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STRATEGIC

MANAGING CHANGE: A STRATEGIC APPROACH TO SUSTAINABLE PERFORMANCE OF FUND MANAGEMENT COMPANIES IN KENYA

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ABSTRACT

Statement of the Problem: Fund management companies in Nairobi City County primarily focus on traditional financial performance metrics while paying limited attention to environmental, social, and governance (ESG) considerations.

Purpose of the Study: This study aimed to assess the impact of strategic change management approaches on the sustainable performance of fund management firms in Nairobi City County, Kenya.

Research Methodology: The study adopted an explanatory research design, targeting 42 fund management firms with a total workforce of 252 employees in key functional areas. A sample of 156 respondents was selected using stratified random sampling. Data was collected through structured questionnaires and analyzed using descriptive statistics, correlation analysis, and multiple linear regression.

Results: The findings indicated that training, stakeholder participation, and effective communication significantly and positively influenced the sustainable performance of fund management companies. However, rewarding change champions did not have a statistically significant effect. Among the key factors, effective communication emerged as the most influential, underscoring the importance of transparency, clear messaging, and collaboration in sustainability efforts.

Conclusion: The study concludes that fund management companies seeking to enhance their long-term performance and competitiveness should prioritize structured change management strategies. Employee training, stakeholder engagement, and clear communication are crucial drivers of sustainable performance.

Recommendations: The study recommends that fund management firms develop comprehensive training programs to equip employees with sustainability knowledge, establish participatory stakeholder frameworks to foster inclusivity, and adopt clear and transparent communication channels to enhance change implementation.

Keywords: *Managing Change, Strategic Approach, Sustainable Performance, Fund Management, Companies*

INTRODUCTION

Achieving sustainable performance within an organization requires not only environmental and social responsibility initiatives but also effective change management strategies. Traditional change management primarily focuses on guiding organizational transitions, whereas sustainability transformation seeks to align business practices with environmental, social, and governance (ESG) considerations (Hofmann & Jaeger, 2020). Both fields share essential components, including structured roadmaps and stakeholder engagement (Ik & Azeez, 2020). Change management strategies facilitate this process by encouraging employee participation, aligning corporate values with sustainability objectives, and fostering a sense of ownership over sustainability initiatives (Markard, Geels, & Raven, 2020). Addressing employee resistance, a common challenge in organizational change, requires clear communication, comprehensive training, and continuous support to enhance employee understanding and adoption of sustainable practices (Tipu, 2022).

Globally, the approach to sustainable performance is evolving. In China, the government has implemented stricter environmental regulations in response to growing concerns about pollution, compelling businesses to invest in cleaner technologies and resource efficiency (Wang, Jing, & Wang, 2017). Similarly, Africa is witnessing a shift toward sustainable business practices as companies acknowledge their role in addressing social and environmental challenges. According to Adili Africa (2023), this transition is influenced by global climate action efforts and region-specific challenges and opportunities. The 2023 Africa Climate Summit, co-hosted by the Kenyan government and the African Union Commission, marked a significant milestone, with African leaders pledging to implement policies, regulations, and incentives to promote sustainable investments. In Kenya, fund management companies are increasingly subject to stringent regulations aimed at improving transparency, investor protection, and sustainability. However, implementing these regulations has faced resistance due to inadequate change management practices (Capital Markets Authority [CMA], 2021). Additionally, the adoption of fintech solutions and digital investment platforms is reshaping the sector, and companies that fail to manage these transitions effectively risk operational inefficiencies and reduced competitiveness (Deloitte, 2020).

