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# STRATEGY IMPLEMENTATION ON THE PERFORMANCE OF AGROCHEMICAL COMPANIES IN NAIROBI COUNTY

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## **ABSTRACT**

An organization's ability to be proactive, efficient, and inventive is enhanced by successful strategy implementation. These strategies are the result of proactive projection of an organization's future in terms of accomplishing its goals. The study's general objective was to determine the effect of strategy implementation on the performance of Agrochemical Companies in Nairobi County. The specific objectives were to determine the effect of operational responsiveness, and to access the effect of adhocracy culture on the performance of Agrochemical Companies in Nairobi County. The study was anchored on resource-based view theory, and theory of change. This study adopted a descriptive research design. The target population was 59 Agrochemical Companies in Nairobi County, as listed by the Agrochemicals Association of Kenya (AAK). The study used purposive sampling to select 59 administration managers, 59 customer service managers and 59 finance managers, making the sample size of 177. The study used primary data, which was collected using semi-structured questionnaires. Secondary data was obtained from AAK annual reports. A pilot study was conducted on 18 respondents representing 10% of the sample. The questionnaires were tested for face, content, criterion based and construct validity. Reliability was tested using Cronbach's Alpha Coefficient method. Descriptive and inferential statistics were analyzed using SPSS version 26 and presented in tables. The study concluded that operational responsiveness has a positive and significant effect on the performance of agrochemical companies in Nairobi County. The study also concluded that adhocracy culture has a positive and significant effect on the performance of agrochemical companies in Nairobi County. The study recommended that managers in agrochemical companies should commit to effective strategy implementation through strategic operational responsiveness, proper decision making and communication, adoption of adhocracy culture and incorporation of operationally response mechanisms in order to swiftly, efficiently and adequately satisfy dynamic customer needs.

**Key Words:** strategy implementation, operational responsiveness, adhocracy culture, performance of Agrochemical Companies

# **Background of the Study**

Strategy is the direction and scope of the organization over a long period which delivers a competitive advantage for the organization in a dynamic business environment. Successful strategy constitutes organizations resources and main skills in order to sufficiently attain the organizations goals and objectives. Strategy becomes valuable when it is effectively transformed into action and preferred results. Strategy must be operationalized and institutionalized successfully in the organization for successful implementation of projects (Johnson, 2017). According to Perrow (2016), strategic management is the planned process by which an organization adopts strategic leadership. Strategy implementation is what drives the organization along a perceived path to achieve a competitive advantage. Strategic management is about managing the future, and successful strategy formulation is critical because it drives an organization's attention and actions, even though the actual executed strategy may differ significantly from what was intended, planned, or thought initially.

Strategy implementation is the process of putting strategies into action so that performance can be shifted from its current state to a desired future one (Johnson & Scholes, 2008). According to Olson et al. (2018), up to 58 percent of businesses perform badly due to ineffective implementation of performance-enhancing measures. Organizations can synchronize their operations through strategic management to propel their rivalry ahead of their industry counterparts. According to Robin (2014), well-formulated strategies can only lead to higher business performance if they are successfully implemented.

Organizations should plan and put into action strategies for growth, sustainability, and competitiveness. This is because organizations exist in an open system and therefore affected by external conditions they cannot control (Pearce, 2013). According to Jones (2010), sometimes organizations introduce new projects that overlap the on-going projects. The new projects consume organization resources, funds which calls for strategic management. Without proper strategic plan implementation, funds can be channeled to other projects straining the limited resources and human resources. Strategy implementation necessitates an organization's team to assess every risk related to the plan to eradicate them for effective implementation (Pearce & Robinson, 2011).

An organization's ability to be proactive, creative, and inventive is enhanced by successful plan execution. It is proactive in the sense that it will carry out strategies that it has devised. These plans are the result of proactive projection of an organization's future in terms of accomplishing its goals. Organizations will no longer be reactive, waiting for problems to materialize before acting, but will instead become change agents, inhibiting the "bad" from occurring while achieving long-term and sustainable goals (Hrebiniak, 2016). Organizations need strategy implementation to have smooth operations and realize their vision, mission and aims.

## **Statement of the Problem**

According to Kenya National Bureau of Statistics (KNBS, 2022), Agriculture contributes to 22.4.% nominal GDP in the country, which implies that the sector has a significant influence on the economic growth, and therefore any decline in performance negatively affects the economy. The demand for pesticides in Kenya is fairly high and increasing continuously and ideally, this increase in demand should pose an increase in sales, hence great performance. According to Kaplan (1992), every company should work towards retaining its customers, improving their internal process and growing from their previous sales. However, the performance of Agrochemical firms in Kenya have been fluctuating. Despite the import analysis conducted by the AAK showing an increase on the imports of agrochemicals between years 2016 and 2017 and 2018, by

32.65%, 10.84% and 3.2% respectively, the reports of the years ,2020 and 2021 show a decline by 15% and 12% respectively. This has been attributed to inability of Agro-chemical firms to anticipate customer expectations, proliferations and increasing generic products in the industry leading to aggressive price competition within the industry (KNBS, 2021). According to David (2011) inability to plan properly due to changing customer expectations and the need for real time, accurate planning, scheduling, repackaging in different pack sizes and deliveries to distributors, has also led to poor performance of the firms. The unstable state of the industry therefore raises concern to the country's economy, hence calling for further investigations.

