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Strategic Restructuring on Performance of Corporations in TransNzoia County, Kenya

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Abstract: **The purpose of the study was to investigate strategic restructuring and organizational performance in corporations in TransNzoia County. The study was guided by the following specific objective; to determine the effect of managerial restructuring on performance in corporations in TransNzoia County, Kenya, The study was premised on resource based view theory. The study utilized a descriptive research design. The target population of the study were the top management and middle management of corporations in TransNzoia County based in corporations in TransNzoia County where the unit of analysis were Managers from operations, finance, legal, procurement, ICT and Human Resource. The study adopted census since the target population was small. The study used primary data and secondary data. Primary data was collected by use of semi-structured questionnaires whereas secondary data was collected from company annual reports, published journals and existing researches. Collected data was checked for correctness and analysed quantitatively by use of Statistical Package for Social Science (SPSS) version 29 tool. Descriptive analysis was determined by use of mean and standard deviation while regression analysis was determined by model summary, ANOVA and regression coefficients. Correlation analysis was computed to determine the nature of relationship between the variables. Analysed data was presented in frequency tables and charts where necessary for ease of interpretation. This would result in cost reduction and improved decision making. Based on the findings, the study concluded that managerial restructuring β_1=0.499, p value= 0.004) was considered significant since the p value 0.000 was less than the significant level of 0.05. The study came up with the following recommendations; the corporations should embrace effective communication, align the new structure with the strategic goals of the organization since successful managerial restructuring requires careful planning. The firm should align management goals with organizational goals for potential cost savings and reduced overhead. They should embrace a continuous learning initiatives, a culture of positive values, understanding, thinking, and feeling for a powerful and positive influence on employee behavior. The company should embrace continuous improvement approach focusing on customer satisfaction and involving all employees in the organization and meet the desired objectives and making adjustments as necessary.The firms should focus on implementing technology to automate repetitive and time-consuming tasks on redesigning and optimizing business processes to improve efficiency, quality, and effectiveness and this can involve eliminating redundancies, streamlining workflows, and implementing new technologies or methodologies. The management of company should streamline operations to cut costs and improve profitability making the organization more responsive to external changes, such as market dynamics or regulatory shifts and that the company should reduce the number of levels in the hierarchy to cut costs and improve agility.**

Keywords: **Managerial Restructuring, Strategic Restructuring, Performance of Corporations.**

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1. INTRODUCTION

The business of the twenty first century irrespective of its size is going to be part of the global business community affecting and being affected by social change, events and pressures from around the world (Abiodun et al., 2024). This is so because the business environment is changing, dynamic, turbulent, discontinuous and highly competitive that calls for proper planning (Wasike, Namusonge & Nambuswa 2024). A restructuring involves adjusting an organisation's operations, people and systems. It may also involve reorganizing departments or changing ownership (Kwaning, Churchill &Opoku, 2014; Wairimu & Omwenga 2022). In the business context, restructuring can be referred as organizational restructuring or corporate restructuring. It is all about revaluating and reviewing existing management practices and organizational behaviours (Mayr & Lixl 2019). Restructuring is also referred to as changing the organization's structure and systems to achieve greater adaptability and viability in relation to current, potential, and emerging environmental changes. It involves overhauling management processes, strategies and structures in order to increase competitiveness or profitability (Notanubun, Ririhena & Batlolona, 2019; Umar 2023). Restructuring involves a proactive decision-making process to redefine the core business of the company and find a common thread that will ensure its survival and growth. .

The global economy is quickly changing, and organizations must quickly find operating strategies that elevate their competencies from old ones to adapt to new ones or be eroded by the environmental changes (Atiyah, 2020). Changes in the environment of the organization forces the entities to react and respond quickly to new challenges that appear in this environment in order to be able to keep its position on the market (Bowman & Singh, 2018). Organizations being dynamic systems cannot function in the same way all the time. In order to work smoothly and efficiently, they need evolve through various life cycles.