Sustainable performance extends beyond financial profits to consider the broader impact of business operations on society and the environment. The triple bottom line approach—profit, planet, and people—underscores the importance of balancing financial success with social and environmental responsibilities (Nikolaou, Tsalis, & Evangelinos, 2019). Companies that integrate sustainability into their business models often experience long-term financial gains through cost savings, enhanced brand reputation, and access to new markets (Le, 2023). Environmental sustainability, in particular, focuses on reducing negative business impacts on the ecosystem by minimizing carbon emissions, resource depletion, and waste generation (Bennett et al., 2018). Organizations that prioritize these practices not only mitigate risks associated with climate change but also capitalize on the growing demand for environmentally friendly products and services.

Effective change management is essential for organizations to navigate transitions, integrate sustainable practices, and maintain competitiveness. Change management strategies, such as proactive planning, employee engagement, and structured communication, can reduce resistance and facilitate smooth transitions (Cameron & Green, 2015). A study by Wang and Gupta (2022) found that organizations that incentivize change champions demonstrate improved sustainable performance across environmental, social, and economic dimensions. Similarly, Garcia and Nguyen (2019) found that stakeholder engagement plays a crucial role in corporate sustainability, with companies that effectively engage stakeholders outperforming others in financial stability and ESG initiatives. Fund management companies, operating within a regulated financial landscape, must implement robust change management frameworks to adapt to regulatory shifts and technological advancements while ensuring long-term sustainability (Belghitar, Clark, & Deshmukh, 2017).

STATEMENT OF THE PROBLEM

Many asset management firms in Nairobi City County continue to emphasize traditional financial metrics over environmental, social, and governance (ESG) factors in investment decisions. This limited integration of sustainability practices poses a challenge to achieving long-term sustainable performance (Kenya Bankers Association, 2020). Heightened regulatory requirements, such as the Nairobi Securities Exchange’s (NSE) ESG disclosure mandate introduced in 2021, further necessitate the adoption of robust change management strategies. However, compliance rates remained low by December 2022 due to weak enforcement mechanisms (Capital Markets

Authority [CMA], 2022). While global trends and investor demand are expected to drive ESG adoption, East African regulators are currently developing standardized sustainability reporting frameworks (CMA, 2024). Effective change management strategies, including training, rewarding change champions, stakeholder participation, and effective communication, could help asset managers transition from conventional performance measures to sustainability-oriented approaches.

Existing research has explored the relationship between sustainability practices and financial performance, but studies on the role of change management in sustainable performance remain limited, particularly within the Kenyan fund management sector. Studies conducted in China (Wang et al., 2022) and Nigeria (Gadi et al., 2019) have examined stakeholder engagement and change management strategies, but they focus on different industries and contexts. While Mwangi and Kibet (2018) found a positive link between ESG factors and financial performance in Kenya, their study did not explicitly address change management strategies. In addition, Ouma and Kiweu (2017) highlighted the importance of stakeholder inclusivity in addressing sustainability challenges, but their study was limited to Barclays Bank and relied on stakeholder theory. Nyangito and Ogilo (2019) emphasized the importance of clear sustainability reporting in Kenyan financial institutions but did not specifically focus on asset management firms. This gap shows the need for research examining how change management strategies influence the sustainable performance of fund management companies in Kenya.

OBJECTIVES OF THE STUDY

The study was guided by the following specific objectives;

i. To ascertain training effects on sustainable performance of Kenya's Nairobi City County fund management companies.
ii. To establish rewarding change champions' influence on sustainable performance of Kenya's Nairobi City County fund management companies.
iii. To assess stakeholder participation impacts on sustainable performance of Kenya's Nairobi City County fund management companies.
iv. To examine effective communication effects on sustainable performance of Kenya's Nairobi City County fund management companies.

