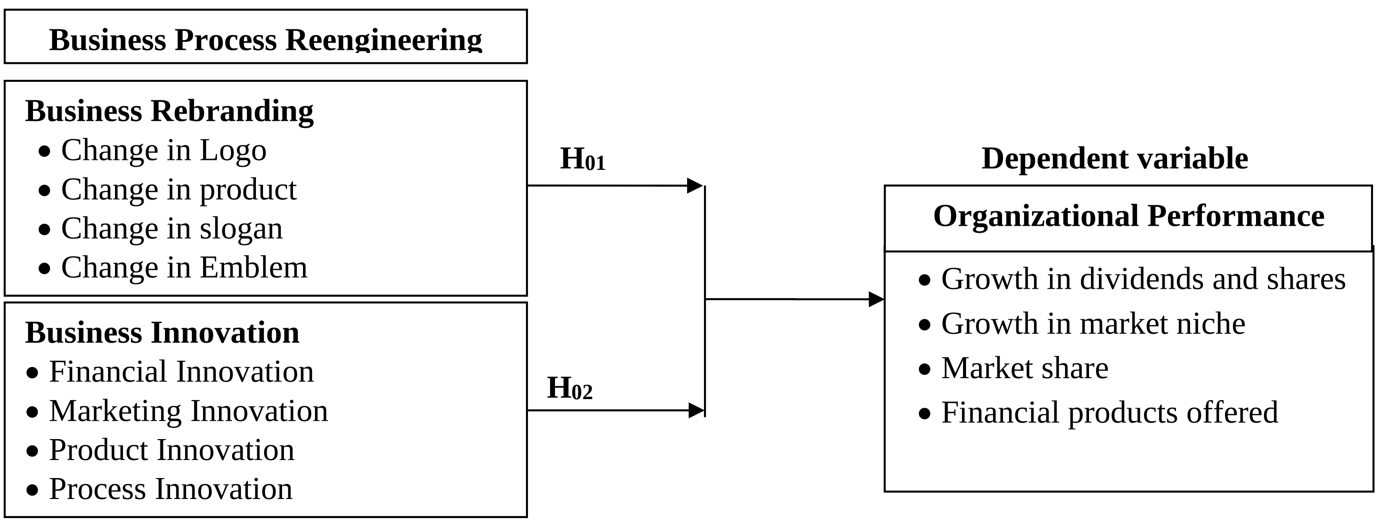

Figure1: Conceptual framework showing the interaction between BPR and organizational Performance of DTSs

Figure 1 shows the interaction among the independent and dependent variables of the study. The independent variable is a predictor variable which is supposed to cause change in the dependent variable (criterion variable). In this paper, the independent variables were business rebranding and business innovation. These variables were analyzed in relation to their effect on organizational performance of DTSs as the dependable variable. Organizational performance was measured by growth in shares/dividends, growth in market niche, market share and financial products offered. In the context of this study, BPR was perceived to be improving performance of DTSs in the South Rift Region, Kenya.

RESEARCH METHODOLOGY

The research paper was based on the correlation research design which was adopted to examine the relationship between BPR and organizational performance of DTSs in the South Rift Region. South Rift Region comprised of Narok, Nakuru, Bomet, Kericho and Kajiado Counties. In these counties, the DTSs had adopted business rebranding and innovation as BPR strategies in order to gain competitive advantage. The target population comprised of 41 branch managers of registered DTSs in the South Rift Region. However, 34 branch managers participated in the study as the research respondents. Primary data was collected using questionnaires which were validated to ensure they measured what was intended. The reliability was ensured by testing the instruments during pilot study with four branch managers in four DTSs in the North Rift Region. Data was analyzed using both descriptive and inferential statistics. The descriptive statistics included means and standard deviations. The quantitative data was also subjected to regression and correlation analysis to show the relationship between the different study variables. Simple regression was used to test hypotheses $\mathbf{H_{01}}$ and $\mathbf{H_{02}}$. Data analysis was aided by the Statistical Package for Social Sciences (SPSS). Frequency Tables were used to summarize the responses for further analysis.

DESCRIPTIVE AND INFERENTIAL STATISTICS

Descriptive Results

The descriptive results on how business rebranding had been adopted in the DTSs in the South Rift Region, Kenya are presented in Table 1.

