

Organizational Structure and Performance of The State Department for Higher Education and Research at The Ministry of Education, Nairobi, Kenya

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Abstract: *The inefficiencies in service delivery by the government, and poor performance reports demand for a search for solutions. The performance of organizations is linked to organizational structure and hence the need to consider how organization structure affects organization performance. This study sought to determine the effect of organizational structure on performance of the State Department for Higher Education and Research in the Ministry of Education. The theoretical review was based on application of institutional theory. The research used a descriptive research design, targeted 247 employees and sampled 153 employees who formed the final sample size. Primary data was collected using structured questionnaires that yielded quantitative data. The collected data was analyzed through descriptive analysis and showed that improved performance was influenced by organizational structure. Inferential statistics showed positive and significant effect of organizational structure at $r = 0.903$ and $\beta = 1.224$ on performance at the State Department for Higher Education and Research in the Ministry of Education. The study concluded that organizational structure largely affected performance and recommended adopting an open and flexible structure for better performance at the State Department of Higher education and research.*

Keywords: *Organizational structure, Delegation, Chain of command, Job specialization, Governance structure, Performance*

INTRODUCTION

Background of the Study

The search for organizational survival and success largely depends on gaining high performance outcomes. To attain high performance, the organizations must adopt, and implement strategies. But in the face of changing operating environments, shift in customer needs, competitiveness and globalization of business activities the organizations face new challenges (Brown, 2020). Therefore, it is prudent for organizations seeking to meet their goal of thriving and sustaining operations to adopt suitable structures. Formulating and implementing strategies, according Amo (2022) depend on working with others as a team, organizing, motivating and building a strong culture, practices and structures. Tawse and Tabesh (2021) confirmed that success of the organization was dependent staff competency, finances, structure and presence of dynamic managerial capabilities. Additionally, Yang (2019) shared that mechanisms, systems and structures lead to improved success rates and sustainable performance.

Organizational structure is a system that links different components at the workplace for better execution of tasks. Marín-Idárraga and Hurtado González (2021) found that engagement and inclusion of all stakeholders demand an organizational structure that is open and accepting to all teams. The structure shows the chain of command, division of labor to the different groups, governance structure, designing of jobs and delegating duties. All these aspects must collaboratively work to implement different phases of the strategy such that it can improve outcomes, including high quality of services, efficiency and effectiveness along the production line and proper utilization of resources for high performance (Bonnyventure, Cheluget & Ngala, 2022). The study's perspective of organizational structure was in terms of delegation, the chain of command, job specialization and adoption of either centralized or decentralized governing system.

An effective organizational structure impacted performance outcomes, that Mbaya, Maina and Namusonge (2021) noted use scales that are dependent on the organization, its activities and products. After some elapse of time, it is important for the management to assess organizational outcomes, to understand the performance trend as either profit or loss-making. This informs on decision making and answering questions on how well an organization is utilizing resources. The performance measures adopted are industry or sector specific depending on product and services traded. As such in service-based organizations, performance measurement focuses on quality, timeliness and satisfaction of the services delivered to the consumers (Advani, 2021). For government entities, performance is based on quality of services, satisfaction and access to the services. In the case of this study, performance was measured in terms of efficient service delivery, employee satisfaction and effective and quick response to issues raised at the State Department for Higher Education and Research.

Statement of the Problem

The Ministry of Education (MOE) core mandate is provision of quality and inclusive education for sustainable development. This is done through the components of access, equity, quality, accountability and relevance. However, the state department at the Ministry of Education has faced performance related challenges (MOE, 2022). The report of the 2018-2022 strategic plan shows some of the shortcomings and challenges facing the Ministry. The commonly cited problems included inadequate resources, lack of synergies between departments linked to hierarchical structure and poor remuneration that led to high turnover rates. Kaino (2016) reports indicates that low performance, inability to deliver on mandates and quality services in Kenyan national ministries is linked to lack of leadership support and structures that are prohibiting and constraining changes. Delivering on organizational goals and attainment of high performance faces a lot of challenges and constraints especially in the public sector (Gachui, 2022). The poor performance outcomes could be based on lack of streamlined organizational structure and inadequate budgetary allocations.

Other past studies such as those by Abass, Munga and Were (2017) revealed poor performance outcomes in Wajir County, yet Wajir County like other counties has a strategic plan under the CIDP –County Integrated Development Plan. The study found that execution of the strategic plan is hampered largely by lack of resources, structural and cultural imbalance, and poor leadership styles. Agyapong, Zamore and Mensah (2020) found that positive performance outcome is attained when there is a match between strategy and environmental dynamisms. However, its context was on micro and small businesses in Ghana and the concept was on strategy, Chacha (2018) found that inefficient performance in government ministries was linked to poor working conditions, demotivated and poor remunerated staffs and inadequate funding. To improve performance, there is a need to focus on solving these challenges for effective strategy implementation. The challenges in performance delivery at the State Department for Higher Education and Research (MOE, 2022), created a need for more research.