REVIEW OF LITERATURE

THEORETICAL REVIEW

The study was grounded in four theoretical frameworks: the Triple Bottom Line (TBL) approach, Dynamic Capability Theory, Kurt Lewin's Change Management Model, and Prosci's ADKAR Model. The TBL approach, developed by Elkington (1994), emphasizes that businesses should assess their performance not only based on financial gains but also on their social and environmental impact. This framework is crucial for fund management firms in Nairobi, as integrating social and environmental considerations into their operations can enhance their credibility, attract socially conscious investors, and foster sustainable business models (Capital Markets Authority [CMA], 2023, 2024). Similarly, the Dynamic Capability Theory, proposed by Teece (1997), highlights the importance of a firm's ability to sense, seize, and reconfigure resources in response to market changes. This theory is particularly relevant for fund management firms operating in a highly competitive and evolving financial sector. To sustain their market position, these firms must continuously innovate, adapt, and respond to regulatory changes and investor preferences. By fostering a culture of agility and innovation, they can anticipate market trends, mitigate risks, and maintain long-term sustainable performance.

In addition, the study was informed by Kurt Lewin's Change Management Model and Prosci's ADKAR Model, both of which provide structured approaches to managing organizational change. Lewin's model (1947) emphasizes a three-stage process—unfreezing, changing, and refreezing—that helps organizations transition smoothly by first challenging existing practices, implementing change, and then reinforcing new strategies to ensure sustainability. For fund management firms in Nairobi, this model underscores the need to reassess conventional investment approaches, integrate sustainable practices, and provide employees with adequate training to minimize resistance. Prosci's ADKAR Model focuses on individual change, highlighting the importance of Awareness, Desire, Knowledge, Ability, and Reinforcement in successful change adoption (Hiatt, 2006). This model is particularly relevant for fund management firms as it ensures that employees not only understand the need for change but are also equipped with the necessary skills and motivation to implement it effectively.

EMPIRICAL REVIEW

The study analyzed related studies in terms of objectives, methodology, findings and conclusion. For instance, Fada and Sabo (2017), established that training and development increase staff productivity and have an effect on the long-term viability. It relied on a survey research design. A study examining the complex impacts of eco-friendly training on sustained performance over time within the financial services industry was conducted by Archana and Gerald (2024). The investigation, which included confirmatory factor analysis and path analysis, found that all three of the sustainable training characteristics were found to influence performance positively. Strangely, social green training came in second and third, with strategic training being the most important component. However, the study used qualitative data. The effect of green training on sustainable business advantage was evaluated by Barakat et al., (2023), investigating how green supply chain techniques can act as a mediator. The study included 583 Saudi contract workers in manufacturing. The research indicated that eco-friendly supply chain methods serve as a link between this connection. Operational effectiveness, environmental performance, and resource efficiency are all improved by green training.

A study conducted by Lee and Chen (2021) looked into how rewarding change champions affected businesses' long-term performance. The research made use of cross-sectional approach. Utilizing a sample of fifty businesses from a range of industries, the researchers put in place a reward program aimed at staff members who showed a remarkable dedication to leading sustainability projects. Through regression analysis, it was found that companies with well-structured reward programs for change champions experienced significant improvements in sustainable performance metrics such as resource efficiency, carbon footprint reduction, and stakeholder satisfaction. Wang and Gupta (2022) on their part examined the effectiveness of rewarding change champions in promoting sustainable practices within organizations. Using a closed-ended questionnaire, primary data was gathered. The results indicate that companies that actively reward and recognize change champions demonstrate higher levels of sustainable performance across environmental, social, and economic dimensions, suggesting that incentivizing these individuals can serve as a strategic tool for fostering sustainability within organizations. Johnson and Smith, (2017) carried out longitudinal research to investigate how stakeholder participation influenced sustainability performance over a period of ten years. The research investigation was conducted using an explanatory study. Results indicated that enhanced sustainable performance outcomes were positively correlated with increased levels of stakeholder participation indicating that companies that actively involve stakeholders in decision-making processes tend to achieve better sustainability performance over time.

