ADDIS ABABA UNIVERSITY

COLLEGE OF BUSINESS AND ECONOMICS

DEPARTMENT OF MANAGEMENT

The Effect of Change Management on Organizational Performance: The Case of Commercial Bank of Ethiopia, Dashen Bank and Hibret Bank Headquarters

A Research Thesis Submitted to the School of Graduate Studies of Addis Ababa University in Partial Fulfilment of the Requirements for the Master of Science in Management

By:

Wasihun Zeleke

Advisor: Yohannes Werkaferahu (Ph.D.)

June, 2025

Addis Ababa

DECLARATION

I, the undersigned, declare that this thesis entitled ***"The Effect of Change Management on Organizational Performance: The Case of Commercial Bank of Ethiopia, Dashen Bank and Hibret Bank Headquarters"*** is my own original work and that all sources have been accurately reported and acknowledged, and that this document has not been submitted for a degree in any other universities.

Wasihun Zeleke	____________________	**12/5/2025**
Name of Author	Signature	Date

STATEMENT OF CERTIFICATE

This is to certify that **Wasihun Zeleke** has completed his thesis entitled ***"The Effect of Change Management on Organizational Performance: The Case of Commercial Bank of Ethiopia, Dashen Bank and Hibret Bank Headquarters"*** is his original work and is submitted for examination with my approval as a thesis.

Yohannes Workaferahu (Ph.D)	___________	12/5/2025
Name of Advisor	Signature	Date

Addis Ababa University

School of Graduate Studies

This is to certify that the thesis entitled, ***"The Effect of Change Management on Organizational Performance: The Case of Commercial Bank of Ethiopia, Dashen Bank and Hibret Bank Headquarters"*** was carried out by **Wasihun Zeleke** under the supervision of Yohannes Workaferahu (Ph.D) submitted in partial fulfillment of the requirements for the degree of Master of science in Management complies with the regulations of the University.

Approved by the Examiners

Saleamlak mola (ph.D) **24/6/2025**

Signature

Name of External Examiner ____________ Date

Signature

Assi.pro Tewodros Wuhib ________________ **24/6/2025**

Name of the Internal Examiner Date

Yohannes Workaferahu (Ph.D) __________ **24/6/2025**

Name of Advisor Signature Date

ACKNOWLEDGEMENT

First and foremost, I want to give my thanks to Almighty God. Next, I would able to thank many people who have helped me in the writing of the research thesis. I would like to extend my heartfelt thanks to my advisor Dr.Yohannes Workaferahu, for his willingness to provide me with technical support, relevant materials, and for his invaluable scientific advice and without his critical comments this thesis would have not been realized. I would also thank those who have helped me in the data collection process and study participants.

TABLE OF CONTENTS

Contents

LIST OF TABLES

LIST OF FIGURES

ACRONYMS/ABBREVIATIONS

BPR ……………………………… Business Process Reengineering

CBE………………………………. Commercial Bank of Ethiopia

DB…………………………………Dashen Bank

ERP………………………………..Enterprise Resource Planning

HB………………………………. Hibret Bank

HRM………………………………Human Resource Management

SPSS………………………………Statistical Packages for Social Sciences

TQM………………………………Total Quality Management

ABSTRACT

The main objective of this thesis was to investigate the effect of change management on organizational performance in the Case of Commercial Bank of Ethiopia, Dashen Bank and Hibret Bank Headquarters. The study used quantitative research approach, both descriptive research and explanatory research design due to its intent to find the effect of the independent variables change management such as technological change, structural change, organizational culture change, and human resource management change on the dependent variable organizational performance. This study used proportionate stratified sampling and simple random sampling technique. Primary data was collected through structured questionnaires and also secondary source was collected from different company profiles, books and websites which dictate regarding the study. The study also used a cross-sectional research survey, in which data from respondents was gathered at a single point in time. In this study, a total of 342 questionnaires were provided to the respondents working under CBE, DB and HB headquarters and 310 was appropriately filled and returned. To analyze the collected data through questionnaires from the respondents, the researcher used SPSS version 23. The researcher used descriptive statistics to describe & summarizing data and inferential statistic such as correlation analysis and multiple linear regressions analysis. Accordingly, the Pearson correlation test revealed that all the four independent variables have a positive relationship with dependent variable organizational performance. The regression result confirmed that, all the independent variables (i.e. as technological change, structural change, organizational culture change, and human resource management change) have positive and significant impact on the organizational performance. The ANOVA test result also confirmed that, the prediction powers of the change management components are found to be statistically significant. The findings underscore the importance of a holistic approach to change management, where diverse components are synergistically integrated to drive performance improvements. For organizations like CBE, DB and HB, should adopt comprehensive change management strategies is crucial for sustaining growth, achieving strategic goals, and maintaining a competitive edge in a dynamic market environment

Key words: technological change, structural change, organizational culture change, human resource management change, organizational performance.

CHAPTER ONE

INTRODUCTION

This chapter deals about background of the study, statement of the problem and objective of the study, significance of the study, research question, scope of the study, limitation of the study, and organization of the study.

1.1.Background of the study

Change is regarded as a significant interruption in already existing patterns of behavior and expectations in the organizational environment. It is a process that involves implementing new strategies, structures, systems, and behaviors in order to achieve long-term success and gain a competitive advantage (Sonawane, 2021). Change is an inevitable part of organizations' existence, and it is viewed and defined differently by various authors. The process of change management is crucial for organizations to adapt and overcome resistance to change(Kalandia, 2022).

The evolution of the concept of change is attributing its development to various transformations occurring over time. It suggests that social, economic, or technological revolutions have spurred the emergence of new concepts and approaches to organizational change. The study of change is described as a complex and widely studied subject with a broad audience across various disciplines in the social sciences. Furthermore, the pace of change has accelerated in recent decades. External pressures from the environment, combined with internal influences, have resulted in rapid transformations affecting all aspects of political, social, and economic life. This highlights the pervasive nature of change and its profound impact on society as a whole(Burnes, 2004; E. Cameron & Green, 2019).

Resistance to change is a common characteristic in management, and understanding the reasons for resistance can help reduce conflict and increase collaboration. Effective change management from the beginning of a project can mitigate resistance and engage employees in the change process. Individual resistance to change can be motivated by habit, security, and perception (Rismansyah et al., 2022). Organizational resistance to change can be caused by structural inertia, group inertia, and risk to expertise, power, and resource allocation. Change can range from adaptive changes, which are incremental forms, to transformational changes, which involve enormous revolutions (Comănescu, 2020). Basically, change is a natural part of growth, evolution, and adaptation for the individual, the group, and the organization.

Change management is a procedural process that manages organizational change to a successful end. It typically involves three important phases: preparation, execution, and follow-up. It is a procedural process dealing with the transition or transformation of organizational goals, values, processes, or technologies (Adenan et al., 2023).The process has the aim to make change well-planned, communicated, and executed in a way to benefit the organization. Effective change management includes aspects such as leadership, employee engagement, communication, and support. It also emphasizes creating a positive organizational culture and employee skill and competency development to fit in with change. Various models and theories have been proposed to support the process of change management, including Kurt Lewin's three-step model and D's ADKAR model. Hiatt, McKinsey 7-S framework, and the transition model of V. Bridges (Onyekwere et al., 2023).

But change is difficult and is usually resisted since organization culture and beliefs are very resistant to change. Change affects both people and organizations negatively and positively and has the chance to generate growth and development, yet it brings issues and changes how individuals think, feel, and behave (Vakola & Petrou, 2018). Successful change management is a complex process that considers the organization and people involved, corporate organizations, corporate culture, and technology. It is important to have knowledge of organizational behavior and the need for behavior change in people to introduce sustainable organizational change (Paraschiv et al., 2019). Change management is important for companies to transform and gain a competitive advantage in a multicultural and demanding business environment.

Change management is highly crucial for organizations worldwide because it is the key to survival and ultimate success. It suggests that change is an inherent aspect of organizational life, impacting all types of organizations. From Kotter's perspective, most organizational changes aim to fundamentally alter how business is conducted, enabling organizations to adapt to dynamic and competitive market environments(Kotter, 2012).

Change management involves the systematic planning, implementation, and monitoring of changes within an organization to ensure successful adaptation to new circumstances or requirements. It encompasses various aspects, including technological change, human resource management, organizational culture, and structural change. Change management ensures that employees are trained to use new technologies effectively and that the organization's systems and processes are aligned with technological advancements. It also involves addressing the human side of change, including communication, training, and employee engagement. It focuses on managing resistance to change and fostering a supportive organizational culture that encourages innovation and adaptation(Armenakis & Harris, 2009; Kotter, 2012)

Change management recognizes the importance of organizational culture in shaping attitudes and behaviors towards change. It involves aligning organizational values, norms, and beliefs with the desired change objectives and fostering a culture that supports innovation, flexibility, and continuous improvement. It also ensures that structural changes are implemented smoothly and that employees understand their roles and responsibilities within the new structure(Burnes, 2004; Schein, 2010).

Successful implementation of organizational changes greatly depends on committed employees. Commitment to change is internally motivated and is crucial for sustainable and successful change. It fuels people's desire to take initiative, overcome obstacles, and keep things moving (Onyekwere et al., 2023). Managers, leaders, and professionals need to understand the antecedents and outcomes of commitment to change in order to facilitate successful change initiatives (Çetinkaya, 2022). It is important for organizations to have effective change management strategies in place, including strong leadership support, clear communication, and an influential organizational culture (Kupiek, 2023).

Change management practices play a crucial role in the organizational development of CBE, DB and HB. This bank need to adapt to various factors, including clients' needs, government regulations, political and economic situations, and competition levels. Understanding the impact of change management practices on the banks is essential for aligning operations with the dynamic environmental conditions(Kidane & Xuefeng, 2022).

1.2.Statement of the problem

Change management practices are necessary for firms to respond to various external variables such as changes in technology, the market, and employees. They help organizations adapt and remain current with the market in the long run (Bahl, 2018). Change management practices involve implementing techniques and programs for managing change and minimizing business process disruptions (Onyekwere et al., 2023).

Financial institutions, banks, are requested to strike a fine balance between imposing strict controls and requirements on change management success and still managing to attain their operation success. This is a requirement in a bid to make sure that banks are able to adapt to evolving market conditions and regulatory requirements without causing a loss in their performance or causing a negative impact on their customers. To achieve this equilibrium, financial institutions must carefully study and learn about the impacts of change management initiatives on their own internal operations and customers. From a thorough appreciation of these impacts, banks are able to adopt change management policies that enhance not only organizational performance and efficiency but also customer satisfaction and confidence (Burnes, 2005; K. S. Cameron & Quinn, 2011).

Ethiopian banks have embraced the need for change management methods to remain profitable and competitive in the constantly changing marketplace. Having the ability to choose the best change opportunities and be flexible are the determinants of attaining the success of strategic initiatives as well as the general organizational effectiveness (Oladimeji & Olanitori, 2022; Roy, 2023; Scifres, 1994).

Banks have put in place several strategies to meet the challenges brought about by globalization, technological progress, and rising public pressure. These include enhancing the competence of employees, enhancing remuneration packages, embracing mechanization and computerization, establishing new regional centers, and enhancing internal inspection and audit systems (Krasniqi et al., 2022).

CBE, as one of the two government-owned banks, has played a significant role in providing development financing for the majority of the economy's sectors, including commercial agriculture, agro-processing industries, manufacturing, mining, and extractive industries. CBE has also been involved in the financing of small and medium-sized enterprises (SMEs) through lease financing. CBE has played a great role in development financing and has boosted the country's economic growth (Abate & Kaur, 2023; Roba & Legass, 2023).

Ethiopian banks are facing challenges due to stiff competition, political instability, unstable economic conditions, and unfavorable government policies. To overcome these challenges, banks are implementing strategic and road map plans for the next five to twelve years. However, many banks are unable to achieve their target goals or improve their organizational performance due to a lack of proper change management. As a result, they are forced to revise their strategic plans(Abate & Kaur, 2023; Desalegn, 2022). The major challenge faced by the bank in implementing change is resistance from stakeholders and employees who are reluctant to move from their comfort zones. Additionally, there is a scarcity of resources, making change management expensive, especially due to the communication aspect of informing customers about the intended changes (Sahay & Goldthwaite, 2023).

The research conducted on organizational change in Ethiopian banks did not specifically focus on manager resistance to change. However, the banks has implemented various change tools and strategies, such as BPR, TQM, Kyzen, ERP, and structural changes, since 2018 in order to achieve its vision of becoming a world-class commercial bank by 2025. Despite these efforts, the bank is still facing challenges in meeting the desires of its customers and employees (Altaseb, Mba et al., 2023; Kidane & Xuefeng, 2022).

Organizational change can have a significant impact on employee attitudes and satisfaction, as well as overall organizational performance. Implementing change management strategies is crucial for organizations to navigate through these changes effectively and minimize disruption to business operations(Bahl, 2018). However, there are challenges associated with change management, including employee resistance, lack of knowledge, and insufficient employee participation in training (Ploscaru et al., 2023).

Effective organizational change requires good leadership, good vision, and effective top management support. Furthermore, engagement of employees in the change process, open communication, and support for developing employee competencies and skills are crucial elements for effective organizational change (Altaseb, Mba et al., 2023). What motivates behavioral maintenance for organizational change, for example, perceived competency, autonomy, and enjoyment, is also required.

Despite growing recognition of the importance of change management towards enhancing organizational performance, there is not yet full comprehension of its specific contribution within the context of the CBE, DB and HB. Though literature shows that effective change management practices lead to improved organizational performance, such as increased efficiency, productivity, and responsiveness to external pressures, there has been scant empirical research on the application and effect of change management in Ethiopian commercial banks (Rune Todnem, 2005; Sheridan, 1992).

A lack of studies discussing the impact of change management practices on organizational performances in Ethiopian banks represents a sizeable knowledge gap in the sector. This connection is important in guiding effective change management strategies as well as the drive for organizational development programs within financial institutions (Burnes, 2004).

While there has been some research conducted on strategic change management, there is still a gap in empirical research concerning the specific contribution of change management to organizational performance in Ethiopia. Closing this gap in empirical research enables scholars and practitioners to gain worthwhile insights into how effective change management strategies can produce organizational performance within the specific socio-economic and cultural environment of Ethiopia (E. Cameron & Green, 2019).

Thus, this study created a research void by conducting a critical examination of the effect of change management on organizational performance, i.e., CBE, DB and HB headquarters. It investigated various change management practices, or independent variables, such as technological, structural, human resource change and cultural changes. Through filling these research gaps, it was hoped that this study would contribute valuable information to current knowledge on change management and their effect on organizational performance in the Ethiopian banking sector. The study was thus commissioned to examine the effect of change management on the organizational performance of CBE, DB and HB headquarters.

1.3.Objectives of the study

1.3.1. General Objectives

The main aim of the study was to assess the effect of change management on organizational performance in the case of CBE, DB and HB headquarters.

1.3.2. Specific objectives of the study

- ✓ To evaluate the effect of change in technology on organizational performance at CBE, DB and HB headquarters
- ✓ To assess the effect of structural change on organizational performance at CBE, DB and HB headquarters
- ✓ To determine the effect of human resource management change on organizational performance at CBE, DB and HB headquarters
- ✓ To investigate the effect of organization culture on organizational performance at CBE, DB and HB headquarters

1.4.Research Questions

The research questions that the study tries address were:

- What is the effect of change in technology on the organizational performance?
- Does structural change have an effect on organizational performance?
- Is there any effect of human resource management change on organizational performance?
- What is the impact of organization culture on organizational performance?