Study Objective

The study sought to establish the effect of organizational structure on performance of the State Department for Higher Education and Research at the Ministry of Education in Nairobi, Kenya.

Research Question

How does organizational structure affect the performance of the State Department for Higher Education and Research at the Ministry of Education in Nairobi, Kenya?

LITERATURE REVIEW

Theoretical Review

In seeking to link the organizational structure and performance, this paper was guided by the institutional theory. The theory assesses the social systems and internal environment's influence on organizational outcomes. Thus, delving deep into behavior patterns, rules, regulations and norms incorporated at workplaces for improved performance, while narrowing down the discussion to the Ministry of Education.

Institutional Theory

The theory was formulated by Meyer and Rowan (1977) whose focus was on internal organizational structure as influenced by the social systems and organization's environment. The theory operates on the basis of rules, routines and norms at the workplace as established by the leadership and managers who hold positions of authority. The theory proposition is that acceptable social behavior at workplaces is influenced by the social and cultural systems and environment. According to Amenta and Ramsey (2010) institutional theory informs

on organizational structure as influenced by socio-economic pressures. The structure constitutes the authority, integration of systems, dissemination of information, delegation of duties and tasks, command centers and reporting structures. These elements inform on execution of different strategic plans, which results in improved productivity and firm performance.

According to Kostova, Roth and Dacin (2008) the theory makes the assumptions that the governing structure in the organization has rules and laws to guide social conduct at the working space and all people abide by these rules. The assumption is that when employees abide by these rules and regulations it leads to thriving and survival of the organization. But in real cases, employees do not always conform to the organizational rules and organizations success is determined by many other factors aside from following rules. Willmott (2015) perspective is that the theory sidelines large companies such as multinationals that have complex and large structures. The focus is on smaller firms with simple and easily manageable structures to handle small-sized company issues.

The norms, behaviours, routines and practices adopted in any organization, are influenced by political, social and economic systems (Bruton, Ahlstrom & Li, 2010). These elements are assimilated into the organization through information dissemination and communication channels. Thus, the institutional theory explains the organizational structure whose elements include command centres, reporting structure, job designs, delegation of duties and governing structure that can be centralized or decentralized. The theory also explains information flow into and across the organizational system and structure through effectiveness of communication channel, system and medium of transmission and feedback. The structure and communication inform on procedures in an organization to implement strategies that lead to higher performance outcomes.

Empirical Literature Review

Omondi, Rotich, Katuse and Senaji (2017) conducted a study on organizational structure and how it relates to performance of Kenyan commercial banks. The relationship between the variables was mediated innovation and focus was on knowledge capability and its impact on performance of the banks. The researchers collected primary data from the Chief Executive Officers in the 43 commercial banks and analyzed using descriptive, regression and correlation methods. The findings revealed that organization structure in terms of innovation and knowledge capacity had no significant influence on performance of the commercial banks.

Yabarow and Muathe (2020) did a study on organizational structure and implementation of strategy in Oil Marketing Companies (OMCs) in Kenya. The structure entailed aspects of hierarchical levels, organizational communication, decision making structures and findings showed these aspects improved strategy implementation. In seeking to assess how organizational structure influence efficiency in the case of low-cost airlines in Thailand, the researchers Kankaew, Kangwol, Guzikova, Kungwol, Sitikarn and Suksutdhi (2021) found that during the covid-19 period efficiencies were enhanced due to the adopted structure. The organizational structure with elements of retaining highly competent staffers, strategic HRM and risk management led to better efficiency that improved performance and competitiveness.

Karemu, Nyakora, Thoronjo and Mandere (2021) conducted a study on organizational structure and performance of mobile telephone network operators in Kenya. The research was anchored on structural contingency theory and adopted mixed research methods where primary and secondary data was collected and analyzed. Findings showed statistically significant influence of organization structure on the performance of those mobile telephone network operators. Organizational structure was operationalized as teamwork, learning and boundary-less structure. Therefore, the projected null hypothesis was rejected and alternative hypothesis adopted.

Whetsell, Kroll and DeHart-Davis (2021) research on formal hierarchies and informal networks for organizational structures that shape search for information in the local government in Florida State, USA proved the importance of structures. The study hypothesized that informal communication networks, individual cognition and social structures are structural attributes in bureaucracies that are modeled in informal information flow in public organizations. Empirically, the research collected data from 143 employees of the city government and found that formal structure shaped information searches in the public organizations. The formal structure, social network variables, individual perceptions, permissive pathways, formal status and departmental membership all affected the information search by the employees.