Table 1: Business Rebranding

Statements	**N**	**Mean**	**Std. Dev**
The DTS has changed its logo to enhance product quality	**34**	3.1030	.85280
My DTS regularly changes its products in line with market trends	**34**	3.8824	1.03762
The DTS has changed its name, mission and vision recently	**34**	3.0893	.85280
The DTS has adopted a new slogan as a form of rebranding	**34**	4.0588	.60006
In my DTS products and services are offered as different brands to meet various customer needs	**34**	4.2059	.68664
The design of products has been changed in compliance with the customer demands	**34**	4.0700	.95346
The change of emblem has made products/services offered distinct	**34**	3.0000	.85280
In my DTS products and services have been differentiated to create a new identity in the minds of the stakeholders	**34**	3.9118	.62122
Rebranding has created a new corporate identity which acted as a core business strategy in the DTS	**34**	4.0588	.95159
Average	**34**	**3.70889**	**0.82322**

The findings presented in Table 1 revealed that majority of the respondents were noncommittal that in their DTSs, the logos had been changed to enhance the product quality as depicted by a mean response of 3.1030 and a standard deviation of 0.85280. Moreover, majority of the respondents concurred that their DTSs regularly changed their products in line with the market trends as revealed by a mean response of 3.8824 with a corresponding standard deviation of 1.03762. These results presented empirical evidence that business rebranding was fundamentally adopted to change the business identity, image and reputation in order to enhance the product quality. This concurs with Machoki (2015) who averred that DTSs are guided by the motive of competitiveness, diversity and relevance in their rebranding endeavors. Furthermore, majority of the respondents agreed that the DTSs had changed their name, mission and vision in the recent past as reflected by a mean response of 3.0893 with a standard deviation of 0.85280. Moreover, majority of the respondents concurred that their DTSs had adopted new slogans as a form of rebranding as depicted by mean score of 4.0588 and a standard deviation of 0.60006. In addition, majority of the respondents concurred that the products and services offered by their DTSs were offered as different brands to meet various customer needs as illustrated by mean response of 4.2059 and a standard deviation of 0.68664. There was a general consensus that the design of the products and services had been changed in compliance with customer demands as shown by a mean score of 4.070 and a standard deviation of 0.95346. Although, the respondents were noncommittal as to whether the change of emblem had made the products and services offered by their DTSs distinct as reflected by a mean response of 3.000 with a standard deviation of 0.85280, majority agreed that the products and services offered had been differentiated to create a new identity in the minds of the stakeholders as reflected by a mean score of 3.9118 with a modicum standard deviation of 0.62122. Furthermore, it was evident that rebranding in the DTSs had created new corporate identities as a core business strategy as shown by a mean score of 4.0588 and a standard deviation of 0.95159.

The aggregate mean of 3.70887 with a standard deviation of 0.82322 indicate that majority of the respondents concurred that business rebranding had been adopted in the DTSs. Based on the aggregate mean it was informative to note that the decision to rebrand is primarily provoked by structural changes with the fundamental effect on the organizational identity and business strategy. Consequently, a significant improvement in performance is bound to be achieved after rebranding. This has been supported by Yi-Lin, Chekitan and Pradeep (2015) who noted that rebranding was a function of the fit between the brands and the institutional performance outcome. This implies that rebranding was a viable means of helping the DTSs to project a new image in order to improve the existing market share. This is mainly because rebranding changes the perception of the customers thus escalating their level of satisfaction.

Descriptive Information on Business Innovation

The descriptive information on business innovation in the DTSs in the South Rift Region, Kenya is presented in Table 2.

Table 2: Descriptive Information on Business Innovation

Statements	N	Mean	Std. Dev
Changes have been introduced in the financial management system in my DTS	**34**	4.0588	.81431
The DTS has adopted innovative strategies to market its products and services	**34**	2.9412	.77621
New products and services have been introduced in my DTS	**34**	4.0882	.75348

My DTS embraces new packaging designs to promote products and services	**34**	3.9412	.77621
In my DTS modern ICT platforms have been introduced to facilitate delivery of products and services	**34**	4.2059	.68664
There is continuous pricing of different products as per market	**34**	3.0009	.77850
The existing operational methods have been improved in my DTS	**34**	3.0100	.79850
New product designs have been introduced in my DTS	**34**	4.0000	.65134
In my DTS innovative pricing techniques have been adopted to promote products and services	**34**	3.3824	.49327
Average	**34**	**3.2165**	**0.72538**