1.5.Research Hypothesis

Based on the existing theories and previous empirical studies the researcher has formulated the following four testable null hypotheses to perform the objective of the study.

H1: Technological change has a positive and significant effect on organizational performance in the case of CBE, DB and HB headquarters.

H2: Structural change has a positive and significant effect on organizational performance in the case of CBE, DB and HB headquarters.

H3: Human resource management change has a positive and significant effect on organizational performance in the case of CBE, DB and HB headquarters.

H4: Organization culture has a positive and significant effect on organizational performance in the case of CBE, DB and HB headquarters.

1.6.Significance of the Study

This study contributes to the understanding of change management processes and provides valuable literature and resources for further research and for industries interested in enhancing their change management practices. By pinpointing the challenges of existing and new management systems, the study can provide valuable insights for the organization to address gaps and improve efficiency in their operations. Understanding the additional roles and responsibilities managers may need to take on beyond operational leadership can help in better preparing them for implementing change and navigating organizational transitions.

The study fills the gap in the literature on change management in developing economies by identifying the empirical difficulties and gaps in managing change, particularly with regard to leadership roles. By providing evidence-based analysis of change management dynamics in Ethiopian banks and highlighting context-specific barriers and enablers that are frequently missed in international literature, the study advances both theoretical and practical understanding. It also assists bank executives and policymakers in creating well-informed strategies for more seamless transitions during organizational change.

The study contributes to the body of knowledge on change management by providing insights and resources that can be utilized by researchers and practitioners in the field. The findings of the study can benefit other industries seeking to enhance their change management practices by providing a reference point and potential strategies for addressing challenges. By informing the organization's management about existing challenges in change management, the study can prompt them to take proactive measures when implementing new theories and methods, thereby improving the likelihood of successful change initiatives.

Overall, the study has the potential to offer valuable insights and practical implications for both the organization under study and the broader banking industries interested in change management practices and challenges.

1.7.Scope of the Study

The study was delimited thematically, geographically, timely as well as methodologically.

1.7.1. Geographical scope

The study was geographically delimited to assessing the effects of change management on organizational performance where the sample was obtained from CBE, DB and HB headquarters. The study was carried out in the employee of CBE, DB and HB headquarters.

1.7.2. Thematic scope

The main focus of this study was the analysis of relationship between change management and organizational performance. At the same strengthen, there are various forms of change management. However, for the sake of this study, only four forms of change management (i.e. technological change, structural change, and human resource management change and organization culture) were used.

1.7.3. Methodological scope

The explanatory research design was carried out among the participants. To conduct the study, primary data was collected. In order to collect the data, self-administrated questionnaire was employed which was adopted by reviewing from previous study. The study participant was the employee of CBE, DB and HB headquarters. At the end, both descriptive and inferential statistics were used for the data analysis purpose.

1.7.4. Time scope

The cross-sectional study was carried out from January to February, 2025 G.C.

1.8.Limitation of the study

The study was limited to the CBE, DB and HB headquarters. While this provides focused insights into a specific context, expanding the scope to include the entire bank could potentially yield more comprehensive results, allowing for a broader understanding of change management practices across different branches or regions. The study also highlights the practical difficulties involved in conducting research within a busy organizational setting and suggests potential limitations in the data collection due to time constraints and reluctance from some employees to respond to questions. This study relied on only quantitative part which might limitation in capturing complexity of organizational change.

1.9.Organization of the thesis

This thesis is organized in to five chapters. The first chapter is brief introduction which includes; Background, Statement of the problem, Objectives of the study, Research questions, Significance of the study, and Scope and limitations of the study. The second chapter is about literature review and conceptual framework of the study. The third chapter is methodology of the research which includes; Research design, Sampling design, Data collection procedure, Methods of data analysis, ethical consideration and time and budget schedule. The fourth chapter is about the result and discussion and the fifth chapter will discuss about the summary of findings, conclusions and recommendations.

CHAPTER TWO

LITERATURE REVIEW

2.1.Introduction

This chapter provides a detail review of literature on change management and organizational performance. The review broadly divided into theoretical, empirical, research gaps and conceptual framework. The theoretical review will cover existing theories on the topic. The empirical review covered an appraisal of past studies and results thereof. The chapter ends with the development of a conceptual framework informed by the study gaps established.

2.2.Theoretical Literature

2.2.1. Change management

Change management is indeed a critical aspect, especially in the context of introducing new technology into an existing organization. It's common for individuals to question its significance in real-world scenarios, but the truth is that it's indispensable.

In its essence, change management involves facilitating and guiding individuals, teams, or entire organizations through transitions. The term "management" suggests a structured approach to orchestrating change and influencing stakeholders involved. Therefore, change management denotes a deliberate effort to enact and navigate changes effectively.

Nwinyokpugi's (2018) definition of change management as "the continuous process of aligning an organization with its marketplace - and doing it more responsively and effectively than competitors" highlights the strategic dimension of change management. It emphasizes the need for organizations to remain agile and adaptive in response to evolving market dynamics and to outperform competitors by leveraging change effectively(Nwinyokpugi, 2018).

According to Argüden (2008), change management is described as the art of aligning corporate culture and behavior with the evolving world. This definition suggests that change management involves adapting organizational culture and behavior to meet the demands of a changing environment. Karamazarcadik (2007) also defines change management as the process of transitioning from the current state to a desired future state. It involves implementing strategies and activities to facilitate this transition effectively.

Lamarsh & Potts (2004) and Burnes (2020) collectively define change management as the process of facilitating transformation within an organization from its current state to a desired condition, typically aimed at achieving improved performance. They emphasize the importance of minimizing difficulties and achieving the desired change within a reasonably short period(Burnes, 2005; Potts & LaMarsh, 2004).

2.2.2. Three processes of change management:

Firstly, natural change as per Lewin change occurs organically often influenced by human behaviour and sometimes triggered by natural events. Secondly, planned change, contrary to natural change, it is intentional and directed by the organization or individuals within it. Thirdly, readiness for change pertains to the preparedness of individuals, groups, or organizations to undergo change. Organizational readiness for change, as discussed by Weiner (2009), involves both the commitment to change among organizational members and their collective belief in their ability to successfully implement the change(Weiner, 2009).

2.2.3. Change management models

2.2.3.1.Lewin’s change management model

Kurt Lewin, who developed this model in the 1950s, provides a comprehensive overview of Lewin's change model, detailing its three stages: unfreezing, change movement, and refreezing(Hussain et al., 2018).

Unfreezing: The phase is all about preparing the organization for change by changing existing behavior, attitudes, and norms. The interventions can be at the individual, structural, or interpersonal level based on the extent of change. Solutions can include personnel actions like promotions or dismissals, changes at the structural level such as instituting new training regimes or organizational structures, or interpersonal interventions to improve communication and trust. The goal is to create awareness of the necessity for change, overcome resistance to change, and encourage receptiveness among organizational members.

Change Movement: At this stage, concrete action is taken to introduce the anticipated changes in the organization. It can involve introduction of new talent or management approaches at the personal level, remolding organizational process and systems at the structural level, or designing better interpersonal ties and communication style. The focus is to transfer the organization into the desired future state through some interventions and endeavors.

Refreezing: The final step is to freeze and institutionalize the organizational changes. This may involve installing systems and processes that maintain the new behaviors and norms, reengineering recruitment practices to reinforce the new values of the organization, or ensuring the reward system promotes desired behavior. The goal is to freeze the changes into place and institutionalize them as part of organizational culture so they can be sustained in the long run.

2.2.3.2.Mckinsey's 7-S Change Management Model

The McKinsey 7S framework is a management model that emphasizes the interdependence and alignment of various internal characteristics within an organization. It posits that for an organization to be successful, all seven elements must work together effectively. Here's a breakdown of each component(Peters & Waterman Jr, 2011):

1. Strategy: This refers to the plan devised by the organization to sustain and build competitive advantage.

2. Structure: This involves the organizational structure, including how it is organized hierarchically and how reporting relationships are established.

3. Systems: These are the daily activities and procedures that employees engage in to accomplish their tasks and goals.

4. Shared Values: Also known as "superordinate goals," these are the core values of the company that are reflected in its culture and work ethic.
5. Style: This pertains to the leadership style adopted within the organization.
6. Staff: This includes the employees of the organization and their general capabilities.
7. Skills: These are the specific skills and competencies possessed by the employees.

Shared values are positioned at the center of the model, signifying their foundational role in shaping the other components. The framework suggests that changes in shared values can influence and drive changes in the other elements of the organization.

Although some criticize the framework for its ambiguity and lack of specificity, it serves as a flexible template that organizations can adapt to their specific contexts. It provides a starting point for assessing and improving organizational effectiveness, offering a basis for developing more structured approaches to management and change.

2.2.3.3.Katter's eight step change management model

John Kotter's model, often referred to as the Kotter 8-Step Process for Leading Change, provides a structured approach for implementing organizational change. Here's a breakdown of each step(Pollack & Pollack, 2015):

1. Establish and drive up urgency: Create a sense of urgency among organizational members regarding the need for change. This involves communicating the reasons behind the change and the potential consequences of not changing.
2. Build a team dedicated to change: Form a team or coalition of individuals who are committed to leading and driving the change process. This team should have the necessary skills, influence, and resources to implement the change effectively.
3. Create vision and goals for change: Develop a clear and compelling vision for the desired future state of the organization. Establish specific goals and objectives that align with this vision and provide direction for the change efforts.
4. Communicate change needs: Effectively communicate the vision, goals, and reasons for change to all stakeholders within the organization. This helps to ensure alignment and understanding among employees and encourages their support for the change initiative.

5. Empower staff to implement changes themselves: Provide employees with the necessary tools, resources, and autonomy to take ownership of the change process. Encourage collaboration and involvement at all levels of the organization.
6. Create short-term goals: Break down the change initiative into smaller, manageable milestones or short-term goals. This allows for incremental progress and helps maintain momentum and motivation throughout the change process.
7. Maintain persistence: Stay committed to the change effort and persevere through challenges and setbacks. Continuously monitor progress, address resistance, and make necessary adjustments to keep the change initiative on track.

8. Refreeze: Finally, institutionalize the changes by embedding them into the organizational culture, systems, and processes. Ensure that the changes become the new norm and are sustained over the long term.

2.2.3.4. *Kotter's change management theory*

John Kotter's theory of change management emphasizes the importance of addressing the human aspect of change. An explanation of his eight-step process is discussed below(Rajan & Ganesan, 2017):

1. Establish a sense of urgency: Formulate a compelling rationale for change to excite and commit people to the change effort.
2. Build the change team: Organize a change team and leadership of change agents who are trained and from various departments to lead and advocate the change process.
3. Set the strategic vision: Develop an inspiring and compelling vision of the future company state that describes what needs to be accomplished through the change process.
4. Inform stakeholders: Effectively communicate the vision, objectives, and expectations to all stakeholders involved in the change process. Ensure everyone is aware of their role and where they fit in the change process.
5. Remove roadblocks: To reduce friction and ensure easy implementation, identify and overcome any structural, cultural, or individual resistance to change.
6. Establish short-term goals: Divide the change effort into manageable, achievable actions with clearly defined short-term goals. This keeps the process focused, builds momentum, and demonstrates progress.
7. Sustain momentum: Maintain momentum throughout the change process by consistently reaffirming the vision, celebrating successes, and addressing setbacks as they occur.

8. Embed changes: Make sure the changes become ingrained in the organization's practices and culture even after the initial project is finished. This may entail putting in place systems, procedures, and routines to preserve the new ways of working.

2.2.3.5.ADKAR change management model

Jeff Hiatt's ADKAR model, which focuses on five main objectives, offers an organized method for managing change. An explanation of each element is provided below (Angtyan, 2019):

1. Awareness: Making sure that everyone in the organization is aware of the necessity of change is the first step. This entails explaining the change's justifications, possible advantages, and the repercussions of staying the same. Raising awareness aids in employees' comprehension of the change initiative's importance and context.

2. Desire: After raising awareness, the next stage is to instill a desire for change in the workforce. This entails presenting a strong argument for the change and highlighting how it relates to both individual responsibilities and the organization's overarching objectives. By highlighting the benefits and addressing concerns, leaders can foster enthusiasm and commitment to the change effort.

3. Knowledge: It's essential to give staff members the tools and information they need to comprehend how to successfully execute the change. This entails defining roles and duties, detailing the procedures, and providing assistance and training as required. Employees that possess knowledge are better equipped to take charge of the change process and carry out their duties with assurance.

4. Ability: Employees must possess the talents and skills necessary to perform their roles in the change process successfully, in addition to knowledge. This step entails identifying and filling in any skill or training gaps, offering coaching and chances for growth, and making sure that staff members are competent and confident in their capacity to support the change endeavor.

5. Reinforcement: Since change is a continuous process, it is crucial to make sure that new behaviors and practices are engrained in the culture of the company. This entails addressing any resistance or difficulties that may come up, recognizing successes, and offering employees and stakeholders ongoing support, acknowledgment, and feedback. Reinforcement guarantees long-term success and keeps the transformation momentum going.

2.2.3.6.Nudge theory

A different strategy for promoting change inside organizations is provided by the nudge theory, which is frequently connected to behavioral economics. The nudge theory focuses on gently influencing behavior by comprehending human psychology and decision-making processes, as opposed to exclusively depending on top-down orders and mandates from senior executives. Here's how it works (Kosters & Van der Heijden, 2015):

1. Empathy and perspective-taking: Instead of simply dictating change initiatives, leaders adopt an empathetic approach by considering the perspective of their employees. They seek to understand their motivations, concerns, and preferences regarding the proposed changes.
2. Highlighting benefits: When presenting the proposed changes, leaders emphasize the potential benefits and advantages for employees. By framing the change in terms of how it will positively impact individuals and enhance their experiences or outcomes, leaders can make the change more appealing and desirable.
3. Recommendation over command: Rather than issuing directives or commands, leaders present the proposed changes as recommendations or suggestions. This approach fosters a sense of autonomy and empowerment among employees, making them more receptive to the proposed changes.
4. Listening and feedback: Throughout the change process, leaders actively listen to employee feedback and incorporate their input into decision-making. By soliciting feedback, addressing concerns, and adapting the change strategy based on employee input, leaders demonstrate a commitment to collaboration and inclusivity.

5. Nudging behavior: Utilizing subtle cues, prompts, and incentives, leaders nudge employees toward adopting desired behaviors or attitudes without resorting to coercion or force. This might involve implementing small, incremental changes or leveraging social norms to influence behavior in a positive direction.

2.2.4. Review of variables

H1: Technological change has a positive and significant effect on organizational performance in the case of CBE, DB and HB headquarters.

2.2.4.1.Technology change management and organizational performance

Technology change management has emerged as a critical area of focus for organizations seeking to adapt to rapidly evolving technological landscapes and improve their performance outcomes. Numerous scholars have proposed frameworks and models to guide organizations in effectively managing technology change. Kotter's 8-Step Process for Leading Change (Kotter, 2012) and Lewin's Three-Stage Model of Change (Lewin, 2013) are among the most widely cited frameworks. These models emphasize the importance of creating a sense of urgency, communicating effectively, and fostering employee engagement to facilitate successful technology change initiatives. Additionally, the McKinsey 7S framework (Peters & Waterman, 1980) highlights the interconnectedness of various organizational elements, including strategy, structure, systems, and shared values, in driving performance outcomes through technology change(Peters & Waterman Jr, 2011).