Researchers Gulich et al. (2021) explored the effect of internal sustainability communication on the culture of corporations within sustainable businesses in Germany. Their qualitative study, based on fifteen expert interviews from Germany's top 200 sustainable companies, identified opportunities for improving such communication strategies and suggested a positive link between internal sustainability communication and both overall corporate culture and individual employee attitudes and behaviors. Musheke (2021) study was determined to ascertain effective communication impacts on firm performance. The study found that effective communication positively impacts sustainable organizational performance. It employed a quantitative research approach, analyzing data from 88 participants using a survey grounded in systems theory. Descriptive statistics and Pearson’s correlation coefficient interpreted the results.

RESEARCH METHODOLOGY

The research employed an explanatory research design to explain the cause-and-effect relationship between specific change management strategies and sustainable performance. As posited by Fisher and Ziviani (2018), the goal of explanatory research design is to furnish a thorough comprehension of the connection between variables through the exploration of causal relationships. Consequently, through the utilization of explanatory research design, the investigation had the capacity to scrutinize the intricacies of change management procedures and pinpoint the fundamental catalysts for successful organizational change. This form of inquiry also facilitated a more profound examination of the associations among diverse variables and assist in unveiling the underlying mechanisms that propel organizational change and efficacy.

The research targeted all licensed fund management companies in Nairobi City County. According to the Capital Markets Authority (CMA), there were 42 fund management companies in Nairobi City County (CMA, 2023) which formed the target population of this study. A census of the 42 licensed fund management companies was undertaken ensuring full representation of the study populace as recommended by Mugenda and Mugenda (2013). This method was also used by

Njagi, Muathe and Muchemi (2018). Moreover, stratified and simple random techniques were utilized. The target population was stratified into 6 key personnel functions giving a total of 252 respondents who included Risk, Governance and Compliance officers, the human resource managers, the Internal Auditors, Client service managers, heads of Finance and accounting and Portfolio or wealth managers. Semi structured questionnaire was utilized for data collection. A semi structured questionnaire has the advantage of combining both structured and semi structured segments, allowing for comparable and reliable data with the flexibility to ask follow up question (Einola & Alvesson, 2021).

Information gathered for this research was carefully coded, inputted, and examined with SPSS version 26. To fully understand the research findings, this research employed both qualitative and quantitative approaches. Quantitative data underwent a range of statistical tests, such as descriptive and inferential analyses. Descriptive statistics like averages and spreads was used to summarize and explain the data. Inferential statistical analysis was employed via correlation analysis and multiple regression modeling to examine relationships among variables and identify key predictors. The coefficient of determination (R^2) quantifies the extent to which the variability in the dependent variable can be attributed to the independent variables in a regression model (Wooldridge, 2020). A multiple regression model examines the connections between the independent and dependent variables in the research framework (Alexopoulos, 2010; Katipamula, Reddy, & Claridge, 1998).

$Y= \beta_0+\beta_1X_1+ \beta_2X_2+ \beta_3X_3+ \beta_4X_4+ \varepsilon$

Where;

$_Y$ = Sustainable Performance

β0= Constant (intercept)

β1, β2, β3 and β4 = Beta coefficients of independent variables

X1 = Training

X2 = Rewarding change champions

X3= Stakeholder participation

X4= Effective Communication

ε = error term that represents the model's unexplained variations.

RESEARCH FINDINGS AND DISCUSSION

The study targeted 156 participants, with 113 successfully completing the questionnaires, resulting in a 72% response rate, which exceeds the 50%-60% threshold for survey-based research (Mugenda & Mugenda, 2013). The 28% non-response rate was likely due to busy schedules or reluctance to participate. The high response rate indicated strong engagement, reflecting the relevance of change management strategies and sustainable performance to fund management firms. Follow-up reminders and clear communication helped improve participation, ensuring the reliability of the findings.

DESCRIPTIVE STATISTICAL ANALYSIS

This section presents the descriptive statistical analysis of key variables, including training, rewarding change champions, stakeholder participation, and effective communication. The results summarize the mean and standard deviation values, indicating the central tendency and variability of responses.