Ahmetoglu, Scarlett, Codreanu and Chamorro-Premuzic (2020) found that organizational structure components of work autonomy and performance was not individualized but work autonomy created entrepreneurial tendencies and control locus. These entrepreneurial tendencies and control locus positively influenced performance. Hsiao and Wu (2020) researched on organizational structure, strategic alignment and influence on success of new products in the top Taiwanese firms. It was found that formal structure improved new product performance while informal structure had negative effects on the success of new product.

Conceptual Framework

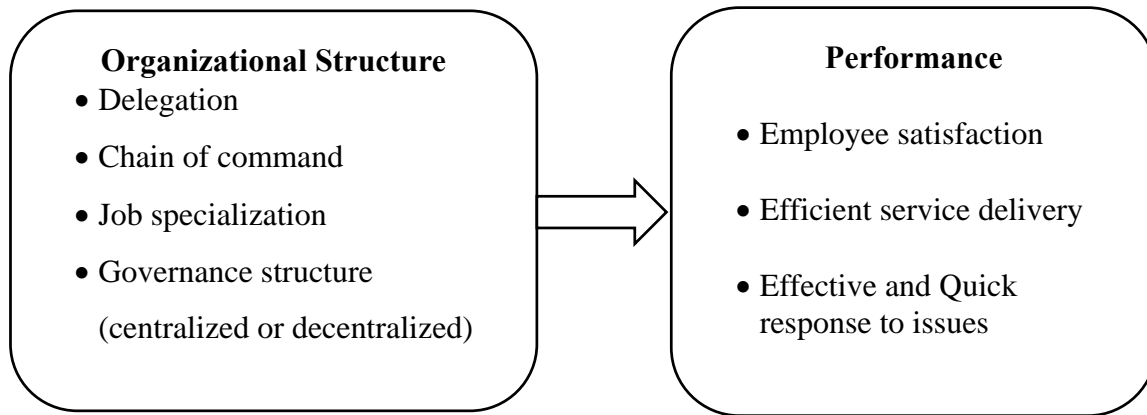


Figure 1: Conceptual Framework

RESEARCH METHODOLOGY

This study adopted a descriptive research design as the master plan, the design was ideal as it allowed the respondents to describe the situation as linked to organizational structure and its effect on performance. According to Bloomfield and Fisher (2019) descriptive research design answers questions on four aspects including what, where, when, and how of a phenomenon. The unit of analysis was the State Department, while the unit of observation were all the 247 employees at the State Department for Higher Education and Research. Stratified sampling technique was used where the respondents were placed into groups according to their position and rank, they held at the State Department. Through stratified simple random sampling, a sample of 153 respondents were selected to participate in this study.

Structured questionnaires were used to collect primary data in this study. The questionnaire was pilot tested using 15 employees working at the Ministry of Education, State Department for Higher Education and Research. Validity was tested by expert opinions method and reliability was tested by Cronbach Alpha Coefficients method. The aggregate Cronbach Alpha results of 0.792 was higher than the standard of 0.7 threshold. This implies that the questionnaire was fit and ideal for use in carrying out the study's research. The questionnaires were distributed to the respondents through drop and pick method. Data were analyzed by use of descriptive and inferential statistics with the aid of the SPSS

FINDINGS AND DISCUSSIONS

Descriptive Analysis Results

The study sought to assess how organizational structure influences performance at the State Department for Higher Education and Research at the Ministry of Education in Nairobi, Kenya. Therefore, the respondents were asked to rate the extent of agreement with the statements on organizational structure. There was use of five-point likert scale and the results are presented in table 1

Table 1 Organizational Structure and Performance

Statement	N	Mean	Std. Dev
There is delegation of work assignments at the State Department	108	3.82	0.945
There is job specialization with staffs handling jobs that they are good in	108	3.87	1.023
The department adopts a centralized governing structure in a hierarchical manner	108	4	0.942
There is division of labor where workers are grouped as per roles/section	108	3.91	0.996
The department uses a formal chain of command from the directorate to the junior employees	108	3.79	1.056
The structure is open to allow for strategy implementation that improves performance outcomes	108	3.65	1.006
Aggregate Scores		3.84	0.995

The aggregate mean score of 3.84 and standard deviation score of 0.995 imply that in general, the respondents confirmed that organizational structure improved the performance of the State Department for Higher Education and Research. The results were similar to those in the studies done by Yabarow and Muathe (2020) who noted that organizational structure was important in strategy implementation. The structure containing the hierarchy, communication and operating structures that informed the decision-making process.