The findings presented in table 2 demonstrated that new changes had been introduced in the financial management systems of the selected DTSs as reflected by a mean response of 4.0588 with a corresponding standard deviation of 0.81431. Furthermore, majority of the respondents were noncommittal that the DTSs had adopted innovative strategies to market products and services as revealed by a mean response of 2.9412 with a corresponding standard deviation of 0.77621. The need for innovative marketing strategies has been supported by Urbancová (2019) who averred that competitive advantage in DTSs depends on the extent to which the management pursues innovative strategies. It is also evident that majority of the respondents were in concurrence that new products and services had been introduced in the DTSs as shown by a mean response of 4.0882 with a standard deviation of 0.75348. Similarly, majority of the respondents agreed that the DTSs embraced new packaging designs to promote the products and service offered as revealed by a mean response of 3.9412 with a corresponding standard deviation of 0.77643. Similarly, majority of the respondents agreed that the modern ICT platforms had been introduced in the DTSs to facilitate the delivery of products and services as reflected by a mean response of 4.2059 with a standard deviation of 0.68664. This has been supported by Owino (2020) who ascertained that innovative strategies were responsible for the quality improvement in business organizations. However, majority of the respondents were noncommittal that there was continuous pricing of different products as per market segments as shown by a mean response of 3.009 with a standard deviation of 0.77850 while the existing operational methods had been improved in their DTSs as shown by a mean response of 3.0100 with a standard deviation of 0.7985. In contrast, it was evident that majority of the respondents concurred that new product designs had been introduced in their DTSs as revealed by a mean response of 4.0000 with a standard deviation of 0.65134. Finally, majority of the respondents were noncommittal that in their DTSs innovative pricing techniques had been adopted to promote products and services as revealed by a mean response rate of 3.3824 with a standard deviation of 0.49327.

Since the grand mean was 3.21658 with a standard deviation of 0.72538, it can be considered that the respondents were noncommittal that business innovation was carried out in the DTSs in the South Rift region. This is similar to the results presented by Karanja (2020) in which business innovation was considered as being significant in the uncertain and competitive financial environment. Oyoo (2019) empirically suggested that DTSs should look beyond the internal operations and develop strategies to strengthen their economic survival in the future.

Descriptive Information on Organizational Performance of DTSs

The respondents were asked to show their level of agreement with the statements about organizational performance of the DTSs. Table 3 summarizes the respondents' level of agreement with the statements focusing on the parameters of organizational performance as described in terms of the mean and standard deviation.

Table 3: Descriptive Information on Organizational Performance of the DTSs

Statements	**N**	**Mean**	**Std. Dev**
My DTS provides diverse financial products and services that meet the customers' expectations	**34**	3.0000	.85280
My DTS provides reliable credit facilities to members and clients	**34**	3.8824	1.03762
The membership of my SACCO has extended to other segments of the population	**34**	2.9412	.77621
My SACCO offers financial and non-financial services to members, clients and customers' needs	**34**	4.0588	.60006
My SACCO controls an expanding market share compared to other SACCOs in the county	**34**	4.2059	.68664
My SACCO has increased the number of branches it operates	**34**	4.0000	.95346
The amount of dividends paid has grown over the years	**34**	4.4412	.56091
In my SACCO the bonuses disbursed to members has increased	**34**	3.9118	.62122
The number of members in my DTS has grown over the years	**34**	2.9118	.79268
Average	**34**	**3.7059**	**0.76462**

The results presented in Table 3 illustrated that the respondents were noncommittal that the DTS provided diverse financial products and services that met the customers' expectations as depicted by the mean score of 3.0000 and a standard deviation of 0.85280. This provided lookworm evidence that the DTSs in the South Rift Region were capable of realizing their organizational performance through effective service delivery. However, majority of the respondents observed that the DTS provided reliable credit facilities to members and clients as reflected by a mean score of 3.8824 and a standard deviation of 1.03762. It seemed that other DTSs were not quite careful about the reliability of the transactions and if not corrected could dent the public image of the DTSs. However, majority of the respondents were noncommittal that the membership of their SACCOs had extended to other segments of the population as depicted by a mean response of 2.9412 with a standard deviation of 0.77621.