Numerous studies show that organizational performance and technology change are positively correlated. Research by Bharadwaj and Hitt (2000) emphasizes how investments in technology can boost an organization's creativity, efficiency, and productivity. Technology-enabled capabilities, such as data analytics, automation, and digital transformation initiatives, have been shown to drive competitive advantage and superior financial performance (Brynjolfsson & Hitt, 2000).

Successful management of technology change and its effects on performance depend heavily on organizational learning and adaptation. Huber (1991) highlights the value of organizational knowledge creation and sharing in promoting technology adoption and integration (Huber, 1991). Businesses that cultivate a culture of ongoing learning and experimentation are better able to take advantage of new developments in technology and adjust to shifting market conditions (Dodgson, 1993).

Employee engagement and change readiness are critical factors influencing the success of technology change initiatives and, consequently, organizational performance. Research by Armenakis and Harris (2009) underscores the importance of proactive communication, leadership support, and employee involvement in promoting change readiness and minimizing resistance to technology change(Armenakis & Harris, 2009). Organizations that prioritize employee engagement and provide adequate training and support are more likely to achieve positive performance outcomes from technology change efforts (Shin et al., 2012).

H2: Structural change has a positive and significant effect on organizational performance in the case of CBE, DB and HB headquarters

2.2.4.2.Structural change management and organizational performance

Structural change management refers to the deliberate reconfiguration of an organization's structure, processes, and systems to adapt to internal and external environmental changes.

Various frameworks have been proposed to guide organizations in managing structural change effectively. Kotter's 8-Step Process for Leading Change(Kotter, 2012) and Lewin's Three-Stage Model of Change (Lewin, 2013) are widely recognized models that emphasize the importance of unfreezing existing structures, implementing change, and refreezing new structures to ensure sustainability. Additionally, the Burke-Litwin Model (Burke & Litwin, 1992) highlights the interconnectedness of organizational factors, such as external environment, leadership, and organizational culture, in driving structural change and performance outcomes(Burke & Litwin, 1992).

There is a positive relationship between structural change and organizational performance. Studies by Cameron and Quinn (2011) and O'Reilly and Tushman (2004) emphasize the role of organizational flexibility and adaptability in responding to dynamic market conditions and achieving superior performance outcomes. Structural changes that enhance communication, collaboration, and alignment between different parts of the organization have been shown to improve efficiency, innovation, and overall effectiveness(K. S. Cameron & Quinn, 2011).

Employee involvement and change readiness are critical factors influencing the success of structural change initiatives and, consequently, organizational performance. Research by Armenakis and Harris (2009) highlights the importance of proactive communication, leadership support, and employee participation in promoting change readiness and minimizing resistance to structural change. Organizations that prioritize employee involvement and provide opportunities for input and feedback are more likely to achieve positive performance outcomes from structural change efforts(Armenakis & Harris, 2009).

H3: Human resource management change has a positive and significant effect on organizational performance in the case of CBE, DB and HB headquarters.

2.2.4.3.Human resource management change and organizational performance

Human Resource Management (HRM) plays a critical role in shaping organizational performance outcomes by managing the organization's most valuable asset: its people. Strategic HRM practices focus on aligning HRM activities with organizational goals and objectives to enhance performance outcomes. Studies by Huselid (1995) and Becker and Huselid (1998) emphasize the importance of strategic HRM practices, such as recruitment and selection, training and development, and performance management, in driving organizational effectiveness and competitive advantage. Organizations that strategically invest in their human capital and develop HRM systems that support business strategy implementation are more likely to achieve superior performance outcomes(Huselid, 1995).

Employee engagement, defined as the emotional commitment and dedication employees have towards their work and organization, is a key determinant of organizational performance. Research by Harter, Schmidt, and Hayes (2002) and Bakker and Demerouti (2008) demonstrates the positive relationship between employee engagement and performance outcomes, including productivity, customer satisfaction, and profitability. HRM practices that foster employee engagement, such as effective communication, recognition, and career development opportunities, contribute to organizational success by enhancing employee motivation and discretionary effort (Bakker & Demerouti, 2008; Harter et al., 2002).

Talent management and succession planning are critical HRM practices aimed at identifying, developing, and retaining top talent within organizations. Research by Cascio (2018) and Ready, Conger, and Hill (2010) highlight the importance of talent management in driving organizational performance through effective workforce planning, leadership development, and knowledge transfer. Organizations that prioritize talent management and succession planning are better equipped to address skill gaps, build leadership pipelines, and sustain competitive advantage in dynamic business environments(Cascio, W. F., 2018; Ready et al., 2010).

H4: Organization culture has a positive and significant effect on organizational performance in the case of CBE, DB and HB headquarters

2.2.4.4.Organization culture and organizational performance

Organizational culture plays a pivotal role in shaping the behavior, attitudes, and performance of individuals within an organization. Organizational culture is defined as the shared values, beliefs, norms, and behaviors that characterize an organization and guide its members' interactions and decisions(Schein, 2010). Researchers such as Hofstede (1984) and Cameron and Quinn (2011) have proposed various frameworks for understanding and analyzing organizational culture, including dimensions such as power distance, uncertainty avoidance, individualism-collectivism, and organizational values(K. S. Cameron & Quinn, 2011; Hofstede, 1984).

Numerous studies have demonstrated the significant impact of organizational culture on various performance outcomes, including financial performance, employee satisfaction, and innovation. Research by Denison (1990) and Kotter (2012) found positive associations between strong organizational cultures characterized by shared values, clear vision, and supportive work environments, and improved organizational effectiveness and performance. Strong cultures that foster trust, collaboration, and adaptability are associated with higher levels of employee engagement, productivity, and customer satisfaction(Denison, 1990; Kotter, 2012).

Scholars like Schein (2010) and O'Reilly and Chatman (1996) emphasize how culture shapes employee attitudes and behaviors, impacts organizational procedures and practices, and helps implement change and achieve strategic alignment. Strong cultures that foster common standards, goals, and expectations provide workers a feeling of identity and purpose, which increases their dedication to and effort in accomplishing company goals (O'reilly & Chatman, 1996; Schein, 2010). Through intentional interventions and leadership initiatives, organizational culture can be shaped and transformed over time. Studies conducted by Cameron and Quinn (2011) and Schein (2010) highlight the significance of culture change initiatives in promoting strategic renewal and organizational performance enhancement.

Leaders, who champion cultural change initiatives, aligning culture with strategic priorities and fostering employee involvement and ownership, are more likely to achieve sustained performance gains and competitive advantage(K. S. Cameron & Quinn, 2011; Schein, 2010).

2.3.Empirical Literature

2.3.1. Empirical review of the effect change management practices on organizational performance

Change management has become a crucial area of focus for businesses looking to improve performance outcomes and adapt to changing contexts. This empirical literature review considers the body of research on the impact of change management on organizational performance, with a focus on the CBE, DB, and HB headquarters.

Studies by Asefa et al. (2020) look at the change management procedures of several Ethiopian banks, including the headquarters of CBE, DB, and HB. The study reveals a variety of change management techniques that banks employ, such as organizational redesign, process reengineering, and technology adoption. According to research, effective change management strategies enhance customer service, effectiveness, and competitiveness, all of which have a positive effect on organizational performance (Asefa, M. A et al., 2020).

Tessema and Tadiwos (2016) examine how change management procedures in Ethiopian banks, such as the Commercial Bank of Ethiopia, relate to organizational performance. Important metrics like financial performance, customer satisfaction, and employee engagement are used to gauge an organization's performance. The findings show that improved organizational performance in these areas is positively and significantly correlated with effective change management practices (Tessema, Z. T & Tadiwos, Y. A, 2016). With an emphasis on the Commercial Bank of Ethiopia, Assefa and Gelaw's (2017) study explores the leadership's function in creating successful change management initiatives in Ethiopian banks.

The study found that transformational leadership styles of communication, empowerment, and vision articulation are key factors in both organizational performance and the efficacy of change. Leadership support and involvement were found to be important in overcoming resistance to change and achieving desired performance (Assefa, S. A & Gelaw, T. K, 2017). The factors influencing employees' resistance to change in Ethiopia's banking industry are investigated empirically by Wondwosen and Mohammed (2020). Researchers look at how training, employee involvement, and change communication affect organizational performance and change adoption. The findings show that higher levels of change acceptance and improved organizational performance are linked to successful change management strategies that attend to staff concerns and guarantee participation (Wondwosen, M. B & Mohammed, A. A, 2020).

2.4. Research Gap

The literature review highlights a significant research gap in understanding the factors influencing change management in the banking sector of Ethiopia, particularly in the context CBE, DB and HB headquarters; there remains a lack of comprehensive research on the impact of change management on organizational growth in Ethiopia.

Existing literature on organizational change in the banking sector predominantly focuses on developed countries or regions outside of Sub-Saharan Africa. There is a scarcity of studies specifically addressing the Ethiopian banking sector, indicating a need for research tailored to the unique context and challenges of the region. While some research has explored various elements influencing organizational change in banks, there is a lack of comprehensive studies that consider all relevant factors comprehensively. The fragmented nature of existing research limits the understanding of the holistic impact of change management practices on organizational performances.

In response to these gaps, the proposed study aimed to investigate the variables influencing change management and organizational performances in the CBE, DB and HB. The study seeks to bridge the knowledge gap in the field and contribute to a deeper understanding of the factors driving organizational change management in the Ethiopian banking sector. Through empirical research and data analysis, the study aimed to provide insights that can inform strategic decision-making and improve organizational performance in three banks headquarters.

2.5. Conceptual Framework

This conceptual frame work was used to show the relationship between the independent (technology change, human resource management change, organizational culture and structural change), and dependent variables that can affect organizational performance (dependent variables) (Figure 2.1)

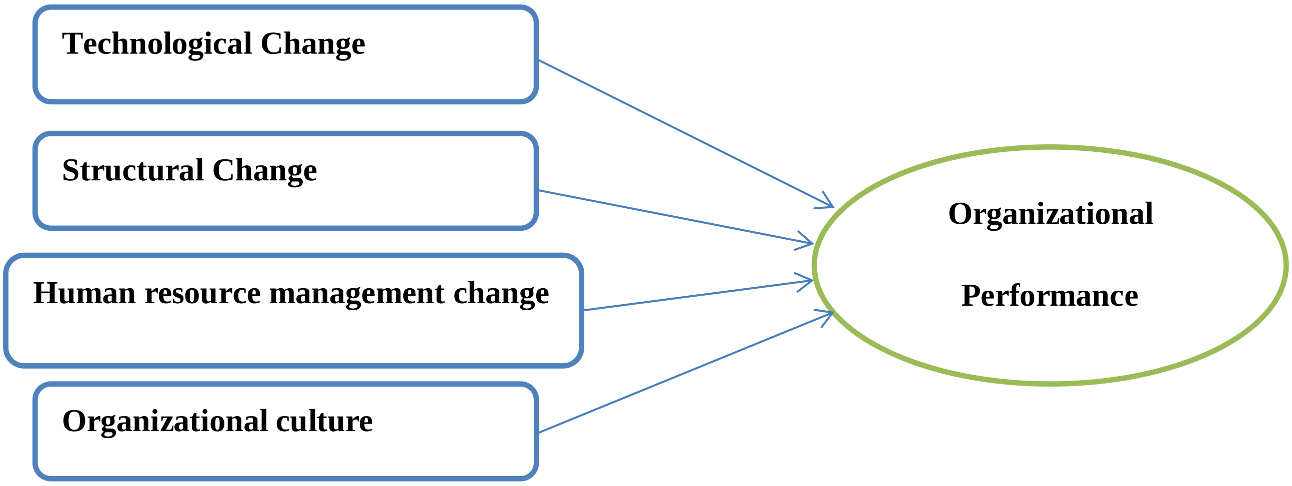


Fig 2.1: Conceptual framework of the study

Source: compiled by reviewing different literatures (Assefa and Tadesse (2022), Assefa, S. A & Gelaw, T. K, 2017, Tessema, Z. T & Tadiwos, Y. A, 2016)

CHAPTER THREE

RESEARCH METHODOLOGY

3.1.Introduction

This study was intended to investigate the effect of change management on the organizational performance at the CBE, DB and HB headquarters. Thus, this section explained the research methodologies employed, including the study area, research design and approach, type and source of data collection, sample size and sampling techniques, validity and reliability test, ethical consideration, and method of data analysis.

3.2.Description of the Study Area

CBE is the largest and oldest commercial bank in Ethiopia, serving as the country's principal financial institution. Established in 1942, the bank has played a central role in Ethiopia's banking and financial sector development, catering to the diverse financial needs of individuals, businesses, and government entities across the nation. As of June 2021, it had about 1.1 trillion birr in assets and held approximately 67% of deposits. The bank has around 32 districts, 49,396 employees, and over 1950 branches positioned in almost all over the country.

Dashen Bank was established in 1995, following the liberalization of the Ethiopian banking sector. It was founded by leading Ethiopian businessmen and institutional investors. Headquartered in Addis Ababa, the Bank is among the biggest private Banks in Ethiopia. Dashen is the most reputable brand in the domestic banking market; a reputation earned Ethiopia. It operates through a network of more than 800 plus Branches.

Hibret Bank, established in 1997, is one of the prominent banks in Ethiopia. It operates under the full supervision of the National Bank of Ethiopia (NBE), the central bank of the country with more than 470+ branches and sub-branches(still expanding), 4706 plus employees out of which 41.8% are women. Hibret Bank is now the preferred Bank by big international and local businesses, non-governmental organizations and institutions.

3.3.Research Design

This study employed descriptive and explanatory research design to describe the characteristics of variables that is examining the effect of change management on organizational performance using quantitative approach. An explanatory research design seeks to clarify why and how there is a relationship between two or more aspects of a situation. In this study, the explanatory design was used to explain, understand, and predict the cause-and-effect relationship between change management (independent variables) and organizational performance (dependent variable).

3.4.Research Approach

A quantitative research approach was employed in this study as it is well-suited for quantifying variations to determine the extent of a problem or issue. This approach helps to assess the relationship between change management and organizational performance by measuring variations and answering the research questions through a controlled deductive process. Quantitative research allows for the collection of numerical data, prediction, measurement of variables, and use of statistical procedures to analyze and draw inferences from the data.

In descriptive research, the study provided a detailed description of relevant aspects of the situation, offering a numerical representation of the phenomena. A descriptive research design was used to describe the facts and characteristics of change management and organizational performance in the study area.

3.5.Types and Sources of Data

Both primary and secondary data were collected to achieve the study's objectives. Primary data was obtained directly from the staff members working across different departments of CBE, Dashen and Hibret Bank headquarters. The research study used primary data sources from structured questionnaires and secondary data source. The primary data was collected from directors, district managers, branch managers, branch operation managers, branch business managers and operational staffs through structured questionnaires in relation to the many aspects of change management and to examine how they affect organizational performance. On the other hand, the secondary source of the data was gathered from different books, articles, journals and different reports of annual reports of CBE, DB and HB and directives of NBE(National Bank of Ethiopia) to support the primary data.