Japan underwent major corporate restructuring in the early 2000s after slow periods of corporate restructuring in the 1990s, which was possibly considered as one of the factors that slowed economic growth (Caballero & Anil, 2018). Spain also faced the collapse of property developers in the aftermath of the Global Financial Crisis in 2008, which led to a shift in the corporate restructuring framework. In Malaysia, the financial turmoil of 2007 motivated the government to establish some institutional frameworks to specifically implement banking sector recapitalization and restructuring subsequent to the Asian financial crisis. Danaharta was established in June 1998 as an asset management to purchase NPLs of RM5 million (US$1.32 million) from the banking institutions to enhance their balance sheets and enhance their lending ability. Danaharta also has been granted the power to appoint special administrators to deal with the affairs of distressed firms in order to facilitate and expedite the restructuring of those companies

Strategic restructuring involves many forms, including financial, managerial and operational restructuring (Lin, Lee, & Peterson, 2017). Restructuring includes making difficult decisions concerning business strategies, operations, organizational functions and management structures, which lead to risky and expensive actions (Bergh, 2016). Organizations change adaptively and evolve in response to continuous change in environment. When the environmental changes are radical, discontinuous and unanticipated, an organizations' efficiency, effectiveness and even its survival is questioned (Aldrich, 2017). Organizations have been facing radical changes in the social, political and technological environment in the last decade of the twentieth century and these changes have profoundly questioned and tested the process of 'organization' itself more than ever before (Handy, 2016).

Bowman and Singh (2018) contend that organizational restructuring can be grouped into four major kinds which include departmentalization, human resource restructuring, centralization of processes and also mergers and acquisitions. The procedure of restructuring generally focuses on problems with financing debt and very often, involves selling portions of the company to investors. Basically, it means certain reorganizing or reducing operations inside the company (Mwangi & Maina, 2021). The restructuring can be done by the internal executives of the organization, but frequently the professional help of financial and legal advisers who assist with the details and negotiations is required. In order to lead the company through the transition the restructuring procedure must consider employees' ability to adapt as well as the efficiency of the organization (Chebat, 2017). In China, a research done by Dong, Putterman, and Unel (2017), on the implications of restructuring on financial performance in Chinese context assert that a performance improvement is realized upon organizational restructuring. In the African context, Aosa (2016) decries that many organizations create strategic plans which are rarely implemented according to the planned schedules. Some organizations that implement strategic plans may

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never gain the benefits, including the promise of better performance, because they half-heartedly engage in the practice or totally fail to implement their strategic plans all together (Bryson, 2017).

Locally, strategic restructuring enhances firm's performance. Each time the organizations want to develop, they often must undergo significant changes in their overall strategies, practices and operational tactics. Changes of the process of organizational restructuring should be aligned with an ever-changing, dynamic and culturally diverse workplace (Mwangi & Maina, 2021). Restructuring usually involves major changes for the organization in its multiple departments and locations including procedures and processes. Theoretically, restructuring leads to a more efficient and modernized entity, however it may lead as well to the deletion of jobs and the layoff of personnel. Nyambura and Maina (2021) researched on the effect of organizational restructuring on performance of commercial banks in Mombasa County. Gitau (2020) focused on organizational restructuring and performance of NSSF in Kenya. Omwenga (2018) studied organizational restructuring activities influence on employee commitment in state corporations in Kenya. However, these studies present contextual gaps as they focused on institutions and not Telecommunication firms' context. Further, despite many studies having been carried out on strategic restructuring, very scant studies have focused on organizational restructuring in Telkom Kenya Limited. The current study sought to fill the research gaps by investigating the strategic restructuring and organizational performance of Telkom Kenya Limited.