The respondents rated the extent of agreement on performance outcomes at the State Department for Higher Education and Research in the Ministry of Education. The findings on performance are as presented in Table 2.

Table 2: Performance

Statement	N	Mean	Std. Dev
The employees of the State Department for Higher Education are satisfied with their work	108	3.87	0.996
There is improved quality of services delivered to the general public	108	4.08	1.005
The services given to the public is of high quality	108	3.88	0.872
The services are delivered in a timely manner	108	3.69	0.921
There is quick responses to issues raised by the public	108	3.98	1.032
The services are effective to respond to the needs of the general public	108	3.98	0.927
Aggregate Scores		3.92	0.959

The aggregate scores of (mean 3.92 and standard deviation of 0.959) show that the respondents agreed that through implementation of strategies there was improving performance at the state department. The findings are in agreement with Advani (2021) who measured performance using metrics such as quality, timeliness and customer satisfaction from the services and products and found improve performance outcomes in the market-oriented organizations. The performance measure in the state department used metrics including timeliness, quality, responsive services and satisfaction, and they were found to have improved through implementation of strategies.

Inferential Statistics Results

The study sought to assess the strength and direction between the two variables (organizational structure and performance) and it was through conducting correlation and multiple regression analysis. The results are presented in table 3 to 6 and a discussion added for interpretation.

Table 3: Correlation Analysis

		Performance	Organizational Structure
Performance	Pearson Correlation	1	
	Sig. (2-tailed)		
	N	108	
Organizational Structure	Pearson Correlation	.903	1
	Sig. (2-tailed)	.001	.000
	N	108	108

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

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

The study results show that organizational structure strongly and positively affected performance at the State department of higher education and research at the Ministry of Education. This is based on obtained r values of $r = 0.903$ and $p < 0.000$. These results echo what Yabarow and Muathe (2020) found when assessing oil marketing companies in Kenya. The researchers noted that organizational structure improved performance as led by effective strategy implementation. Karemu *et al.* (2021) also shared on the strong association between organizational structure and performance.

Table 4: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.798a	.636	.621	.363461

The results show that organizational structure contributed to 63.6% change in performance at the State Department of higher education and research at the Ministry of Education. The results also show that some other components excluded in this study affected performance by 36.4%. The results show the association was also positive and significant since the coefficient of correlation R is valued at 0.798.

Table 5: Analysis of Variance

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	76.89	1	76.89	27.9763	.000 ^b
	Residual	291.34	106	2.748		
	Total	268.23	107			

a. Dependent Variable: Performance

b. Predictors: (Constant), Organizational Structure

Findings in Table 4.14 show the p-value of 0.000 is less than 0.05 indicating that the regression model is statistically significant since the generated $F = 27.9763$ is greater than the F critical at $F = 2.46$. Therefore, organizational structure was a good predictor of performance at the State Department for Higher Education and Research at the Ministry of Education.

Table 6: Beta Coefficient

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
1 (Constant)	5.389	2.003		2.690	.000
Organizational Structure	1.224	.764	.695	1.602	.031

a. Dependent Variable: Performance

The resultant regression equation was:

$$Y = 5.389 + 1.224X_1$$

Findings indicate that organizational structure at $\beta = 1.224$, $t = 1.602$ and p-value $0.031 < 0.05$ had positive and significant effect to performance in the State Department for Higher Education and Research within the Ministry of Education. Similar results were also found in the study by Kankaew *et al.* (2021) on the low-cost airlines in Thailand, showing that the adopted organizational structure contributed to better efficiency and improved performance outcomes and attainment of competitiveness. Hsiao and Wu (2020) found that performance of new products in firms in Taiwan was directly affected by formal structures. It is thus clear that the adopted

organizational structure impact performance outcomes in organizations and more so in the analyzed State Department for Higher Education and Research.

CONCLUSIONS

The study established a positive and significant effect between organizational structure and performance of the state department. The conducted correlation analysis and multiple regression analysis found that organizational structure through its r values and beta coefficient had the strong effect on performance. Therefore, the study concluded that adopted centralized governance system, formal structure and formal chain of command improved performance. These components of organizational structure had the resultant effect of improving performance at the State Department for Higher Education and Research at the Ministry of Education.

RECOMMENDATIONS

The study recommended the need for an open and flexible organizational structure that allows for sharing of information, giving suggestions and feedback on the implementation process and progress. This will improve performance and service delivery quality to the general public. There is also need to frequently review the structure adopted to make adjustments as it fits to implement strategies and meet the mandate of the department and the Ministry.

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