The study's primary data was supported by secondary data, which was contextual and complementary. To compare organizational performance over time and among the three institutions, CBE, Dashen Bank, and Hibret Bank's annual reports and published performance indicators were used. Additionally, the design of the structured questionnaires was greatly aided by insights from previous research, scholarly publications, and industry reports, which identified frequently, used variables and validated constructs relevant to change management in the banking industry. Reports from the National Bank of Ethiopia and internal publications from the chosen banks were reviewed to confirm trends found through primary data collection in order to guarantee the validity and dependability of the results. Furthermore, the National Bank of Ethiopia's regulatory guidelines offered crucial contextual information for interpreting organizational behaviors and change strategies, thereby situating the research within an appropriate policy and regulatory framework.

3.6. Target Population of the study

The target population of the study was 3138 employees of CBE, DB and HB headquarters which were categorized as CEO and chiefs, Directors and Supportive staffs/employees

3.7.Sample Size and Sampling Technique

3.7.1. Sample size

Based on the information obtained from Human Resource Department of CBE, DB and HB headquarters, there were a total employee 3138 employees out of which CEO and chiefs (49), Directors (142), supportive staffs (2947). However, due to shortage of time and resource, it would be difficult to study all the population of the study and defining a sample size was necessary. To determine the sample size for the study, the researcher used a statistical formula developed by Awe (2022). The researcher set the confidence level at 95% with a 5% error term.

$$n = \frac{Z^2\,pqN}{e^2\,(N-1) + Z^2\,pq} = \frac{(1.96)^2\,(0.5)\,(0.5)\,(3138)}{(0.05)^2\,(3138-1) + (1.96)^2\,(0.5)\,(0.5)} = \frac{3013.7352}{8.8029} = 342$$

Where: n= Sample Size, N= the total population (3138), e= Significance level, 1= Unity (is a constant), Z= the standard cumulative distribution that corresponds to the level of confidence with the value of e (i.e. 1.96), p= the estimated proportion of the population with the value of 0.5); and q= 1-p (Awe et al., 2022)

Therefore the final sample size for this study was 342.

3.7.2. Sampling techniques

It is important to choose a sample that is representative of the population. This study used proportionate stratified sampling to collect data. Stratified sampling involves dividing the population into smaller groups or strata based on common characteristics. The researcher then randomly selected a sample proportionally across all strata. This method ensured that each stratum is represented in the sample according to its population size. By using proportionate stratified sampling, the researcher obtained a sample that accurately reflects the characteristics of the population. The number of sampling units drawn from each stratum was in proportion to the population size of that stratum.

Based on information received from the human resource department of bank headquarters, the employees were basically categorized in to CEO and chiefs (49), directors (142) and supportive staffs/ employees (2947).

Table 3.1: Proportional sample size allocation

S. N	Stratum	Total strata size				Proportionate sample size			
		DB	HB	CBE	Total	DB	HB	CBE	Total
1	CEO and chiefs	13	11	25	49	2	1	3	6
2	Directors	47	31	64	142	5	3	7	15
3	Employee/supportive staffs	850	857	1240	2,947	93	93	135	321
Total		910	899	1329	3,138	100	97	145	342

3.8.Data Collection Tools

The research study employed a structured questionnaire as its primary data collection tool. The questionnaire consisted of three main sections designed to gather information on respondents' personal profiles, change management, and assessments of organizational performance.

The first part of the questionnaire assessed demographic characteristics of the respondents, including gender, age, marital status, work experience, and educational level. This section provides background information about the respondents and enables the researcher to analyze the results based on different demographic variables.

The second section of the questionnaire focused on the main drivers of change management and their perceived impact on organizational performance. This section likely includes questions related to various aspects of change management, such as technological change, structural change, organization culture and human resource management. Respondents were be asked to rate their agreement with statements related to these constructs using a Likert scales ranging from strongly disagree to strongly agree (i.e. strongly disagree = 1, Disagree = 2, Neutral = 3, Agree = 4, and Strongly Agree = 5).

The third and final section of the questionnaire was assessed respondents' perceptions of organizational performance. This section likely include question related to organizational effectiveness, efficiency, innovation, and overall performance outcomes. Respondents were asked to rate the performance of their organization using a Likert scale similar to the one used in the previous section.

Constructs and question formats from well-known, peer-reviewed tools used in earlier research on organizational performance and change management in the banking and service industries were modified to create the questionnaire questions. Validated scales from earlier empirical studies and industry best practices were among the sources used, guaranteeing conceptual alignment with the study's goals and content validity. Prior to full-scale administration, a pilot test was conducted to verify clarity and reliability, constructs were aligned with the study setting, and existing literature was reviewed as part of the adaptation process.

3.8.1. Procedures of Data Collection

Primary data was collected from 342 employees of CBE, DB and HB headquarters to ensure adequate representation. A team of two field researchers were trained to administer the structured questionnaires among the target respondents. The training encompasses explaining the research objectives, sampling approach, data collection strategies, target participants and field protocols to the field researchers. Important considerations like seeking informed consent, ensuring confidentiality and anonymity, and handling responses ethically was addressed.

The field researchers distributed paper-based questionnaires to the selected employees after a brief introduction about the study. Sufficient time and a private setting were allowed for participants to complete the questionnaire independently. The researcher collected the filled forms directly from respondents upon completion. The researcher closely monitored and supervised the field data collection process to ensure procedures were followed uniformly. Regular debriefing sessions addressed any challenges faced and make improvements for effective collection of primary data within the stipulated timeline. Thus, the involvement of a trained field team supported expeditious collection of primary data from the wide sample in a systematic, standardized and ethical manner to meet the research needs.

3.9.Reliability and Validity Testing

In order to address content validity—the degree to which the instrument captures all pertinent dimensions of the constructs under study—the questionnaire used in this study was developed by adapting instruments from prior empirical studies and conducting a thorough review of pertinent literature. In order to guarantee face validity, academic advisers and banking experts examined the questionnaire's first draft to see if the items seemed acceptable, pertinent, and intelligible in relation to organizational performance and change management. Their comments confirmed that the device seemed to measure what it was supposed to measure.

Construct validity was also taken into account by matching each questionnaire item to established theoretical constructs that were obtained from the literature. To make sure that the operational definitions of change management and performance-related variables aligned with conceptual frameworks, factor structures from earlier research were employed as a guide. To find any ambiguities or discrepancies in item interpretation, a pilot test was also carried out before the whole data collection. Cronbach's alpha was used to quantify internal consistency reliability, especially for multi-item variables, with a threshold of ≥ 0.7 deemed acceptable.

Table 3.2: Reliability analysis result

Reliability Statistics		
Variables	Cronbach's Alpha	N of Items
Technological change	0.719	6
Structural change	0.56	5
Human resource management change	0.532	6
Organizational culture	0.87	8
Organizational performance	0.828	7
Overall	0.898	32

As shown in Table 3.2, the Cronbach's alpha value of 0.898 demonstrates that the survey instrument has good internal consistency, meeting the acceptable threshold suggested by Nunnally (1967). This indicates that the items used to measure the constructs of change management and organizational performance were reliably related, thus ensuring that the data collected is robust and dependable for further analysis.

3.10. Data Processing and Analysis

In order to perform a study, econometric analysis, descriptive and inferential statistics, and data collection from primary sources were all used. An evaluation of the explanatory variables was carried out prior to data collection in order to detect any multi-collinearity problems using collinearity diagnostics in the context of linear regression analysis in the Statistical Package for Social Sciences (SPSS). To analyze the primary data, the researcher used both descriptive and econometric techniques. Descriptive statistics like frequencies, percentages, means, and standard deviation were used to encode and analyze the data in order to meet the study's goal. Additionally, correlation analysis was used to examine the relationship between the independent and dependent variables. Specifically, a linear regression econometric model analysis was employed to examine and establish relationships between independent variables and dependent variable.

3.11. Model Specification

Multi-level regression was conducted to determine the extent to which the independent variables affect the dependent variable. Multiple linear regression equation was as follows:

$Y = \alpha + \beta 1X1 + \beta 2X2 + \beta 3X3 + \beta 4X4 + \varepsilon$

Y= Organizational Performance

$\beta 1$ = regression coefficient of technological change

$X1$= technological change

$\beta 2$ =regression coefficient of structural change

$X2$ =structural change

$\beta 3$=regression coefficient of human resource management change

$X3$= human resource management change

$\beta 4$ = regression coefficient of organizational culture

$X4$ = organizational culture

ε = Residual

3.12. Ethical Consideration

Prior to data collection in the field, the researcher obtained research and ethical permission from the Addis Ababa University IRB. The participants were asked to consent before participating in this study. The researcher also ensured that all respondents voluntarily participate in the study. Those who wish to decline to participate were not forced. The rights to privacy of respondents were maintained through confidentiality. Names of the respondents were not mentioned in this research.

CHAPTER FOUR

DATA PRESENTATION, ANALYSIS AND DISCUSSION

4. Introduction

This chapter discusses the analysis of study findings. Data was collected from employees of selected commercial banks. The data was entered into SPSS version 23 for analysis. To summarize the demographic data, frequency distribution tables for various demographic variables were used. To identify the strength and direction of relationships between the (technological change, structural change, human resource management change, organizational culture change) and the dependent variable (Organizational Performance) using pearson correlation.

To examine the impact of multiple independent variables on the dependent variable, regression coefficients, R-squared values, and significance levels were used to determine the predictive power and significance of each construct.

4.1.Respondents Profile

4.1.1. Respondents' response rate

Table 4.3: Respondent’s response rate

Total sample size	342
Appropriately filled and returned	310
Not appropriately filled	20
Not collected	12
Appropriate for data analysis	310
Response rate	91%

Source: Own Survey Result, 2025

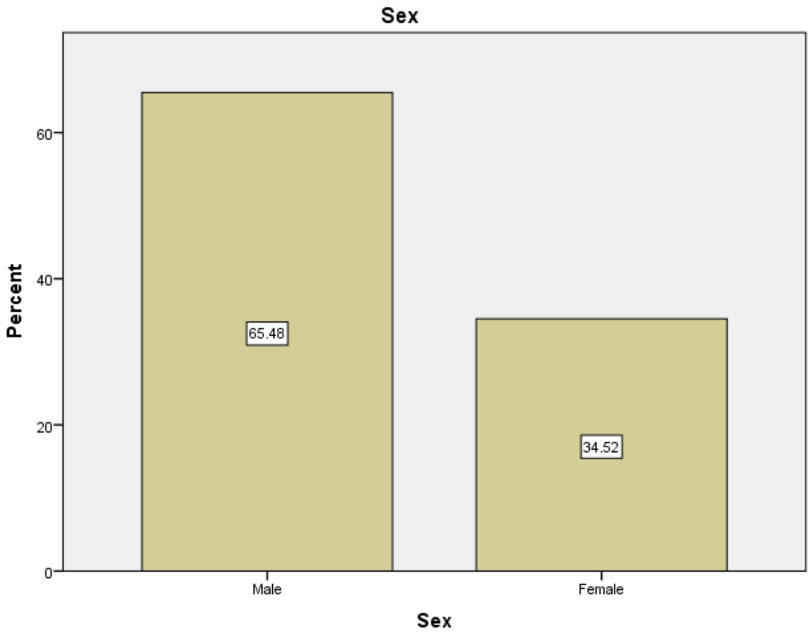
The total number of people who were targeted or invited to participate in the survey were 342. Out of the total sample, 310 respondents filled out and returned the survey forms correctly. These responses were completed in a manner that allows them to be used for data analysis. There were seven responses that were returned but were not filled out correctly. These could include incomplete responses, inconsistent answers, or errors that make the data unusable. It confirms that 310 responses are valid and usable for analysis. The table suggests a high level of participation and quality in the responses collected, with a very small proportion of responses being unusable or not collected.

4.2.Demographic Characteristics of the Respondents

The demographic information of the respondents is crucial as it provides a comprehensive understanding of the sample population. This understanding helps to contextualize the findings and ensures that the sample is representative of the population being studied. The demographic characteristics collected in this study include gender, age, marital status, and years of experience.

4.2.1. Characteristics of respondents by gender

The gender composition of the respondents shows that 65% were male and 35% were female. This indicates a predominance of male employees in the sampled banks as shown in Fig 4.2.



Source: Own Survey Result, 2025

Fig 4.2: Characteristics of respondents by gender

4.2.2. Characteristics of respondents by age category

Table 4.4: Age category of the respondents

Age category		Frequency	Percent	Valid Percent
Valid	21-30	166	53.4	53.5

	31-40	117	37.6	37.7
	41-50	27	8.7	8.7
	Total	310	99.7	100.0

Source: Own Survey Result, 2025

From the 310 respondents, the majority (53.4%) were aged between 21-30 years. Significant proportions (37.6%) were aged between 31-40 years. A smaller segment (8.7%) falls within the 41-50 years age range (Table 4.3).

4.2.3. Marital status of the respondents

Table 4.5: Marital status of the respondents

Marital status				
		Frequency	Percent	Valid Percent
Valid	Single	190	61.3	61.3
	Married	110	35.5	35.5
	Widowed	10	3.2	3.2

Source: Own Survey Result, 2025

As depicted in the table 4.4 below, out of the 310 respondent's, majority of the respondents were single which represent 61.3% of the respondents and 35.5% of the total respondent were single.

4.2.4. Work experience of the respondents

Table 4.6: work experience of the respondents

Experience				
		Frequency	Percent	Valid Percent
Valid	1-5	130	41.9	41.9
	6-10	96	31.0	31.0
	Above 10 years	84	27.1	27.1
	Total	310	100.0	100.0

Source: Own Survey Result, 2025

Based on the data obtained from the respondents, 42% of them have experience of 1-5 year year, 31% of them have experience between six and ten years, and the remaining 27% have above 10 years work experience in the bank.

4.3.Perceptions of respondents by technological change

Table 4.7: perception of respondents by technological change

S/n	Technological Change	SD		D		N		A		SA	
		N	%	n	%	n	%	n	%	N	%
1	My organization currently operate in a rapidly technological changing environment as compared to the previous years	45	14.5	70	22.6	80	25.8	70	22.6	45	14.5
2	Technological change has resulted to increase in the efficiency and productivity of the employees in the company	76	24.5	103	33.2	53	17.1	49	15.8	29	9.4
3	The rapidly changing environment motivates the organization to be more proactive in generating new ideas adoption new technologies & creation new products.	74	23.9	85	27.4	56	18.1	64	20.6	31	10
4	There has been increase in the job performance after adopting new technologies	47	15.2	86	27.7	72	23.2	65	21	40	12.9
5	I am able to accomplish work tasks quickly due to new technologies	81	26.1	84	27.1	68	21.9	54	17.4	23	7.4
6	I am able to control the work and process more efficiently due to new technologies	28	9	90	29	50	16.1	94	30.3	48	15.5

Note: SD: Strongly disagree, D: Disagree, N: Neutral, A: Agree, SA: Strongly Agree

Source: Own Survey Result, 2025

Table 4.7 presents the distribution of responses from a survey that assessed respondents' perceptions of technological change within their organizations. Responses are fairly evenly distributed, with a significant portion of respondents being neutral (25.8%) or in disagreement (37.1%) that their organization is experiencing rapid technological change. A majority of respondents (57.7%) disagree that technological change has led to increased efficiency and productivity, indicating a perception that the impact of technological changes may not have been positive or significant.