The strategic plan of an organization is supposed to be a guiding document for the business, but if it isn't implemented properly, it might become ineffectual (Sutton, 2016). For example, unsuccessful implementation of strategic plans makes hard for organizations to achieve their goals. Price Water Coopers (2016) pointed out that only 8% of organizations have the ability to effectively bridge the gap between strategy planning and implementation. Mitchell, Colantonio, Nguyen and Larson (2016) noted that 90% of the strategies are unsuccessful due to weak strategy implementation. According to Higgs and Dulewicz (2016), 90% of well-planned strategic plans flop at implementation phase and just 10% of the plans are successfully implemented. Baroto, Arvand and Ahmad (2016) found that 66% of organization strategies are never implemented, and only 63% of funding objectives proposed by the strategies are attained and that strategies are usually unsuccessful due to implementation setbacks. Chege (2016) asserted that over 90% of the strategies are unsuccessful not because of planning but implementation hurdles.

Studies carried out in Kenya on strategy implementation focused basically on banking industry, manufacturing industries, textile, faith base institutions, among others. County. For example, a study carried out by Chando (2017), on the effect of strategy implementation on organization performance found that strategy implementation enables organizations to attain set objectives and recommended effective communication of planned strategies. Mathore (2016) also investigated on effect of strategy implementation on performance of diamond bank. Findings of the study indicated that there is a significant relationship between strategy implementation and bank performance. Mbithi (2016) study on influence of strategy implementation on performance of Kenya Bureau of Standards found that organization culture, staff engagement, and technology influenced organization performance. Kerubo (2019) investigated nexus between strategy implementation in faith-based organizations and found that strategy implementation was significantly related to performance. However, none of reviewed studies investigated strategy implementation on the performance of Agrochemical companies. This study, therefore, aimed at establishing the effect of strategy implementation on the performance of agrochemical companies.

## **Research Objectives**

- To determine effect of operational responsiveness on performance of Agrochemical companies in Nairobi County.
- ii To assess effect of adhocracy culture on performance of Agrochemical companies in Nairobi County.

#### LITERATURE REVIEW

# **Theoretical Review**

## **Industry Organization Theory**

Industry organization theory was created by Porter (1980). The theory is on how a structure of a market influences the strategy decision making in an organization. I/O model is mainly concerned with competition and monopolistic. Strategic position of a firm concentrates on maximizing returns on investments, sustainability, cost of the products/services offered, marketing strategies,

and innovativeness due to constant market changes. Strategists focuses on business profits, productivity, innovativeness, and quality of products when measuring performance.

Porter (1980) recognizes the need of organizations in developing proper competitive strategies in order to obtain superior results. The source of profits, according to Wiersema (1995), is not the firm, but rather the industry's structure, particularly the form and balance of its competitive forces. The sources of value for the firm, according to the IO theory, are embedded in the competitive scenario that characterizes its external product marketplaces. The sources of market strength of a company, according to this viewpoint, explain its relative performance. As a result, when a company operates in a market with a monopoly or a strong market position, its predicted performance will be higher. Similarly, an industry with complicated hurdles to enter for competitors has a high chance of performing better since competition is very low. Therefore, organizations leaders must make decisions based on the competitive environment to achieve optimum performance. This theory anchors operational responsiveness, as it focuses on the alignment of organizations to market structures so as adequately respond to market demands while maximizing on returns.

# **Kurt Lewin's Theory of Change**

This was created by (Lewin, 1951) who specified three steps that an organization goes through when implementing organizational change. Driving factors facilitate change by directing staff in the preferred direction, whereas restricting forces block change by directing staff in the opposite direction. The majority of change agents are managers, who are ensures that new system is operational and that all workers are involved in the refreezing process (Hughes, 2007). In Lewin's change model, there are three steps. **Unfreeze:** Disrupting the current mindset by reducing factors aimed at maintaining the status quo. Normally, exposing a troubling circumstance or challenge to employees aids in their understanding of the significance of change and the search for fresh solutions. In this step, an organization's top leadership must "preach the gospel" of the impending change to all employees and persuade them that the change will benefit everyone in the long run. **Transition:** Changing organizational processes and structures, as well as development approaches, to establish new values, attributes, and attitudes. When management must lead the transformation journey alongside their employees, there may be some uncertainty as they transition from traditional workplace approaches to new ones.