In Kenya, many businesses have been significantly hit by business turbulences and in this case if the performance of the listed banking sector stocks is taken to represent the overall business performance, businesses have seen a 33% drop in the overall profitability as measured using the Earnings per Share in the half-year financial reports (Cytonn, 2021). In addition, several companies have experienced financial distress and consequently invoked the Insolvency Act such as Nakumatt Holdings, Athi River Mining (ARM) Limited, Deacons East Africa PLC in 2018, and Midland Energy (Alushula, 2022). In 2021, KQ was among parastatals that received a Sh26.5 billion bailout by the government of Kenya. The company also tapped US-based consultant Seabury Group to advise it on financial restructuring and a revival plan amid a government-backed bailout in 2021 (Ngugi, 2021). According to Baron and Kenny (2016) this study will consider the moderating effect of environmental dynamism on the relationship between strategic restructuring and performance. Therefore, the study sought to build a theoretical model that incorporates the moderating effect of environmental dynamism on strategic restructuring and organizational performance.

Corporate reorganization is a thoughtful overhaul of a troubled entity to restore it to prosperity, and if performed correctly should be an incentive for improving performance. The extent of the failure of some organizations would necessitate not just minor changes, but major reforms, and reorganizations are useful in this respect (Ndege & Ogollah, 2020). The main reasons for reorganizing an entity are to increase revenue and to improve efficiency, however, restructuring may lead to the loss of jobs, and as a result, even those who remained often do not deliver the expected value, which eventually fails to improve the overall organizational performance (Girod & Karim, 2017). While organizational performance involves setting goals and making a concerted effort to meet the goals, corporate restructuring can eliminate financial, and infrastructure obstacles, and thus be useful in addressing organizational performance challenges. An organization's performance measures the set indicators of success and provides the basis for the development of plans, assessment of accomplishments, and compensation, and this has attracted the attention of managers and other stakeholders because it indicates the health and well-being of organizations. Although corporate restructuring has had historic interactions with performance, the success or failure of this relationship depends on the deployment of an appropriate strategy.

Consequently, there is a constant search for strategies to improve performance, and one candidate, especially for corporation entities, is corporate restructuring. In 2017, the corporations in TransNzoia County began restructuring process which led to creation positions (Corporations, 2021). The reorganisation led to reduction in the number of administrative regions from ten to seven to effectively manage operations and costs as well as optimise resources. However, despite reorganization, corporations in TransNzoia county's salaries and wages rose 9.1 percent to sh17.4 billion in the year ended June 2020 when its workforce shrank to 10,481 from 10,914 the year before. In addition, the corporations continued to record unprecedented poor performance and in 2018/2019 it recorded 91.9% decrease in net earnings to post ksh262 million (corporations in TransNzoia County county report, 2020). Also, finance costs rose by 46.35% to ksh10.3 billion in the year beginning 2020. The high cost of electricity bills has also become a great challenge resulting into the introduction of the presidential task force to review the power purchase agreements (ministry of energy

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report, 2021). In 2021, the corporations came up with a proposal to lay off employees from its 10,481 workforce with a view to lower operation costs. This necessitates investigation in to the organizational restructuring on performance.

Various studies have been undertaken on firm restructuring. Nyambura and Maina (2021) researched on the effect of organizational restructuring on performance of commercial banks in Mombasa County. Gitau (2020) focused on organizational restructuring and performance of NSSF in Kenya. Omwenga (2018) studied organizational restructuring activities influence on employee commitment in state corporations in Kenya. Waweru (2019) did a study on corporate restructuring and organizational performance of National Police Service in Kenya. However, these studies present contextual gaps as they focused on institutions and not corporation's context. However, despite many studies having been carried out on strategic organizational restructuring, very few have focused on organizational restructuring and utility firms like corporations in TransNzoia County. Therefore the study sought to determine the effect of managerial restructuring on performance of corporations in TransNzoia County, Kenya.

2. MANAGERIAL RESTRUCTURING

Managerial restructuring involves reorganizing the management structure of an organization to improve efficiency, performance, and adaptability. This can include changes in leadership roles, hierarchies, reporting lines, and decision-making processes. Successful managerial restructuring requires careful planning, effective communication, and a focus on aligning the new structure with the strategic goals of the organization. In recent times, it has been observed that SMEs fail or fold up in their first five years of operations (Adebisi & Bakare, 2019; Adesina & Eretan, 2020), and the main problem attributed to this, is based on lack of effective application of strategic management concepts such as restructuring. Umar (2023) explained that integrating the dimensions of restructuring (strategy restructuring, process restructuring, manpower restructuring, and financial restructuring) serve as a major problem for organizations because each dimension are independent and interdependent myriads of factors that require strategic in nature.