The respondents agreed that the SACCOs offered financial and non-financial services to members, clients and customers' needs as revealed by a mean response of 4.0588 with a standard deviation of 0.60006. This was supported by majority of the respondents who agreed that their SACCOs controlled an expanding market share compared to other SACCOs in the county as shown by a mean response of 4.2059 with a standard deviation of 0.68664. Perhaps this explains why the DTSs were gradually attracting more members compared to other financial institutions. This is further supported by the fact that the primary objective of any DTSs was to meet and exceed the expectations of the members in order to win their confidence. The results showed that the SACCOs had increased the number of branches it operated as shown by a response of 4.0000 with a standard deviation of 0.95911. Also the respondents agreed that the amount of dividends paid out to members had grown over the years as revealed by a mean response of 4.4412 with a standard deviation of 0.56091. It was also evident that the bonuses disbursed to members had increased over the years as depicted by the mean score of 3.91198 and a standard deviation of 0.62122. However, majority of the respondents were noncommittal that the number of members in their DTS had grown over the years as depicted by mean score of 2.9118 and a standard deviation of 0.79268. The aggregate mean response of 3.7059 with a standard deviation of 0.76462 which indicated that majority of the respondents concurred with statements relating to the parameters of organizational performance in the DTSs in the South Rift region. This is in agreement with Betrant (2017) who contended that organizational performance was experienced when economic value was created compared with other organizations. However, this contradicted both Kithinji (2018) and Mutinda (2017) who observed that there were long strings of pending loan applications from the members, low multiplier factor and little dividends on members' savings all of which appeared to present a contrary view perceptions regarding the performance of DTSs.

Inferential Statistics

Results on Correlation Analysis

The correlation analysis was carried out in light of the study objectives and research hypotheses. The linear relationship between the independent variables and the dependent variable was analyzed using Pearson's product moment correlation analysis as shown in Table4.

Table 4: Pearson Product Moment Correlation Analysis Results

		Organizational performance	**Business Rebranding**	**Innovation**
Organizational performance	Pearson Correlation	1	.799**	.546**
	Sig. (2-tailed)		.000	.001
	N	34	34	34
Business Rebranding	Pearson Correlation	.799**	1	.222
	Sig. (2-tailed)	.000		.208
	N	34	34	34
Innovations	Pearson Correlation	.546**	.222	1
	Sig. (2-tailed)	.001	.208	
	N	34	34	34
**. Correlation is significant at the 0.01 level (2-tailed).				

The findings presented in Table 4 show that the correlation coefficients for business rebranding, business innovation and organizational performance of DTSs were all positive with p-values less than 0.05. Thus, the results revealed a positive strong relationship (r=0.799; p=0.000) between business rebranding and organizational performance. This agrees with Khalili, Nazemi and Alborzi (2019) who observed that rebranding enabled the organizations to actualize performance. The business innovation was also found to be an important determinant of organizational performance. Hence, the study established that there was a positive moderate relationship (r=0.546;p=0.001) between business innovation and organizational performance. The relationship was statistically significant. This implied that the DTSs that introduced innovative strategies obtained organizational performance. This has been supported by Markus (2019) who averred that the technological advancements were essential components of successful DTSs.

Hypothesis Tests Results

It was hypothesized that business rebranding had no effect on the performance of DTSs in the South Rift Region, Kenya. This hypothesis was tested using simple regression analysis. The performance of DTSs was regressed on business rebranding and the results are presented in Table 5.

It is evident that the R-square had a value of 0.638, which implied that business rebranding explained 63.8% of the variance observed in the performance of DTSs. The results failed to support the null hypothesis which stated that there was no statistically significant effect of business rebranding on the organizational performance of DTSs. This implied that business rebranding significantly influenced the organizational performance of DTSs in the South Rift Region, Kenya. The results of ANOVA for business rebranding showed that the F statistic was 56.501 which also implied that the model was statistically significant and displayed goodness of fit. This was also supported by the *p*-value of 0.00. The results of the beta coefficients for business rebranding and performance of DTSs indicated that without business rebranding, the performance of DTSs was fixed at a constant of 1.310 units. However, a significant unit adjustment in business rebranding led to an increase of 0.651 (or 65.1%) in the performance of the DTSs. This influence was significant since the *p*-value was 0.000.