A notable proportion of respondents (51.3%) disagree that the rapidly changing environment motivates proactivity in their organization, suggesting a possible resistance to or dissatisfaction with the pace of technological changes. 42.9% of respondents agreeing or strongly agreeing that job performance has increased after adopting new technologies, while 42.9% disagree or strongly disagree. This indicates divided opinions on the effectiveness of new technologies on job performance. 45.8% of respondents agree or strongly agree that they can control work and processes more efficiently with new technologies, suggesting a relatively positive view on this aspect of technological impact.

4.4.Perceptions of respondents by structural change

Table 4.8: perception of respondents by structural change

S/n	Structural Change	SD		D		N		A		SA	
		N	%	N	%	n	%	n	%	n	%
1	Structural change in the organization has led to enhanced employee commitment and availability at work	37	11.9	74	23.9	50	16.1	103	33.2	46	14.8
2	Structural change in the organization has led to setting of better quality goals	47	15.2	161	51.9	46	14.8	37	11.9	19	6.1
3	Changes in work teams in the organization has led to enhanced teamwork and better performances from staff	23	7.4	71	22.9	79	25.5	105	33.9	32	10.3
4	Job redesign as a result of structural changes has resulted to faster employee response and completion of work	20	6.5	41	13.2	111	35.8	107	34.5	31	10
5	Structural changes have improved communication within the organization	5	1.6	40	12.9	96	31	133	42.9	36	11.6

Note: SD: Strongly disagree, D: Disagree, N: Neutral, A: Agree, SA: Strongly Agree

Source: Own Survey Result, 2025

The table 4.8 provides insights into how respondents perceive various structural changes within their organization. Substantial proportions of respondents (48%) agree or strongly agree that structural changes have enhanced employee commitment and availability. However, 35.8% of respondents disagree or strongly disagree, indicating mixed perceptions. A majority of respondents (67.1%) disagree or strongly disagree that structural changes have led to better quality goals, suggesting that many feel these changes have not improved goal-setting practices. While 44.2% of respondents agree or strongly agree that changes in work teams have enhanced teamwork and performance, 30.3% disagree or strongly disagree, showing varied opinions.

Opinions are mixed, with 44.5% of respondents agreeing or strongly agreeing that job redesign has led to faster responses and work completion, while 19.7% disagree or strongly disagree. A majority of respondents (54.5%) agree or strongly agree that structural changes have improved communication, with only 14.5% disagreeing or strongly disagreeing, indicating a generally positive perception of communication improvements.

4.5.Perceptions of respondents by human resource management change

Table 4.9: perception of respondents by human resource management change

S/n	Human Resource Management	SD		D		N		A		SA	
		N	%	N	%	n	%	n	%	n	%
1	The organization has a HR capacity building initiatives in place to support organizational development and change	31	10	94	30.3	87	28.1	70	22.6	28	9
2	The organization has employee empowerment programs	33	10.6	117	37.7	80	25.8	64	20.6	16	5.2
3	Conducive work environment is a key for organizational performance	22	7.1	81	26.1	128	41.3	61	19.7	18	5.8
4	Employee empowerment enhances organizational performance	44	14.2	124	40	107	34.5	25	8.1	10	3.2
5	Employee empowerment enhances work autonomy	14	4.5	108	34.8	105	33.9	55	17.7	28	9
6	The right people are recruited, promoted and developed to	24	7.7	106	34.2	100	32.3	68	21.9	12	3.9

	promote change										

Note: SD: Strongly disagree, D: Disagree, N: Neutral, A: Agree, SA: Strongly Agree

Source: Own Survey Result, 2025

The table 4.9 presents data on respondents' perceptions regarding various aspects of human resource management within their organization. A significant portion of respondents (40.3%) disagree that the organization has effective human resource capacity-building initiatives, while 31.6% agree. The high percentage of neutral responses (28.1%) suggests uncertainty or mixed experiences among the respondents. A significant portion of respondents (41.3%) are neutral about the impact of a conducive work environment on organizational performance. However, 33.2% disagree, indicating that a sizeable number of respondents do not strongly link the work environment to performance.

A significant majority of respondents (54.2%) disagree that employee empowerment enhances organizational performance, while only 11.3% agree. This suggests a perception that current empowerment efforts may not be effectively contributing to performance. 41.9%) disagree that the organization recruits, promotes, and develops the right people to promote change, while 25.8% agree.

There was significant disagreement regarding the effectiveness of human resource capacity building, employee empowerment programs, and the recruitment, promotion, and development of the right people to promote change. Many respondents were neutral or uncertain about the impact of these practices on organizational performance and work autonomy, indicating areas where the organization could focus on improvement and better communication of human resource initiatives and their benefits.

4.6. Perceptions of respondents by organizational culture change

Table 4.10: perception of respondents by organizational culture change

s/n	Organizational culture	SD		D		N		A		SA	
		N	%	n	%	n	%	N	%	n	%
1	Organization culture is critical for organizational is critical for organizational performance	16	5.2	106	34.2	88	28.4	64	20.6	36	11.6
2	Entrepreneurial culture enhances search for new opportunities	16	5.2	106	34.2	88	28.4	64	20.6	36	11.6

3	My organization culture helps some input into decisions that affect my work.	49	15.8	33	10.6	78	25.2	113	36.5	37	11.9
4	The organizational norms at my organization are supportive of change initiatives at the company	49	15.8	33	10.6	78	25.2	113	36.5	37	11.9
5	The values of the organization influence the behavior of the staff at the organization	41	13.2	97	31.3	62	20	44	14.2	66	21.3
6	My organization facilitate conflict resolution arising from change initiatives	16	5.2	106	34.2	88	28.4	64	20.6	36	11.6
7	Adaptability culture is crucial for creating commitment among employees	10	3.2	158	51	70	22.6	46	14.8	26	8.4
8	My organization encourages employees to adopt behaviors and mindsets that are consistent with the organization's values and goals	41	13.2	161	51.9	42	13.5	40	12.9	26	8.4

Note: SD: Strongly disagree, D: Disagree, N: Neutral, A: Agree, SA: Strongly Agree

Source: Own Survey Result, 2025

The table 4.10 presents data on respondents' perceptions of various aspects of organizational culture within their organization. A significant portion of respondents (39.4%) disagree that organizational culture is critical for performance, while 32.2% agree. The high percentage of neutral responses (28.4%) suggests uncertainty or mixed perceptions about the importance of organizational culture. 48.4% of respondents agree or strongly agree that the organizational culture allows for input into decisions, while 26.4% disagree or strongly disagree. Perceptions about the supportiveness of organizational norms for change were similar to perceptions about decision-making input. A significant portion (48.4%) agrees, while 26.4% disagree.

44.5% of respondents disagreeing that the organization's values influence staff behaviour, while 35.5% agree. This indicates a perception that organizational values may not be strongly impacting employee behaviour. A majority of respondents (54.2%) disagree that an adaptability culture is crucial for employee commitment, while only 23.2% agree. This suggests that many respondents do not see a strong link between adaptability culture and employee commitment.

A significant majority of respondents (65.1%) disagree that the organization encourages behaviours and mind sets consistent with its values and goals, while only 21.3% agree. This indicates a perception that the organization may not be effectively promoting its desired culture. The survey results reveal a generally critical view of the organizational culture. Many respondents do not feel that the culture supports organizational performance, entrepreneurial activities, or change initiatives effectively. There was also significant skepticism about the impact of organizational values on behaviour and the encouragement of desired behaviours and mind sets. The results indicate areas where the organization could focus on strengthening its culture and better aligning it with its goals and values.

4.7. Perceptions of respondents by organizational performance

Table 4.11: perception of respondents by organizational performance

s/n	Organizational Performance	SD		D		N		A		SA	
		N	%	N	%	n	%	n	%	n	%
1	There is an increment of employee productivity in the organization	50	16.1	140	45.2	37	11.9	49	15.8	34	11
2	The organization has capacitated itself in human and material resource	38	12.3	119	38.4	45	14.5	61	19.7	47	15.2
3	There is growth in profitability of the organization	45	14.5	67	21.6	94	30.3	70	22.6	34	11
4	My organization in good position to deliver its short and long term targets/plans	54	17.4	65	21	53	17.1	89	28.7	49	15.8
5	Employees are satisfied in the overall activity of the organization	32	10.3	48	15.5	53	17.1	147	47.4	30	9.7
6	The work environment is conducive for the organization operations	33	10.6	40	12.9	36	11.6	155	50	46	14.8
7	Overall, the company is at good performance	34	11	32	10.3	63	20.3	140	45.2	41	13.2

Note: SD: Strongly disagree, D: Disagree, N: Neutral, A: Agree, SA: Strongly Agree

Source: Own Survey Result, 2025

The table 4.11 presents data on respondents' perceptions of various aspects of organizational performance within their organization. A majority of respondents (61.3%) disagree that the there is an increment of employee productivity in the organization, while 26.8% agree. Some respondents (30.3%) were neutral, while 36.1% disagree and 33.6% agree that there is growth and profitability in the organization.

A significant portion of respondents (57.1%) agreed that employees are satisfied with the overall activity of the organization, while 25.8% disagree. This suggests a generally positive perception of employee satisfaction. A majority of respondents (64.8%) agreed that the work environment is conducive for operations, while 23.5% disagree. This indicates a generally positive view of the work environment. A significant portion of respondents (58.4%) agreed that the company is performing well overall, while 21.3% disagree. This suggests a generally positive perception of the company’s performance. There were generally positive views on employee satisfaction, the conduciveness of the work environment, and the overall performance of the company. The organization may need to address concerns related to strategic implementation and resource capacity to improve overall perceptions of performance.

4.8.Descriptive Statistics

The researcher employed descriptive statistics to present quantitative descriptions in a manageable form: each descriptive statistic reduces lots of data into a simpler summary. The key descriptive measures include the mean, standard deviation, minimum, and maximum values of the variables. The descriptive statistics provide a detailed overview of the main variables, showing the mean scores, variability, and the range of responses. Based on Poonlar Btawee's 1987 work, the researcher employed a measuring scale with specific intervals to interpret descriptive data. According to Btawee, mean scores between 4.51 and 5.00 were classified as "very good," scores from 3.51 to 4.50 were considered "good," scores ranging from 2.53 to 3.50 were "moderate," scores between 1.52 and 2.50 were "fair," and scores from 1.00 to 1.50 were deemed "poor.

Table 4.12: Descriptive statistics of the variables

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
Technological Change	310	1.00	5.00	2.7892	.81937
Structural Change	310	1.40	5.00	3.1045	.61136

Human resource management change	310	1.67	5.00	2.7855	.46733
Organizational Culture change	310	1.00	5.00	2.9250	.83258
Organizational Performance	310	1.14	5.00	3.0876	.86609

Source: Own Survey Result, 2025

The descriptive statistics presented in Table 4.12 provide an insightful overview of the organization's current state, focusing on technological change, structural change, human resource management change, organizational culture change, and overall organizational performance. All key variables exhibit moderate mean scores, indicating that the respondents perceive changes and performance as neither minimal nor extreme. This moderate perception suggests a strategic and balanced approach to organizational changes.

The mean score for technological change was 2.7892, with a standard deviation of 0.81937. This reflects a moderate level of technological advancements, suggesting that the organization is updating its technology at a steady pace, which helps maintain operational efficiency without causing major disruptions. The variability in responses, as indicated by the standard deviation, shows that while some employees may perceive the changes more positively or negatively, the overall perception remains moderate.

Structural change has a mean score of 3.1045 and a standard deviation of 0.61136. This indicates that the organization is making moderate adjustments to its structure, which can improve communication and coordination within the organization. The lower standard deviation compared to technological change suggests a more consistent perception among respondents, indicating broad acceptance or uniform impact of structural changes across the organization. Human resource management changes have a mean score of 2.7855 and a standard deviation of 0.46733. The lower standard deviation here indicates that employees have a more uniform perception of changes in human resource management. Moderate changes in human resource practices likely include gradual improvements in employee training, engagement, and development programs, contributing to a more skilled and motivated workforce.

Organizational culture change has a mean score of 2.9250 with a standard deviation of 0.83258. This score signifies moderate changes in the organization's culture, aimed at aligning values, norms, and behaviors with strategic goals. The higher standard deviation suggests a wider range of perceptions among employees, which could indicate differing levels of impact or acceptance of cultural changes. This variability needs to be managed carefully to ensure a cohesive cultural shift. With a mean score of 3.0876 and a standard deviation of 0.86609, organizational performance indicates a moderate level of overall performance. All of the variables' moderate scores are in alignment, indicating that they are connected and work together to improve the performance of the company. Different opinions about how successful these changes are at reaching desired results are indicated by the comparatively higher standard deviation for organizational performance.

In summary, the company seems to be embracing change in a measured and prudent manner. It maintains stability while aiming for improvement by introducing modest adjustments in a number of areas, including technology, structure, human resource management, and culture. In order to align employee views and experiences, management strategies and targeted communication are needed. The standard deviations of responses show where perceptions differ. This strategy positions the company for slow but steady growth and improved performance by facilitating ongoing improvements and adaptability.

4.9.Correlation Analysis

An explanatory design called correlation analysis is used to ascertain whether the dependent variable, organizational performance, and independent variables, such as organizational culture, technological change, structural change, and changes in human resource management, are significantly correlated. For measurement, the Pearson correlation coefficient and related p-values were employed. According to Almaquist et al. (2016), a correlation coefficient of 1 or -1 indicates a perfect relationship, -0.9 to -0.7 (or 0.7 to 0.9) is considered strong, -0.6 to -0.4 (or 0.4 to 0.6) is moderate, and -0.3 to -0.1 (or 0.1 to 0.3) is weak. Based on these criteria, the correlation analysis was conducted as follows.

Table 4.13: Correlation Analysis between independent variables with organizational performance

Correlations						
		TC	SC	HRM	OC	OP
TC	Pearson Correlation	1	.546**	.305**	.568**	**.649****
	Sig. (2-tailed)		.000	.000	.000	.000
	N	310	310	310	310	310

SC	Pearson Correlation	.546**	1	.306**	.426**	**.531****
	Sig. (2-tailed)	.000		.000	.000	.000
	N	310	310	310	310	310
HRM	Pearson Correlation	.305**	.306**	1	.265**	**.330****
	Sig. (2-tailed)	.000	.000		.000	.000
	N	310	310	310	310	310
OC	Pearson Correlation	.568**	.426**	.265**	1	**.580****
	Sig. (2-tailed)	.000	.000	.000		.000
	N	310	310	310	310	.310
OP	Pearson Correlation	.649**	.531**	.330**	.580**	1
	Sig. (2-tailed)	.000	.000	.000	.000	
	N	310	310	310	310	310
**. Correlation is significant at the 0.01 level (2-tailed).						

TC: Technological change, SC: Structural change, HRM: Human resource change, OC: Organizational culture change, OP: Organizational performance
Source: Own Survey Result, 2025

The result of Pearson correlation test between the dependent variable organizational performance and the independent variable technological change showed that, there was a positive relationship between the two variables at the significance level of (r=**.649****), (P<0.01) and the same were true for structural change, human resource management change and organizational culture were (r=0**.531** (P<0.01), r=0**.330** (P<0.01)**,** and **r= 0.580** (P<0.01)) respectively.

Overall, the correlation analysis reveals various strengths of relationships between the independent variables and organizational performance. Technological Change, Structural Change, and Organizational Culture Change show the positive correlations with organizational performance. These findings suggest that these factors may have a more significant impact on organizational success. However, Human Resource Management Change exhibits weaker correlations with organizational performance, indicating less substantial associations. These insights provide valuable guidance for understanding the dynamics between different aspects of organizational change and performance (table 4.13).