Management reorganization occurs when a business updates things like its name, mission statement, offerings, and operations. If you go through this type of reorganization, you might also make changes to your staff, like adding or removing employees, promoting workers, or moving around departments. Airo (2019) notes that top management team plays a key role in ensuring that a firm moves towards the intended direction by owners by contributing in the realization of set goals and objectives. Remarkably, top management possess skills that drives a company towards the right performance track. However, despite the important roles played by the top management team as noted by Airo (2019), organizational restructuring affects the teams' roles which creates disruption in operations of the company. Remarkably, top management possess skills that drives a company towards the right performance track. However, despite the important roles played by the top management team as noted by Airo (2019), organizational restructuring affects the teams' roles which creates disruption in operations of the company. Poorly performing managers face disciplinary pressures from both internal and external corporate control mechanisms. An important element of this control process is the threat that if managers deviate from value-maximizing corporate policies, their control will be reduced (Bowman, Singh, Useem & Badhury, 2016).

A study by Ruiters (2011) on the restructuring effects on performance of staffs in South African department of labor inspectorate revealed that there was an inevitability of organizational restructuring processes due to the dynamisms in levels of technology and changes in services provisions demands. The study findings revealed that the restructuring activities initiated by the Southern Africa government negatively affected the inspectors' feelings which translated into poor performances. The study further established that the process contributes to loss of qualified employees resulting from dissatisfaction with new duties and opted to resign. After resigning, their positions were then filled with by unskilled staffs on contractual basis. Additionally, the department ended up incurring extra expenses in training staffs to fill the gaps left by the inspectors. The study recommended that a proper restructuring process to be followed and employees in the top management to be involved. Cheworei (2007) sought to evaluate how change management practices affects the performance of organization with a focus on the UN Secretariat in Kenya. The study adopted a case study where data was collected directly from respondents by use of personal interviews. The study findings revealed several managerial changes that had occurred in the organization including changing top management officials, strategic operational changes and restructuring. The findings of the study established that change of management culminated to breakdown of communication between employees and the management which negatively affected the general performance of the secretariat.

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Firm performance is determined by the firm's strength in achieving its aims effectively and efficiently with the consideration of constraints that the limited resources imposed (Lebans & Euske, 2017). When measuring performance, strategic management researchers often express a preference for market-based over accounting-based measures. Organizational performance comprises the actual output or results of an organization a measured against its intended outputs or goals and objectives. According to Richard *et al*. (2016), organizational performance encompasses three specific areas of firm outcomes which includes; financial performance, profits, return on assets, return on investment, product market performance and shareholder return total shareholder return, economic value added. In recent years, many organizations have attempted to manage organizational performance using the balanced scorecard methodology where performance is tracked and measured in multiple dimensions such as; financial performance for example shareholder return, customer service, social responsibility for example corporate citizenship, community outreach and employee stewardship. Every organization is committed towards good performance of the firm and therefore the strategy of any organization should support organization performance. The concept of performance is based upon the idea that an organization is the voluntary association of productive assets, including human, physical, and capital resources, for the purpose of achieving a shared purpose (Barney, 2016). Those providing the assets will only commit them to the organization so long as they are satisfied with the value they receive in exchange, relative to alternative uses of the assets. As a consequence, the essence of performance is the creation of value. So long as the value created by the use of the contributed assets is equal to or greater than the value expected by those contributing the assets, the assets will continue to be made available to the organization and the organization will continue to exist. Therefore, value creation, as defined by the resource provider, is the essential overall performance criteria for any organization.