Table 5: Regression test on effect of Business Rebranding on Organizational Performance

Model Summary

R	R Square	Adjusted R Square	Std. Error of the Estimate
.799[a]	.638	.627	.15022

a. Predictors: (Constant), business rebranding

ANOVA[b]

Model	Sum of Squares	Df	Mean Square	F	Sig.
Regression	1.275	1	1.275	56.501	.000[b]
Residual	.722	32	.023		
Total	1.997	33			

a. Dependent Variable: Performance
b. Predictors: (Constant), business rebranding

Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	1.310	.320		4.095	.000
business rebranding	.651	.087	.799	7.517	.000

Dependent Variable: Performance

It was also hypothesized that business innovation had no effect on the performance of DTSs in the South Rift Region, Kenya. Kenya. The hypothesis was tested using simple regression analysis in which the performance of DTSs was regressed on business innovation and the results presented in Table 6.

Table 6: Regression Test on effect of Business Innovation on the Performance of DTSs

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.546[a]	.298	.276	.20927

a. Predictors: (Constant), Business Innovation

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	.596	1	.596	13.603	.001[b]
	Residual	1.401	32	.044		
	Total	**1.997**	**33**			

a. Dependent Variable: Performance

b. Predictors: (Constant), Business Innovation

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	Sig.
1	(Constant)	2.398	.356		6.726	.000
	business innovation	.372	.101	.546	3.688	.001

a. Dependent Variable: Performance

The results show that the R-square value was 0.298 which meant that business innovation explained 29.8% of the variance in organizational performance of DTSs. Based on the results, the hypothesis which stated that business innovation had no significant influence on organizational performance of DTSs was rejected. This implied that the adoption of business innovation enhanced organizational performance of DTSs in the South Rift Region, Kenya. The ANOVA results for business innovation and the performance of DTSs indicated that the F- statistic was13.603 which implied that the model was statistically significant and displayed goodness of fit. This was also supported by the *p*-value of 0.000. Further analysis on beta coefficients indicated that without business innovation, organizational performance of DTSs remained fixed at 4.128 units. Furthermore, a unit increase in business innovation led to an increase of 0.372 (or 37.2%) in organizational performance of DTSs. This effect was significant as the *p*-value was less than 0.05.

CONCLUSIONS AND RECOMMENDATIONS

Conclusions

The paper examined the effect of BPR on organizational performance of DTSs in the South Rift Region in Kenya. The first objective of the study was to determine the effect of business rebranding on organizational performance of DTSs. The results revealed that there was strong positive relationship between business rebranding and organizational performance. This implied that business rebranding had a positive effect on organizational performance. Therefore DTSs should rebrand their products and services to make them appealing to customers and clients.

The second objective of the study was to establish the effect of business innovation on organizational performance of DTSs in the South Rift Region. The results revealed that there was strong positive relationship between business innovation and organizational performance. Based on the results, the study concluded that there was statistically significant effect of business innovation on organizational performance. The use of business innovation would result into enhanced organizational performance of DTSs.

Recommendations

From the results it is evident that BPR has a positive and significant effect on the organizational performance of DTSs in the South Rift Region. Hence, the study recommends that the management of the DTSs should take advantage of the benefits of accruing from BPR to enhance organizational performance. It is evident that business rebranding had a greatimpact on organizational performance of DTSs in the South Rift Region. Therefore, the DTSs should invest in business rebranding activities in order to be able to realize improved organizational performance. The specific emphasis on business rebranding should be directed to reviewing, redesigning and implementing new names, missions, visions, logos, products, services, slogans and emblems as this would create a new corporate identify that is likely to improve organizational performance.

Concerning business innovation, the study recommended that DTSs should invest more in research to identify new innovations in financial management, marketing, product and series design as well as innovative strategies in ICT platforms that can contribute to the organizational performance of the DTSs in the South Rift Region. This is because organizations that undertake innovative strategies and continuous process improvement are typically more likely to develop differentiated products and services that are appealing to a wider range of customers. This would enable them to scale up their products and services in response to market trends and client needs.

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