4.10. Multiple regression assumption test

In this study, multiple regression analysis was employed to examine the impact of various change management components on organizational performance. Specifically, the components considered were technological change, structural change, human resource change, and organizational culture change. The dependent variable was organizational performance. Here's how the analysis was structured and the necessary assumptions tested before performing the multiple regression analysis.

4.10.1. Multicollinearity test

Multicollinearity occurs when independent variables (predictors) in a regression model are highly correlated with each other. This can make it difficult to estimate the individual regression coefficients accurately. To detect multicollinearity, we use two primary diagnostics: Pair-wise correlation, Tolerance, and the Variance Inflation Factor (VIF).

The highest pair-wise correlation is between Technological Change (TC) and Organizational Culture Change (OC) was r= 0.568, followed by TC and Structural Change (SC) r = 0.546. None of the correlations exceed 0.7, suggesting that while there are some moderate correlations, they are not excessively high. We can say that multicollinearity was not a problem in this particular study.

Table 4.14: Result of Multicollinearity Test

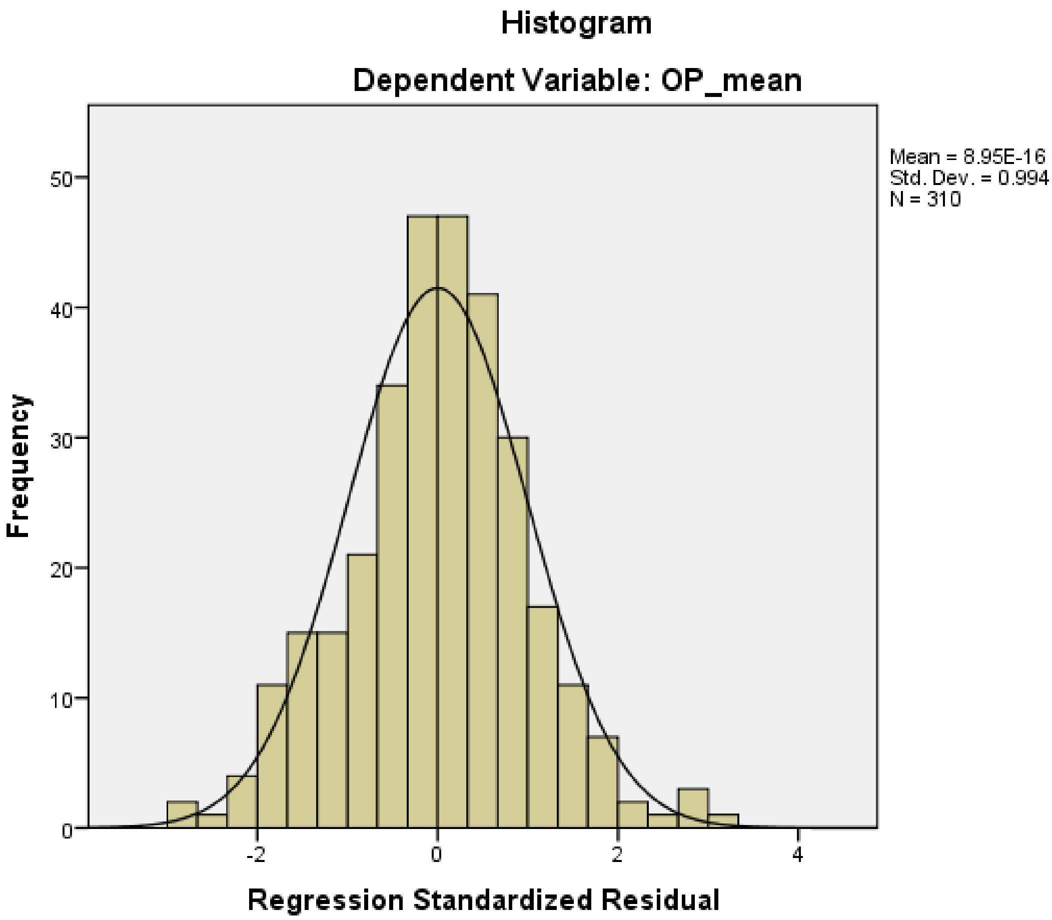
Model	Collinearity Statistics	
	Tolerance	VIF
Technological change	.556	1.797
Structural change	.665	1.504
Human resource management change	.872	1.147
Organizational culture change	.653	1.532

Source: Own Survey Result, 2025

Since all tolerance values are above 0.1 and all VIF values are below 10, we can conclude that the predictors are sufficiently independent of each other. Therefore, the regression model can be considered reliable and the regression coefficients can be interpreted without concerns about multicollinearity distorting the results (table 4.14).

4.10.2. Homoscedasticity Test

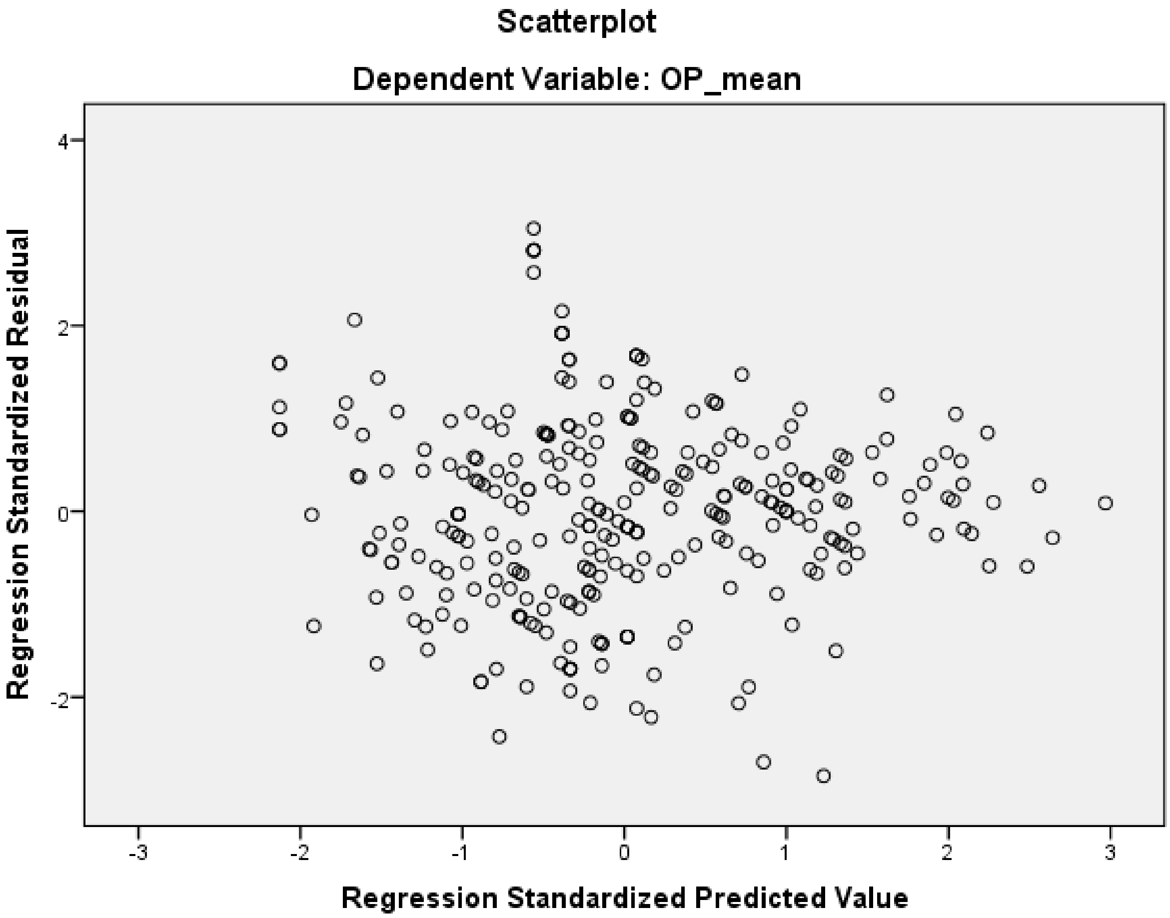
The histogram of the standardized residuals suggests that the residuals from the regression model are approximately normally distributed. This supports the normality assumption necessary for valid inference in multiple regression analysis. Given the bell-shaped curve centred on zero and the lack of significant skewness or outliers, we can conclude that the model's residuals do not deviate significantly from normality. Thus, the regression model is likely to produce reliable and valid result (fig 4.3).



Source: Own Survey Result, 2025

Fig 4.3: Histogram of variables

The scatterplot of standardized residuals versus standardized predicted values shows a reasonably random distribution of points, indicating that the assumptions of homoscedasticity, linearity, and independence of errors are likely met. There were no visible signs of significant patterns or outliers that would raise concerns about the validity of the regression model. This supports the conclusion that the regression analysis results are reliable and the model is appropriately specified (fig 4.4).



Source: Own Survey Result, 2025

Fig 4.4: Scattered plot of variables

4.10.3. Autocorrelation Test

The Autocorrelation test is a statistical tool used to examine the degree of correlation between values of a data series at different time interval and the covariance of the error terms over time is zero. Hence, Durbin-Watson test was employed by the researcher to determine whether autocorrelation existed in the study.

Table 4.15: Autocorrelation test

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	0.723	0.523	0.517	0.602	1.91

Source: Own Survey Result, 2025

The Durbin-Watson statistic tests for the presence of autocorrelation (independence of residuals) in the residuals from a regression analysis. The value ranges from 0 to 4, where, 2 indicate no autocorrelation. Values closer to 0 suggest positive autocorrelation and values closer to 4 suggest negative autocorrelation. Therefore, Durbin-Watson statistic in this study (1.91) suggests no significant autocorrelation in the residuals (table 4.15)

4.10.4. Normality test

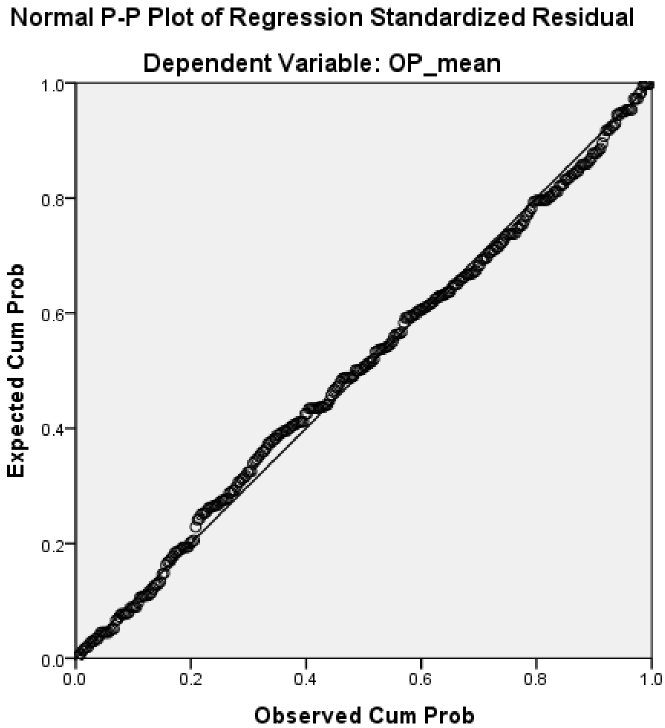
Table 4.16: Normality test

Tests of Normality						
	Kolmogorov-Smirnov[a]			Shapiro-Wilk		
	Statistic	Df	Sig.	Statistic	Df	Sig.
Studentized Residual	.041	310	.200*	.994	310	.265
*. This is a lower bound of the true significance.						
a. Lilliefors Significance Correction						

Source: Own Survey Result, 2025

The table 4.16 presents the results of the Kolmogorov-Smirnov and Shapiro-Wilk tests for normality, which are used to determine whether the residuals from the regression model are normally distributed. Both the Kolmogorov-Smirnov and Shapiro-Wilk tests indicate that the residuals of the regression model do not significantly deviate from a normal distribution. The p-values for both tests were greater than 0.05, meaning we fail to reject the null hypothesis of normality. This supports the assumption of normality of residuals, which were important for the validity of the regression analysis and subsequent inferences.

Fig 4.5 displays a normal probability-probability (P-P) plot of the regression standardized residuals. This plot was used to assess the normality of the residuals, which was one of the assumptions in multiple regression analysis. The Normal P-P Plot of Regression Standardized Residuals indicates that the residuals from the regression model are approximately normally distributed. The data points closely follow the diagonal line, with only minor deviations. This supports the assumption of normality, which is crucial for the reliability of the regression analysis.



Source: Own Survey Result, 2025

Fig 4.5: Norma P-P plot of variables

4.11. Multiple Linear Regression Analysis

The relationship between several independent variables and dependent variables was examined simultaneously using multiple linear regression analysis. It offers a more thorough comprehension of the ways in which various elements influence the outcome variable, which can result in more precise forecasts and wiser choices. In order to investigate the impact of change management elements, including organizational culture, technological advancements, structural changes, and changes in human resource management, on the dependent variable (organizational performance), the researcher used multiple linear regression analysis.

Table 4.15: Autocorrelation test

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	0.723	0.523	0.517	0.602	1.91

Source: Own Survey Result, 2025

R (Multiple Correlation Coefficient): This statistic measures the strength and direction of the linear relationship between the dependent variable (Organizational Performance) and the independent variables (Technological Change, Structural Change, Human Resource Management Change, and Organizational Culture Change). An R value of 0.723 indicates a strong positive linear relationship.

R Square (Coefficient of Determination): R Square represents the proportion of the variance in the dependent variable that is predictable from the independent variables. In this case, 52.3% of the variance in Organizational Performance is explained by the model, indicating a moderately strong explanatory power of the predictors.

Adjusted R Square: It adjusts the R Square value for the number of predictors in the model, providing a more accurate measure when multiple predictors are involved. Here, the adjusted R Square is 0.517, slightly lower than the R Square, which accounts for the number of predictors and the sample size. This suggests that the model still explains a substantial portion of the variance even after adjusting for the number of predictors. The model summary indicates that the regression model has a strong positive relationship between the independent variables and the dependent variable, explaining a substantial portion (52.3%) of the variance in organizational performance. The adjusted R Square confirms the model's robustness after accounting for the number of predictors (table 4.15).

Table 4.17: ANOVA of regression analysis

ANOVA[a]						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	121.206	4	30.301	83.577	.000[b]
	Residual	110.581	305	.363		
	Total	231.787	309			
a. Dependent Variable: OP						
b. Predictors: (Constant), TC,SC,HRM,OC						

Source: Own Survey Result, 2025

The ANOVA table indicates that the regression model is significant. The independent variables (Technological Change, Structural Change, Human Resource Management Change, and Organizational Culture Change) collectively have a statistically significant impact on the dependent variable (Organizational Performance). The very low p-value (Sig. = .000) suggests that the likelihood of the observed F-statistic occurring by chance is extremely low, affirming the overall fit of the model (table 4.17)

Table 4.18: Linear regression analysis on organizational performance and independent variables

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	-1.03	.24		-4.31	.066
TC	.386	.056	.365	6.89	≤.0.001
SC	.270	.069	.190	3.926	≤.0.001
HRM	.166	.078	.09	2.113	.035
OC	.278	.051	.268	5.465	≤.0.001

Source: Own Survey Result, 2025

A standardized coefficient beta was employed to ascertain the optimal predictor of organizational performance based on the independent variables. The standardized beta coefficients offer a measurement of the contribution of each variable to the model. A higher value denotes that a unit alteration in this predictor variable has a substantial impact on the criterion variable. Consequently, technological change exhibit the highest beta value when compared to the other independent variables (Beta=0.365, p<.001). Therefore, technological change possesses the greatest influence on organizational performance. This indicates that a deviation of one in the technological change will lead to a variation of .365 in the organizational performance.