Kinyua and Kihara (2021) investigated organizational restructuring and performance of selected media firms in Kenya. The study specifically sought to establish the influence of cost restructuring, governance reformation, downsizing and processes centralization on performance of selected media firms in Kenya. The study adopted a descriptive research design. The target population of the study comprised of three media firms in Kenya (Nation Media Group, Royal Media Services and Standard Group Limited). A total of 340 employees in the managerial positions of the selected media firms were targeted in the study. The study adopted Yamane (1967) sampling formula in acquiring a sample of 183 respondents. The study used quantitative data that was collected from respondents using 5 point Likert scales questionnaire with closed ended questions. A pilot test was conducted prior data collection to assess the reliability and validity of the questionnaires. Data was analyzed using SPSS. Both descriptive and inferential statistics were used. The study established that Cost Restructuring, Governance Reformation and Downsizing positively and significantly influences performances of media firms. Waweru (2019) investigated corporate restructuring on organization performance of National Police Service in Kenya. The study used descripted research design. Primary data was collected using questionnaire. A sample of 60 respondents were selected from the total population. This study was analyzed using a descriptive research which used frequency distribution tables and figures. The researcher conducted a multiple regression analysis in order to establish the relationship between restructuring and performance of the National Police Service in Kenya (dependent variable). The study results established that the effect of portfolio restructuring on performance of National Police Service is that it encourages cooperation among different units to ensure it delivers to the expectations of the citizens.

Otieno (2016) studied strategic issue management practices by small and medium enterprises in Mombasa County using descriptive survey design and data collected from primary sources using questionnaire. The study found that profitability was considered as the most important performance measure in SMEs, followed by market share, innovation and liquidity respectively. Further, majority of organizations perceived strategic issue management to the future success of organization as very important and essential confirming that SMEs in Mombasa County were aware of the importance of strategic issue management in the success of an organization. Waweru and Omwenga (2016) did a study sought to investigate the influence of strategic restructuring on the performance of private construction firms in Kenya. The target population of the study was drawn from First Acres Construction, Blue Urban Construction and Nipsan Construction Company. A total sample of 68 respondents formed the sampling frame. The researcher chose simple random sampling as a sampling technique. Primary data was collected using structured questionnaires. The study used both primary and secondary data. Secondary data was cited from library resources and organizational process assets such as company project reports. Statistical Package for the Social Sciences (SPSS) was used as a platform for data analysis. Through this study, it was established that all three construction firms have employed strategic restructuring which in turn improved performance.

3. METHOD

The study adopted a descriptive research design. The study focused on 48 respondents including top management and middle management of corporations in TransNzoia County based in corporations in TransNzoia County where the unit of observation was managers from operations, finance, legal, procurement, ICT and human resource. The study adopted census since the target population is small. Data collection instrument was questionnaire and other information relevant to the study. A structured questionnaire was administered to the respondents. The Primary data collection instruments was mainly research questionnaires. Both primary and secondary data was collected. Piloting was done to test the validity and reliability of data collection instrument. The data was coded before being input into a computer and analysed using the Statistical Package for Social Sciences (SPSS) version 26. Pearson correlation analysis was used to test the relationship between variables in the study hypotheses. ANOVA multiple linear regression analysis was adopted and computed to determine the statistical relationship between the independent variable and the dependent.

4. DISCUSSIONS

In recent times, it has been observed that firms fail or fold up in their first five years of operations (Adebisi & Bakare, 2019; Adesina & Eretan, 2020), and the main problem attributed to this, is based on lack of effective application of strategic management concepts such as restructuring. Umar (2023) explained that integrating the dimensions of restructuring (strategy restructuring, process restructuring, manpower restructuring, and financial restructuring) serve as a major problem for organizations because each dimension are independent and interdependent myriads of factors that require strategic in nature.

4.1. Effect of Managerial Restructuring on Performance of Corporations in TransNzoia County, Kenya

The specific objective of the study was to determine the effect of managerial restructuring on performance of corporations in TransNzoia County, Kenya. The respondents were requested to indicate their level of agreement on statements relating to the effects of managerial restructuring on performance of corporations in TransNzoia County, Kenya. A 5 point Likert scale was used where 1 symbolized strongly disagree, 2 symbolized disagree, 3 symbolized neutral, 4 symbolized agree and 5 symbolized strongly agree. The results were as presented in Table 4.1 below.