Table 1: Descriptive Statistics

Descriptive Statistics	Mean	Std Dev
Training	3.970	0.820
Rewarding Change Champions	3.670	0.900
Stakeholder Participation	3.970	0.700
Effective Communication	4.000	0.730

The results indicate that effective communication had the highest mean score (M = 4.000, SD = 0.730), suggesting that respondents strongly agreed on its importance in sustainable performance. Training and stakeholder participation both had a mean of 3.970, with stakeholder participation showing slightly lower variability (SD = 0.700), implying a more consistent agreement among respondents. Rewarding change champions had the lowest mean (M = 3.670, SD = 0.900), indicating a relatively lower level of agreement on its impact compared to the other factors. These findings highlight the significance of communication, training, and stakeholder engagement in driving sustainable performance in fund management firms.

CORRELATION ANALYSIS

This analysis examines the relationship between Training, Rewarding Change Champions, Stakeholder Participation, and Effective Communication and the dependent variable (Sustainable Performance) for fund management companies in Nairobi City County. Pearson correlation coefficients (r) measure the strength and direction of associations, where: r values range from -1 to +1 Positive values indicate direct relationships Significance (p-value < 0.01) means the relationship is statistically significant at a 99% confidence level. The correlation analysis according to Muathe (2018) is important to be conducted prior to conducting regression analysis to test whether there exists linear relation between the study variables and further to determine whether there are incidences of multi-collinearity which may affect the regression analysis.

Table 2: Correlation Matrix

		Training	Rewarding Change Champions	Stakeholder Participation	Effective Communication	Sustainable Performance
Training	Pearson Correlation	1				
	Sig. (2-tailed)					
	N	113				
Rewarding Change Champions	Pearson Correlation	.621**	1			
	Sig. (2-tailed)	0.000				
	N	112	113			
Stakeholder Participation	Pearson Correlation	.614**	.679**	1		
	Sig. (2-tailed)	0.000	0.000			
	N	113	113	113		
Effective Communication	Pearson Correlation	.651**	.511**	.670**	1	
	Sig. (2-tailed)	0.000	0.000	0.000		
	N	113	113	113	113	
Sustainable Performance	Pearson Correlation	.596**	.563**	.554**	.628**	1
	Sig. (2-tailed)	0.000	0.000	0.000	0.000	
	N	113	113	113	113	113

Training ($r = 0.596$, $p = 0.000$) indicates that training positively significantly contributes to sustainable performance in fund management companies. The finding implied that training is essential, as it shows strong correlations with sustainable performance. The study finding supported those of Fada and Sabo (2017) who established that training and development increase staff productivity and have an effect on the long-term viability. The study finding also concurred with Archana and Gerald (2024) who found that sustainable training influenced performance positively. Similarly, Barakat et al., (2023) research also indicated operational effectiveness, environmental performance, and resource efficiency are all improved by green training.

A correlation result ($r = 0.563$, $p = 0.000$) showed that rewarding employees who lead change has a moderate to strong positive correlation with sustainable performance. Recognizing and incentivizing employees who drive change fostered motivation, innovation, and long-term business success. The findings further supported those of Wang and Gupta (2022) whose results indicated that companies that actively reward and recognize change champions demonstrated higher levels of sustainable performance across environmental, social, and economic dimensions, suggesting that incentivizing these individuals can serve as a strategic tool for fostering sustainability within organizations.

Stakeholder Participation and Sustainable Performance had $r = 0.554$, $p = 0.000$ which implied that stakeholder participation has a moderate positive correlation with sustainable performance. The finding implied that companies that engage stakeholders effectively in decision-making, collaboration, and governance tend to achieve better long-term sustainability outcomes. The finding supported Johnson and Smith, (2017) that indicated that enhanced sustainable performance outcomes are positively correlated with increased levels of stakeholder participation, indicating that companies that actively involve stakeholders in decision-making processes tend to achieve better sustainability performance over time.