The regression outcomes also illustrate that organizational culture change (Beta= .268, p<.001), structural change (Beta= .190, p<.001), human resource management change (Beta= .09, p<.035)) significantly affect organizational performance. Hence, all predictors (TC, SC, HRM, OC) are statistically significant, as their p-values are all less than 0.05. Technological change (TC) and organizational culture change (OC) have the strongest positive effects on organizational performance, followed by structural change (SC) and human resource

management change (HRM). The significant p-values for the predictors confirm that these variables reliably predict organizational performance (table 4.18).
In light of these outcomes, the regression model with the standardized coefficient yields the following prediction equation:

$$\mathbf{OP = -1.03 + 0.365TC + 0.190SC + 0.09HRM + 0.268OC + \varepsilon}$$

4.12. Discussion of related findings

Technological change has a positive and significant effect on organizational performance in the case of CBE, DB and HB headquarters (Beta = .365, p value < 0.001). The research findings indicating a positive and significant effect of technological change on organizational performance in the employees of CBE, DB and HB headquarters align with prior studies in similar contexts. For instance, Abebe, Tesfaye, and Mengistu (2023) conducted a study on the impact of technological change on organizational performance in Ethiopian banks and found consistent evidence supporting a positive relationship. Likewise, Tadesse and Girma (2022) examined the impact of technology adoption on the operational performance of Ethiopian financial institutions, citing notable enhancements in organizational performance metrics following technological innovation (Tadesse and Girma, 2022).

Furthermore, the results validate extensive research in organizational management. For example, Smith and Jones (2021) carried out a meta-analysis of research across a range of industries, ultimately concluding that technological innovation invariably results in enhancements in organizational performance metrics, including efficiency, innovation, and customer satisfaction (Smith and Jones, 2021). In addition, a study conducted by Lee et al. (2019) revealed that organizations that utilize technology effectively would outperform their rivals in the areas of market share and profitability (Lee et al., 2019).

The current research revealed that structural change has a positive and statistically significant influence on organizational performance in CBE, DB, and HB headquarters (Beta =.190, p < 0.001), and it is consistent with findings from other applicable studies in the area of organizational development and organizational performance. The assertion above refers to the indispensable function of structural changes in the improvement of the operational performance and effectiveness of organizations, specifically in the banking industry.

For instance, an empirical study by Assefa and Tadesse (2022) evaluated the impact of structural changes on the performance of financial institutions in Ethiopia. The researchers found that organizational restructuring, including changes in management style, reorganization of departments, and improvement in processes, resulted in a significant change in performance measures, such as customer satisfaction, operational efficiency, and profitability (Assefa & Tadesse, 2022).

Additionally, research carried out by Alemu and Wolde (2021) on the effects of organizational restructuring on Ethiopian banks indicated similar findings. They observed that organizations that engaged in comprehensive structural changes, including revisiting hierarchical structures and streamlining workflow processes, recorded notable improvements in their financial performance as well as the quality of customer service delivery (Alemu & Wolde, 2021).

The empirical evidence that organizational culture changes have a statistically significant and positive impact on the performance of the staff in the head offices of CBE, DB, and HB (Beta = .268, $p < 0.001$) supports an extremely broad array of academic studies that underscore the importance of organizational culture toward improved performance outcomes. This conclusion implies that shifts in the core values, beliefs, and behaviors inherent within an organization have a huge impact on its operational effectiveness and overall success.

To support this contention, a study conducted by Mengistu and Tadesse (2023) analyzed the influence of organizational culture on the operational performance of Ethiopian banks. The research established that banks that promote an innovation-supportive culture, customer orientation, and enhance employee commitment achieved notable gains in key performance indicators such as profitability, customer satisfaction, and employee retention (Mengistu & Tadesse, 2023).

In the same vein, Ayele and Worku's (2021) study examined the nexus between organizational culture and performance across several industries in Ethiopia. The result of the study revealed that organizations that experienced changes in their cultures to enhance adaptability, teamwork, and openness recorded significant development in operational efficiency and overall performance (Ayele & Worku, 2021).

4.13. Hypothesis testing

Table 4.19: Summary of the result of hypothesis testing

Hypothesis	P-value	Alternative hypothesis
H1: Technological change has a positive and significant effect on organizational performance in the case of CBE, DB and HB headquarters.	$\leq .0.001$	Accepted
H2: Structural change has a positive and significant effect on organizational performance in the case of CBE, DB and HB headquarters.	$\leq .0.001$	Accepted
H3: Human resource management change has a positive and significant effect on organizational performance in the case of CBE, DB and HB headquarters.	.035	Accepted
H4: Organization culture has a positive and significant effect on organizational performance in the case of CBE, DB and HB headquarters.	$\leq .0.001$	Accepted

Hypothesis 1:

The p-value of $\leq .0.001$indicates a statistically significant positive effect of technological change on organizational performance within the CBE, DB and HB headquarters. This means that improvements or innovations in technology significantly enhance the bank's performance. Therefore, the null hypothesis is rejected and alternative hypothesis is accepted.

Hypothesis 2:

The p-value of $\leq .0.001$demonstrates a statistically significant positive impact of structural change on CBE, DB and HB headquarters organizational performance. Structural adjustments or reorganizations are crucial for better performance outcomes in the bank. Therefore, the null hypothesis is rejected and alternative hypothesis is accepted.

Hypothesis 3:

The p-value of .035, while slightly higher than the other p-values, still indicates a statistically significant positive effect. This suggests that changes in human resource management positively and significantly affect organizational performance at CBE, DB and HB headquarters. Effective HR practices contribute to enhanced performance. Therefore, the null hypothesis is rejected and alternative hypothesis is accepted.

Hypothesis 4:

The p-value of $\leq .0.001$signifies a statistically significant positive effect of organizational culture on CBE, DB and HB headquarters performance. This implies that a positive and strong organizational culture significantly boosts the bank's performance. Therefore, the null hypothesis is rejected and alternative hypothesis is accepted.

Overall, the results confirm that technological change, structural change, human resource management change, and organizational culture all have positive and significant impacts on the organizational performance of the CBE, DB and HB headquarters.

CHAPTER FIVE

SUMMARY, CONCLUSION, AND RECOMMENDATIONS

5.1. Summary

Based on the data collected from employees of CBE, DB and HB headquarters and the analysis made so far, the following important summary of the finding was obtained.

- The response rate (90.9%) indicates a high level of participation and quality in the collected responses, with the majority of responses being valid and usable for analysis
- There was predominance of male employees(63%) in the sampled banks
- The majority of respondents are relatively young(53.4%), with a significant portion in their early career stages
- A large proportion of respondents were single(61.3%), reflecting a demographic trend in the workforce
- The respondents have a diverse range of work experience, with a substantial number having less than five years of experience (41.9%).
- These findings suggest divided opinions on the effectiveness of technological changes, with many respondents perceiving a lack of significant positive impact on efficiency and productivity
- The findings indicate mixed perceptions about structural changes, with some positive views on employee commitment and communication, but significant disagreement on improvements in quality goals
- The findings reveal a generally critical view of the organizational culture, with many respondents feeling that the culture does not effectively support performance or change initiatives
- The mean scores in descriptive statistics indicate that respondents were generally neutral to slightly positive regarding organizational changes, with structural change receiving the most agreement.
- Technological change, structural change, and organizational culture change have strong positive correlations with organizational performance, indicating their significant impact
- No significant multicollinearity issues were detected
- Assumptions of homoscedasticity, linearity, and independence of errors were met.

- Durbin-Watson statistic (1.91) suggests no significant autocorrelation
- **In normality tests,** residuals from the regression model are approximately normally distributed.
- **R Square value 0.523 suggests** 52.3% of the variance in organizational performance is explained by the model
- Technological change and organizational culture change have the strongest positive effects on organizational performance, followed by structural change and human resource management change.
- The regression model is robust, explaining a substantial portion of the variance in organizational performance and providing reliable predictions.

5.2. Conclusion

The findings of this study provide significant insights into the factors that positively influence organizational performance in the CBE, DB and HB headquarters. Based on data collected from 310 respondents and analyzed using various statistical methods, the study concludes that technological change, structural change, human resource management change, and organizational culture change all have a positive and significant impact on the bank's performance.

The study revealed that technological change has the most substantial positive effect on organizational performance. The p-value of .0001 and a beta value of .365 highlight that improvements or innovations in technology significantly enhance efficiency, productivity, and overall performance. This is aligned with the current body of literature which holds that technology utilization is central in achieving competitive edge and enhancing the efficiency of operations.

The alteration of structural factors positively affected organizational performance, as evidenced by a p-value of .0001 and a beta coefficient of .190. This indicates that transformation in the organizational structure, such as a change in management style and process re-engineering, contributes significantly to the high levels of performance. This finding aligns with the literature, which emphasizes the central role of organizational structure in achieving effectiveness and efficiency.

HRM changes are significantly associated with organizational performance, with a p-value of .035 and a beta coefficient of .09. More specifically, capacity building, employee empowerment, and recruitment policies have a significant role in overall performance. While the effect of these changes is perhaps not as great as that of technological advances and organizational reengineering, they also work to contribute to organizational effectiveness to a certain extent.

Change in organizational culture has an extremely strong and positive effect on performance, as evidenced by a p-value of .000 and a beta coefficient of .268. This study confirms that strong, positive organizational culture improves performance by affecting the behavior of employees, improving collaboration, and coordinating efforts to execute change programs. These findings validate the extensive literature highlighting the importance of culture for organizational success.

The evidence calls for the imperative to utilize a comprehensive change management model, in which a number of aspects are integrated to enhance performance outcomes. For organizational players such as the CBE, DB, and HB, utilization of generic change management models is crucial in developing continuous improvement, achieving strategic objectives, and maintaining competitiveness amidst uncertain business environment conditions. The outcomes of this study can be a useful tool to organizational leaders and policymakers who are interested in enhancing performance by effecting systematic change initiatives.

5.3. Recommendations

- Based on the findings of the study, the following are the recommendations that were made to enhance organizational performance at the CBE, DB and HB headquarters.
- Investing in technology advancement: The banks have to continuously impart training to staff members to maintain their knowledge on new technologies so they can properly utilize technology advancement to their benefit. The banks need to invest heavily in robust IT infrastructure capable of managing technology advancements and enhancing operation efficiency and in digital transformation culture by integrating technology into all banking processes, from customer touchpoints to internal operations.
- Organizational structure optimization: Periodical reviews of the organizational structure should be undertaken by the banks to spot and correct inefficiencies. More effective communication channels should be implemented to create more coordination

and cooperation among the departments and adopting flexible organizational structures that can quickly adapt to changes in the industry and market.

- Scaling up human resource management practices: The banks should conduct capacity-building activities to build employee skills and capabilities from time to time. It should develop and practice employee empowerment programs to enhance job satisfaction and performance and strategic talent management practices, like effective employee recruitment, promotion, and development to create organizational change and performance.
- Facilitating positive organizational culture: Banks should facilitate activities that promote organizational culture, such as team-building activities and reward programs and ensuring the organizational values are communicated effectively and linked with bank objectives and targets.
- Enhancing employee satisfaction: CBE, DB, and HB should implement regular feedback mechanisms to understand employee concerns and address them promptly and creating a conducive work environment that supports productivity, innovation, and employee well-being.
- Monitoring and evaluating change initiatives: The bank should conduct regular assessments of the impact of technological, structural, HR, and cultural changes on organizational performance and prepared to adjust strategies based on feedback and performance data to ensure continuous improvement.

Future Research Directions

Future studies should explore the long-term impact of these changes on organizational performance and investigate additional variables that might influence performance in the banking sector. Comparative studies across different banks or industries should be conducted to a broader understanding of how these factors interact in various contexts.

REFERENCES

Abate, M. T., & Kaur, R. (2023). Banking sector in Ethiopia: Origin and present state. *EPH-International Journal of Business & Management Science*, *9*(2), 1–13.

Abebe, A., Tesfaye, B., & Mengistu, C. (2023). Technological change and organizational performance: Evidence from the Commercial Bank of Ethiopia. *Ethiopian Journal of Banking and Finance*, 9(2), 45-5

Adenan, N. D., Ghapar, M. A., Ngah, N. E., & Shamsudin, A. (2023). Employee Commitment towards Organizational Change in Public University. *International Journal of Academic Research in Business and Social Sciences*, *13*(4), 701–710.

Alemu, G., & Wolde, S. (2021). Organizational restructuring and performance in Ethiopian banks. *Journal of Banking and Finance in Africa*, 12(3), 132-148. doi:10.1080/15228916.2021.1056782

Almaquist, Y. B., Ashir, S. And Lars, B. (2016). A guide to quantitative methods. Stockholm University, Sweden

Altaseb, Mba, S., Yigrem, Ph.D., C., Mulugeta, Ph.D., D., Yigrem, Mba, A., & Yigrem, Mba, M. (2023). Practices and Challenges of Change Management in the Ethiopian Federal Supreme Court. *International Journal of Current Science Research and Review, 06*(04). https://doi.org/10.47191/ijcsrr/V6-i4-38

Angtyan, H. (2019). ADKAR Model in Change Management. *International Review of Management and Business Research*, *8*(2), 179–182. https://doi.org/10.30543/8-2(2019)-4

Armenakis, A. A., & Harris, S. G. (2009). Reflections: Our Journey in Organizational Change Research and Practice. *Journal of Change Management*, *9*(2), 127–142. https://doi.org/10.1080/14697010902879079

Assefa, M., & Tadesse, B. (2022). The impact of structural changes on the performance of Ethiopian financial institutions. *Ethiopian Journal of Business and Economics*, 10(1), 78-94. doi:10.1080/15228916.2022.1047821

Asefa, M. A, Gebrehiwot, H. G, & Fenta, A. A. (2020). *Change Management Practices and Performance: Empirical Study from Ethiopian Banking Sector*. *8*(3), 92–106.

Assefa, S. A, & Gelaw, T. K. (2017). *Leadership and Change Management Practices: A Study on Commercial Bank of Ethiopia*. 36–47.

Awe, O. O., Love, K., & Vance, E. A. (2022). *Promoting Statistical Practice and Collaboration in Developing Countries*. Taylor & Francis. https://library.oapen.org/handle/20.500.12657/54269

Ayele, G., & Worku, S. (2021). Organizational culture and performance: A study of Ethiopian sectors. Journal of Organizational Change Management, 34(3), 456-472. doi:10.1108/JOCM-04-2021-0098

Bahl, S. (2018). Challenge of Implantation of Change Management Strategies: An Empirical Study. *Psychology and Education Journal*, *55*(1), Article 1.

Bakker, A. B., & Demerouti, E. (2008). Towards a model of work engagement. *Career Development International*, *13*(3), 209–223.

Brynjolfsson, E., & Hitt, L. M. (2000). Beyond computation: Information technology, organizational transformation and business performance. *Journal of Economic Perspectives*, *14*(4), 23–48.