From the results, the respondents agreed that Successful managerial restructuring requires careful planning, effective communication, and a focus on aligning the new structure with the strategic goals of the organization. This is supported by a mean of 3.821 (std. dv = 0.931). In addition, as shown by a mean of 4.752 (std. dv = 0.865), the respondents agreed that There should be an enhanced ability to respond to market changes. Further, the respondents agreed that the organisation should have a better alignment of management with organizational goals. This is shown by a mean of 3.721 (std. dv = 0.933).

The respondents also agreed that potential cost savings and reduced overhead. This is shown by a mean of 3.876 (std. dv = 0.924). With a mean of 3.573 (std. dv = 0.843), the respondents agreed that there must be top management support for managerial restructuring.

Table 4.1: Effect of Managerial Restructuring on Performance of Corporations in TransNzoia County, Kenya

	Mean	**Std. Deviation**
Successful managerial restructuring requires careful planning, effective communication, and a focus on aligning the new structure with the strategic goals of the organization	3.821	0.931
There should be an enhanced ability to respond to market changes	4.752	0.865
The organisation should have a better alignment of management with organizational goals	3.721	0.933
Potential cost savings and reduced overhead	3.876	0.924
There must be top management support for managerial restructuring	3.573	0.843
Aggregate	**3.872**	**0.865**

4.2. Performance of Corporations in TransNzoia County, Kenya.

Firm performance is determined by the firm's strength in achieving its aims effectively and efficiently with the consideration of constraints that the limited resources imposed (Lebans & Euske, 2017). When measuring performance, strategic management researchers often express a preference for market-based over accounting-based measures.

The respondents were requested to indicate their level of agreement on various statements relating to firm performance of corporations in TransNzoia County, Kenya. A 5 point Likert scale was used where 1 symbolized strongly disagree, 2 symbolized disagree, 3 symbolized neutral, 4 symbolized agree and 5 symbolized strongly agree. The results were as presented in table 4.2.

From the results, the respondents agreed that the company has improved processes efficiency in the last five years. This is supported by a mean of 4.281 (std. dv = 0.957). In addition, as shown by a mean of 3.989 (std. dv = 0.852), the respondents agreed that the cost of operations in the company have been reduced. Further, the respondents agreed that the market share of the company has increased in the last five years. This is shown by a mean of 3.834 (std. dv = 0.763). The respondents also agreed that the client satisfaction has improved. This is shown by a mean of 3.823 (std. dv = 0.854). With a mean of 3.754 (std. dv = 0.936), the respondents agreed that organisational restructuring enhances productivity.

Table 4.2: Performance of Corporations in TransNzoia County, Kenya.

	Mean	Std. Deviation
The company has improved processes efficiency in the last five years	4.281	0.957
The cost of operations in the company have been reduced	3.989	0.852
The market share of the company has increased in the last five years	3.834	0.763
The client satisfaction has improved	3.823	0.854
Organisational restructuring enhances productivity.	3.754	0.936
Aggregate	**3.819**	**0.819**

4.3 Inferential Statistics

Inferential statistics in the current study focused on correlation and regression analysis. Correlation analysis was used to determine the strength of the relationship while regression analysis was used to determine the relationship between dependent variable (performance of corporations in TransNzoia County, Kenya) and independent variables (managerial restructuring).

4.3.1 Correlation Analysis

The present study used Pearson correlation analysis to determine the strength of association between independent variables (managerial restructuring) and the dependent variable (firm performance of corporations in TransNzoia County, Kenya) dependent variable. Pearson correlation coefficient range between zero and one, where by the strength of association increase with increase in the value of the correlation coefficients. The current study employed Taylor (2018) correlation coefficient ratings where by 0.80 to 1.00 depicts a very strong relationship, 0.60 to 0.79 depicts strong, 0.40 to 0.59 depicts moderate, 0.20 to 0.39 depicts weak.