Finally, effective communication and sustainable performance had $r = 0.628$, $p = 0.000$ implying that effective communication had the strongest correlation with sustainable performance among the four independent variables. Clear, transparent, and diverse communication strategies contribute significantly to long-term business growth and sustainability. The study also concurred with Musheke's (2021) study findings that showed that good communication improves sustainable organizational performance. It further aligned with Kalogiannidis et al. (2023), who revealed effective internal communication within a company is vital enhancing sustainability during periods of uncertainty.

Multiple Regression Analysis

Table 3 depicts Multiple Regression Analysis model summary, showing how well independent variables (Effective Communication, Rewarding Change Champions, Training, and Stakeholder Participation) explain the variation in Sustainable Performance.

Table 3: Model Summary for The Multiple Regression Analysis

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.725a	0.526	0.509	0.39747

a Predictors: (Constant), Effective Communication, Rewarding Change Champions, Training, Stakeholder Participation

R-Square (R^2) = 0.526. R^2 quantifies the extent to which the variability in the dependent variable can be attributed to the independent variables. The results implied that 52.6% of variability in sustainable performance was explained by combined effect of training, rewarding change champions, stakeholder participation, and effective communication. The other 47.4% is affected by additional elements that are not accounted for in this model. The model explains over 50% of the variance in sustainable performance, indicating that training, rewarding change champions, stakeholder participation, and effective communication are key drivers of sustainable performance of fund management companies in Nairobi City County, Kenya. The ANOVA (Analysis of Variance) table helps determine regression model overall significance adopted to explain variations in sustainable performance of fund management companies in Nairobi City County, Kenya explained by the independent variables.

Table 4: ANOVA for The Multiple Regression Analysis

ANOVA	Sum of Squares	Df	Mean Square	F	Sig.
Regression	18.941	4	4.735	29.974	.000b
Residual	17.062	108	0.158		
Total	36.003	112			

F-Statistic (F = 29.974, Sig. = 0.000) showed that the regression model was statistically significant. This means that at least one of the independent variables or a combination of them meaningfully contributes to sustainable performance of fund management companies. Meaning that training, rewarding change champions, stakeholder participation, and effective communication notably impact Kenya's Nairobi City County fund management companies' sustainable performance.

Regression coefficients table 6 below presents the relationship between each independent variable (Training, Rewarding Change Champions, Stakeholder Participation, and Effective Communication) and the dependent variable (Sustainable Performance) in fund management companies.

Table 5: Multiple Regression Analysis Coefficients

Coefficients	B	Std. Error	Beta	T	Sig.
(Constant)	1.203	0.271		4.444	0.000
Training	0.198	0.072	0.252	2.743	0.007
Rewarding Change Champions	0.087	0.074	0.109	1.181	0.240
Stakeholder Participation	0.192	0.094	0.204	2.035	0.044
Effective Communication	0.252	0.092	0.282	2.739	0.007

Coefficient for training was $\beta = 0.198$, meaning a 1-unit increase in training would result to a 0.198 increase in sustainable performance of fund management companies in Nairobi City County, Kenya holding other factors constant. T-statistics = 2.743, $p = 0.007$ (< 0.05) Since $p < 0.05$, training was found to substantially impact Kenya's Nairobi City County fund management companies' sustainable performance. This implied that fund management companies that invested in employee training significantly improved their sustainable performance. The study finding supported those of Fada and Sabo (2017) who established that training and development increase staff productivity and have an effect on the long-term viability. It also concurred with Archana and Gerald (2024) who established that sustainable training influence performance positively. Similarly, Barakat et al., (2023) research indicated operational effectiveness, environmental performance, and resource efficiency are all improved by training.