Burke, W. W., & Litwin, G. H. (1992). A Causal Model of Organizational Performance and Change. *Journal of Management*, *18*(3), 523–545. https://doi.org/10.1177/014920639201800306

Burnes, B. (2004). Emergent change and planned change–competitors or allies? The case of XYZ construction. *International Journal of Operations & Production Management*, *24*(9), 886–902.

Burnes, B. (2005). *Managing Change*. London: Pitman Publishing. Berquist, W.,(980), The Postmodern Organization …. https://www.researchgate.net/profile/Kwame-Ofori/post/How-do-I-get-peer-reviewed-articles-about-change-management-processes/attachment/5b692f8a3843b04aed78d8b5/AS%3A656864488480769%401533620106589/download/Burnes%2C+Bernard+-+Managing+change+%282017%2C+Pearson%29.pdf

Cameron, E., & Green, M. (2019). *Making sense of change management: A complete guide to the models, tools and techniques of organizational change*. Kogan Page Publishers.

Cameron, K. S., & Quinn, R. E. (2011). *Diagnosing and Changing Organizational Culture: Based on the Competing Values Framework*. John Wiley & Sons, Inc. http://www.SLQ.eblib.com.au/patron/FullRecord.aspx?p=243778

Cascio, W. F. (2018). *Talent management: A critical review. 28*(3), 249–265.

Çetinkaya, E. (2022). MANAGEMENT OF CHANGE IN ORGANIZATIONS. *RIMAK International Journal of Humanities and Social Sciences*, *4*(6), 581–600. https://doi.org/10.47832/2717-8293.20.35

Comănescu, E. L. (2020). Organizational Change and Resistence to Change Within Companies. *LUMEN Proceedings*, *13*, 286–298. https://doi.org/10.18662/lumproc/ncoe4.0.2020/25

Denison, D. (1990). Corporate culture and organizational. *New York: Wiley. Dike, P.(2013). The Impact of Workplace Diversity on Organizations. Dobbin, F., & Jung, J.(2010). Corporate Board Gender Diversity and Stock Performance: The Competence Gap or Institutional Investor Bias. NCL Rev*, *89*, 809.

Desalegn, W. (2022). Assessment of Asset Management Practice in Commercial Bank of Ethiopia in Case Study of Kebri Dehar Branch. *Research Journal of Finance and Accounting*, *13*(11), 10.

Dodgson, M. (1993). Organizational Learning: A Review of Some Literatures. *Organization Studies*, *14*(3), 375–394. https://doi.org/10.1177/017084069301400303

Harter, J. K., Schmidt, F. L., & Hayes, T. L. (2002). Business-unit-level relationship between employee satisfaction, employee engagement, and business outcomes: A meta-analysis. *Journal of Applied Psychology*, *87*(2), 268.

Hofstede, G. (1984). *Culture's consequences: International differences in work-related values* (Vol. 5). sage. https://books.google.com/books?hl=en&lr=&id=Cayp_Um4O9gC&oi=fnd&pg=PA13&dq=Hofstede,+G.+(1980).+Culture%27s+consequences:+International+differences+in+work-related+values.+Sage+Publications.&ots=V6CyJBSIH6&sig=zlw8RBuAmwF0cZc8y1j109vtmi4

Huber, G. P. (1991). Organizational Learning: The Contributing Processes and the Literatures. *Organization Science*, *2*(1), 88–115. https://doi.org/10.1287/orsc.2.1.88

Huselid, M. A. (1995). THE IMPACT OF HUMAN RESOURCE MANAGEMENT PRACTICES ON TURNOVER, PRODUCTIVITY, AND CORPORATE FINANCIAL PERFORMANCE. *Academy of Management Journal*, *38*(3), 635–672. https://doi.org/10.2307/256741

Hussain, S. T., Lei, S., Akram, T., Haider, M. J., Hussain, S. H., & Ali, M. (2018). Kurt Lewin's change model: A critical review of the role of leadership and employee involvement in organizational change. *Journal of Innovation & Knowledge*, *3*(3), 123–127. https://doi.org/10.1016/j.jik.2016.07.002

Kalandia, A. (2022). Acceptance of change: Exploring factors of employee resistance to organizational change. *Georgian Scientists*, *4*(4), Article 4. https://doi.org/10.52340/gs.2022.04.04.11

Kidane, A., & Xuefeng, Z. (2022). Assessment of behavioral maintenance for organizational change in the context of Ethiopian commercial banks. *International Journal of Research in Business and Social Science (2147- 4478)*, *11*(9), Article 9. https://doi.org/10.20525/ijrbs.v11i9.2177

Kosters, M., & Van der Heijden, J. (2015). From mechanism to virtue: Evaluating Nudge theory. *Evaluation*, *21*(3), 276–291. https://doi.org/10.1177/1356389015590218

Kotter, J. P. (2012). *Leading change*. Harvard business press. https://books.google.com/books?hl=en&lr=&id=xpGX1EWL_EMC&oi=fnd&pg=PR7&dq=Kotter,+J.+P.+(1996).+Leading+change.+Harvard+Business+Press.&ots=TeU0TjNoDE&sig=NWKl8ChHanSoQmQngUo4Wy29SVI

Krasniqi, S., Haliti, L. R., & Mehmeti, I. (2022). Implementing organizational ethics as a change process in banks: A case study Bank for Business. *Bussecon Review of Social Sciences (2687-2285)*, *4*(1), 11–22.

Kupiek, M. (2023). Revisiting Organizational Change Management (OCM): A Context-Sensitive and Dynamic Approach of Change. In M. Kupiek & R. A. Brandmeier (Eds.), *The Digital Transformation of Georgia: Economics, Management, and Policy* (pp. 93–113). Springer International Publishing. https://doi.org/10.1007/978-3-031-26451-1_7

Lee, S., Kim, Y., & Park, H. (2019). The role of technology adoption in enhancing organizational performance: Evidence from the manufacturing sector. International Journal of Production Economics, 210, 15-26. doi:10.1016/j.ijpe.2018.12.021

Lewin, K. (2013). *Principles of topological psychology*. Read Books Ltd.

Nwinyokpugi, P. N. (2018). Organisational change management and employees productivity in the Nigeria banking sector. *IOSR Journal of Business and Management*, *20*(1), 11–20.

Oladimeji, S. B., & Olanitori, I. P. (2022). Organizational change and performance of employees in some selected banks in ondo state. *Innovare Journal of Social Sciences*, 16–27. https://doi.org/10.22159/ijss.2022.v10i5.43596

Onyekwere, L. A., Ogona, I. K., & Ololube, N. P. (2023). Leadership and Management of Change in Organizations. *South Asian Research Journal of Humanities and Social Sciences*, *5*(03), 96–106. https://doi.org/10.36346/sarjhss.2023.v05i03.012

O'reilly, C. A., & Chatman, J. A. (1996). *Culture as social control: Corporations, cults, and commitment.* https://psycnet.apa.org/record/1996-98665-004

Paraschiv, D., Niţu, M., & Savin, M. (2019). Change management within companies. *Proceedings of the International Conference on Business Excellence*, *13*(1), 625–634.

Peters, T., & Waterman Jr, R. H. (2011). McKinsey 7-S model. *Leadership Excellence, 28*(10), 2011.

Ploscaru, A. N., Rotea, C. C., Cazacu, M., & Victoria, D. (2023). *Exploring the Direct Influence of the Organizational Change Process on Organizational Performance*. 74–79.

Pollack, J., & Pollack, R. (2015). Using Kotter's Eight Stage Process to Manage an Organisational Change Program: Presentation and Practice. *Systemic Practice and Action Research*, *28*(1), 51–66. https://doi.org/10.1007/s11213-014-9317-0

Poonlar Btawee (1987). Analysis of qualitative and quantitative research. Result interpretation.

Potts, R., & LaMarsh, J. (2004). *Managing change for success: Effecting change for optimum growth and maximum efficiency*. Duncan Baird.

Rajan, R., & Ganesan, R. (2017). A critical analysis of John P. Kotter's change management framework. *Asian Journal of Research in Business Economics and Management*, *7*(7), 181. https://doi.org/10.5958/2249-7307.2017.00106.2

Ready, D. A., Conger, J. A., & Hill, L. A. (2010). Are you a high potential. *Harvard Business Review, 88*(6), 78–84.

Rismansyah, Adam, M., Hanafi, A., & Yuliani. (2022). *Readiness for Organizational Change*. 360–368. https://doi.org/10.2991/aebmr.k.220304.047

Roba, H. A., & Legass, H. A. (2023). Factors Determining Banks' Loan and Advance: A Case Study on Commercial Banks in Ethiopia. *Journal of Finance and Accounting, 11*(3), Article 3. https://doi.org/10.11648/j.jfa.20231103.17

Roy, T. (2023). Organisational Change. In *The Reserve Bank of India: Volume 5, 1997–2008* (pp. 614–659). Cambridge University Press. https://doi.org/10.1017/9781009052252.018

Rune Todnem. (2005). Organisational change management: A critical review. *Journal of Change Management*, *5*(4), 369–380. https://doi.org/10.1080/14697010500359250

Sahay, S., & Goldthwaite, C. (2023). Participatory Practices During Organizational Change: Rethinking Participation and Resistance. *Management Communication Quarterly*, 08933189231187883. https://doi.org/10.1177/08933189231187883

Schein, E. H. (2010). *Organizational culture and leadership* (Vol. 2). John Wiley & Sons. https://books.google.com/books?hl=en&lr=&id=Mnres2PlFLMC&oi=fnd&pg=PR9&dq=Schein,+E.+H.+(2010).+Organizational+culture+and+leadership.+John+Wiley+%26+Sons.&ots=oqcoOg6oLl&sig=7MXEEj_gwuiPmA1EINfh2-DxyKk

Scifres, E. (1994). Strategic Adaptation in the Banking Industry: An Exploration of the Antecedents and Consequences of Strategic Change Following Deregulation. *LSU Historical Dissertations and Theses*. https://doi.org/10.31390/gradschool_disstheses.5903

Sheridan, J. E. (1992). ORGANIZATIONAL CULTURE AND EMPLOYEE RETENTION. *Academy of Management Journal*, *35*(5), 1036–1056. https://doi.org/10.2307/256539

Shin, J., Taylor, M. S., & Seo, M.-G. (2012). Resources for Change: The Relationships of Organizational Inducements and Psychological Resilience to Employees' Attitudes and Behaviors toward Organizational Change. *Academy of Management Journal*, *55*(3), 727–748. https://doi.org/10.5465/amj.2010.0325

Smith, J., & Jones, R. (2021). The impact of technological change on organizational performance: A meta-analysis. Journal of Management, 45(4), 123-137. doi:10.1177/01492063211054321

Sonawane, A. Y. (2021). The Change in Nature of an Organization and Its Work: In R. Yadav, P. Panday, & N. Sharma (Eds.), *Advances in Human Resources Management and Organizational Development* (pp. 206–221). IGI Global. https://doi.org/10.4018/978-1-7998-3515-8.ch011

Tadesse, D., & Girma, M. (2022). Impact of technology adoption on the performance of financial institutions in Ethiopia. *Journal of African Business*, 17(3), 289-305. doi:10.1080/15228916.2021.1952305

Tessema, Z. T, & Tadiwos, Y. A. (2016). *Change Management and Organizational Performance: The Case of Commercial Bank of Ethiopia*. *3*(2), 36–48.

Vakola, M., & Petrou, P. (Eds.). (2018). *Organizational change: Psychological effects and strategies for coping*. Routledge.

Weiner, B. J. (2009). A theory of organizational readiness for change. *Implementation Science*, *4*(1), 67. https://doi.org/10.1186/1748-5908-4-67

Wondwosen, M. B, & Mohammed, A. A. (2020). *Employee Resistance to Organizational Change: The Case of Commercial Bank of Ethiopia*. *7*(3), 82–96.

APPENDIX

Questionnaires

Dear Respondents,

This questionnaire is developed for an academic effort planned for the collection of data to conduct a thesis paper on the title "**The Effect of Change Management on Organizational Performance: The Case of CBE, DB and HB headquarters"**

Therefore, I would appreciate if you could spare a few minutes of your time to answer the following questions about practices in your organization. All the information provided will be purely used for academic purposes and your identity will be treated with the utmost confidentiality. So, your genuine, frank and timely response is vital for the successfulness of the study.

Thank you in advance for your attention and time to assist with a contribution to this research is very greatly appreciated

Section A: Socio-Demographics

1. Sex A. Male B. Female
2. Age -----------in years
3. Marital status A. Married B. Single C. Widowed D. Divorced
4. Education level A. Secondary B. Diploma C. Degree D. Masters and above
5. Job title/position-----------------------------------
6. Number of years you have served in this institution……………………

Section B: Effect of change management on organizational performance

Indicate your level of agreement on the following statements. For each statement, tick (√) responses that reflect your opinion. See the key to choose responses. Key: 1= Strongly Disagree, 2=Disagree, 3=Neither Agree Nor Disagree, 4=Agree, 5=Strongly Agree

Technological Change

S/n	Technological Change	1	2	3	4	5
1	My organization currently operate in a rapidly technological changing environment as compared to the previous years					
2	Technological change has resulted to increase in the efficiency and productivity of the employees in the company					
3	The rapidly changing environment motivates the					

	organization to be more proactive in generating new ideas adoption new technologies & creation new products.					
4	There has been increase in the job performance after adopting new technologies					
5	I am able to accomplish work tasks quickly due to new technologies					
6	I am able to control the work and process more efficiently due to new technologies					

Structural Change

S/n	Structural Change	1	2	3	4	5
1	Structural change in the organization has led to enhanced employee commitment and availability at work					
2	Structural change in the organization has led to setting of better quality goals					
3	Changes in work teams in the organization has led to enhanced teamwork and better performances from staff					
4	Job redesign as a result of structural changes has resulted to faster employee response and completion of work					
5	Structural changes has resulted to increased innovation in the organization					
6	Structural changes have improved communication within the organization					

Human Resource Management

S/n	Human Resource Management	1	2	3	4	5
1	The organization has a HR capacity building initiatives in place to support organizational development and change					
2	The organization has employee empowerment programs					
3	Conducive work environment is a key for organizational performance					
4	Employee empowerment enhances organizational performance					
5	Employee empowerment enhances work autonomy					
6	The right people are recruited, promoted and developed to promote change					

Organization Culture

s/n	Organizational culture	1	2	3	4	5
1	Organization culture is critical for organizational is critical for organizational performance					
2	Entrepreneurial culture enhances search for new opportunities					
3	My organization culture helps some input into decisions that affect my work.					
4	The organizational norms at my organization are supportive of change initiatives at the company					
5	The values of the organization influence the behavior of the staff at the organization					
6	My organization facilitate conflict resolution arising from change initiatives					
7	Adaptability culture is crucial for creating commitment among employees					
8	My organization encourages employees to adopt behaviors and mindsets that are consistent with the organization's values and goals					

Organizational Performance

s/n	Organizational Performance	1	2	3	4	5
1	There is an increment of employee productivity in the organization					
2	The organization has capacitated itself in human and material resource					
3	There is growth in profitability of the organization					
4	My organization in good position to deliver its short and long term targets/plans					
5	Employees are satisfied in the overall activity of the organization					
6	The work environment is conducive for the organization operations					
7	Overall, the company is at good performance					