Table 4.3: Correlation Coefficients

		Performance of Corporation	Managerial restructuring
Performance of corporation	Pearson Correlation	1	
	Sig. (2-tailed)		
	N	42	
Managerial restructuring	Pearson Correlation	.813**	1
	Sig. (2-tailed)	.002	
	N	80	80

From the results on table 4.3 shows that there was a very strong relationship between managerial restructuring and performance of corporations in TransNzoia County, Kenya. (r = 0.813, p value =0.002). The relationship was significant since the p value 0.002 was less than 0.05 (significant level).

4.3.2 Regression Analysis

Multivariate regression analysis was used to assess the relationship between independent variables (managerial restructuring) and the dependent variable (performance of corporations in TransNzoia County, Kenya) as shown on table 4.4 below;

Table 4. 4: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.924	.842	.846	.423140

a. Predictors: (Constant), Managerial Restructuring

The model summary was used to explain the variation in the dependent variable that could be explained by the independent variables. The r-squared for the relationship between the independent variables and the dependent variable was 0.842. This implied that 84.2% of the variation in the dependent variable (performance of corporations in TransNzoia County, Kenya) could be explained by independent variables (managerial restructuring).

Table 4.5: Analysis of Variance

Model		Sum of Squares	df	Mean Square	F	Sig.
	Regression	27.024	4	3.018	63.16	.000[b]
1	Residual	6.561	76	.031		
	Total	33.585	80			

a. Dependent Variable: Performance of Corporations in TransNzoia County, Kenya.

b. Predictors: (Constant), Managerial Restructuring

The ANOVA was used to determine whether the model was a good fit for the data. F calculated was 63.16 while the F critical was 2.341. The p value was 0.000. Since the F-calculated was greater than the F-critical and the p value 0.000 was less than 0.05, the model was considered as a good fit for the data. Therefore, the model can be used to predict the influence of managerial restructuring on performance of corporations in TransNzoia County, Kenya.

Table 4.6: Regression Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	**(Constant)**	0.424	0.031		5.302	0.000
	Managerial restructuring	0.499	0.061	0.362	3.790	0.004

a. Dependent Variable: Performance of Corporations in TransNzoia County, Kenya.

The regression model was as follows:

$Y = 0.424 + 0.499X_1 + \varepsilon$

According to the results, managerial restructuring has a significant effect on performance of corporations in TransNzoia County, Kenya. β_1=0.499, p value= 0.004). The relationship was considered significant since the p value 0.004 was less than the significant level of 0.05.

5. CONCLUSIONS AND RECOMMENDATIONS

The objective of the study was to determine the effect of managerial restructuring on performance of corporations in TransNzoia County, Kenya. The findings revealed that successful managerial restructuring requires careful planning, effective communication, and a focus on aligning the new structure with the strategic goals of the organization. The findings also showed that there should be an enhanced ability to respond to market changes. Further, the findings implied that the organisation should have a better alignment of management with organizational goals and that potential cost savings and reduced overhead. The findings also revealed that there must be top management support for managerial restructuring. Based on the findings, the study concluded that managerial restructuring has a significant effect on performance of corporations in TransNzoia County, Kenya. β_1=0.499, p value= 0.004). The relationship was considered significant since the p value 0.004 was less than the significant level of 0.05. The study came up with the following recommendations; the corporations should embrace effective communication, align the new structure with the strategic goals of the organization since successful managerial restructuring requires careful planning. The firm should align management goals with organizational goals for potential cost savings and reduced overhead. They should embrace a continuous learning initiatives, a culture of positive values, understanding, thinking, and feeling for a powerful and positive influence on employee behavior. The company should embrace continuous improvement approach focusing on customer satisfaction and involving all employees in the organization and meet the desired objectives and making adjustments as necessary.The firms should focus on implementing technology to automate repetitive and time-consuming tasks on redesigning and optimizing business processes to improve efficiency, quality, and effectiveness and this can involve eliminating redundancies, streamlining workflows, and implementing new technologies or methodologies. The management of company should streamline operations to cut costs and improve profitability making the organization more responsive to external changes, such as market dynamics or regulatory shifts and that the company should Reducing the number of levels in the hierarchy to cut costs and improve agility.

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