Rewarding Change Champions had a coefficient $\beta = 0.087$, meaning a 1-unit increase in rewarding change champions led to a 0.087 increase in Kenya's Nairobi City County fund management companies' sustainable performance. The results of $t = 1.181$, $p = 0.240$ (> 0.05) Since $p > 0.05$, this variable is not statistically significant, meaning it did not contribute significantly to sustainable performance of fund management companies in Nairobi City County. These findings failed to support those of Wang and Gupta (2022) whose results indicate that companies that actively reward and recognize change champions demonstrate higher levels of sustainable performance across environmental, social, and economic dimensions, suggesting that incentivizing these individuals can function as a strategic instrument for fostering sustainability within organizations.

Regression analysis results showed that stakeholder participation ($p = 0.044$), and effective communication ($p = 0.007$) positively notably affected Kenya's Nairobi City County fund management companies' sustainable performance. $\beta = 0.192$, implied that a 1-unit increase in stakeholder participation led to a 0.192 increase in sustainable performance while $\beta = 0.252$, implied that a 1-unit increase in effective communication led to a 0.252 increase in sustainable performance of Kenya's Nairobi City County fund management companies. The finding supported Johnson and Smith, (2017) results that indicated that enhanced sustainable performance outcomes are positively correlated with increased levels of stakeholder participation indicating that companies that actively involve stakeholders in decision-making processes tend to achieve better sustainability performance over time. The study also agreed with Musheke's (2021) study findings that communication improves sustainable organizational performance and with Kalogiannidis et al. (2023) findings that that during periods of uncertainty, effective internal communication within a company contributes positively to its sustainability.

CONCLUSION

The study concludes that employees who receive structured training programs gain essential skills, knowledge and competencies that enable them to carry out their responsibilities efficiently, drive innovation, and adapt to organizational changes. It further concluded that organizations investing in continuous learning and development achieve better long-term sustainability outcomes. Additionally, it revealed that while recognizing and incentivizing employees for driving change is beneficial, it may not independently contribute significantly to sustainable performance. Moreover, the study concluded that the effectiveness of reward programs may depend on how well they are structured and integrated into the overall organizational culture.

On the engagement of stakeholders in decision-making, governance, and strategic planning in enhancing transparency, accountability, and organizational effectiveness, this study concluded that that firms that embrace inclusive and collaborative management practices are more likely to achieve long-term success. It also concludes that fund management firms should adopt stakeholder-centric policies that foster meaningful engagement and shared decision-making. Further, it concludes that effective communication is the most critical factor influencing sustainable performance in fund management firms. Clear, transparent, and well-structured communication were found to ensure that employees understand organizational goals, reduces conflicts, enhances teamwork, and promotes accountability. Organizations that invest in advanced communication technologies and feedback mechanisms are more likely to sustain their performance in the long run.

RECOMMENDATIONS

It is recommended that fund management firms continue to prioritize employee training and development initiatives. Training should be structured and aligned with the organization's long-term goals to enhance employees' skills and competencies. Companies should invest in both technical and leadership training to foster innovation, improve efficiency, and support the achievement of Key Performance Indicators. Additionally, firms should provide opportunities for continuous learning, which can help employees adapt to changes in the industry, thus supporting overall organizational sustainability. Fund management firms are also urged to adopt more inclusive practices that engage stakeholders (employees, clients, investors, and the community) in the decision-making process. This can be achieved through regular stakeholder forums, surveys, consultations, and collaborative partnerships. By embedding stakeholder feedback into strategic planning and day-to-day operations, firms can build stronger relationships, improve transparency, and ensure that their actions align with stakeholder expectations, ultimately supporting sustainable growth.

Since effective communication was found to be significant in contributing to sustainable performance, it is recommended that fund management firms invest in robust communication channels that ensure transparency, accountability, and clarity across all levels of the organization. This includes adopting advanced communication technologies, such as intranet portals, video conferencing, and automated reporting tools, and fostering an environment where open feedback is encouraged. Regular feedback mechanisms, such as employee surveys and client satisfaction surveys, should also be implemented to ensure continuous improvement in communication processes.

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