**Freeze:** This step entails the crystallization and adoption of ownership of new processes or how staff carry out their duties. Unless modifications are enhanced by freezing, the organization could return to its prior way of doing things at this time. Furthermore, managers must play a vital role at this point, or all of the benefits envisioned while starting the change process may not be realized. Organizations adopt plan for and implement changes to counter potential risks that may challenge strategy implementation. The changes may be through restructuring the organization structure or innovating by changing operational systems aimed at enhancing the rate of strategy implementation. A company's willingness to change ranges from low to high. A low desire for change, on the other hand, will only be safe if change rate in the business is equally low. This theory anchors adhocracy culture, as it describes the process of adaptation to new processes and behavior in order to quickly respond to changing market needs.

## **Conceptual Framework**

The conceptual framework is a visual representation of expected relationship between the study variables, as presented in Figure 1.

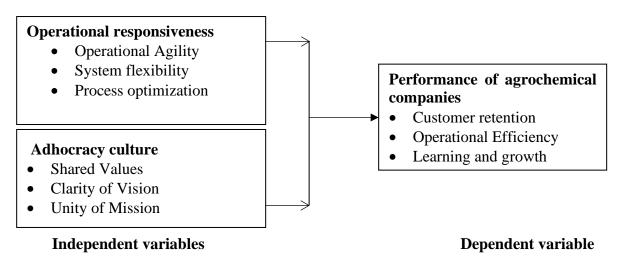


Figure 1: Conceptual Framework Operational responsiveness

Kelleher and Miller (2006) defined responsiveness as an organization's willingness to respond promptly to customer inquiries and complaint. It is the ability to respond deliberately and in a timely manner to significant events and opportunities or threats to gain/maintain a competitive advantage.

Operational responsiveness in accordance with e-marketing papers (2010) the paper states that, "it enables a firm to respond to changing conditions as they occur, enabling management to capitalize on more opportunities, make real-time course corrections, drive greater efficiency and reduce risk." In that paper, it more also stipulated that there is the need to have an operational decision-making body in every business operation and this signifies an empowerment which is based on responding to direct effects which areas a result of change. In this it means that when there is operational responsiveness, there is a higher notch of achievement in business through performance metrics.

Kumar, Batista & Maull (2011) studied the impact of operational performance in service delivery. They noted that operational performance in service delivery has three factors including quality, dependability, and speed of service. They used consistent quality, dependability of delivery and prompt delivery or speed of delivery as measures of effective delivery of service. A longitudinal study was conducted in a large telecommunications company operating in the UK. The findings revealed that operational performance positively affects service delivery. Al-Hawajre & Attiany (2014) investigated the effect of operational responsiveness in supply chain on competitive advantage in manufacturing companies in Jordan. The study used application of questionnaires in data collection whereby 269 respondents were used. The study presented an existence of a correlation among operations responsiveness with the aspect of delivering service and dependability. Holweg (2005) Suggested that operational responsiveness can be measured using system flexibility (flexibility of the total operations); flexibility of operation "s resources" as well as flexible technology, flexible labor, and flexible supply network.

# **Adhocracy Culture**

Organizational culture is the basic assumptions and beliefs shared by members of an organization, which function instinctively and define an organization's perspective of itself and its surroundings (Johnson et al., 2009). According to the Society for Human Resource Management (2012), if an

organization's goal is to enhance overall performance, they must have a stable culture to and values must be widely shared to ensure effective strategy implementation. According to Stafford and Miles (2013), in order to control performance, an organization must be aware of its culture. This implies that an organization must evaluate its own beliefs, values, and assumptions that guide its actions. This will allow the business to not only survive for long, but also to discover characteristics in its culture that are beneficial to performance and those that are detrimental to success.

Adhocracy culture favors unpredictable and a highly competitive business environment, dynamic entrepreneurial and innovative as the one found in the agrochemical industry (Leal-Rodríguez, Ariza-Montes & Morales-Fernández, Eldridge, 2016). The culture assents flexibility in strategic planning, shared values, creativity and innovation, high level of control which leads common vision of the organization and collaboration to achieve common goals and mission (Felipe, Roldán, & Leal-Rodríguez, 2017).

In a teamwork culture as one found in adhocracy, rewards are based on group performance, managers are considered as mentors and as role models, the organization members are joined together by loyalty and culture, dedication to attainment of organization goals, and organization is dedicated to the staff motivation and aims at getting everybody involved while making decisions and activities. Values and goals are shared since they have similar characteristics and the staff and managers are always ready to help one another. They put the organization goals ahead of their personal interests (Shin et al., 2015). According to Koke (2013), firms with effective cultures involve all employees in decision-making since staff in the low management levels are thought to be in charge of technical decisions and roles that have a significant impact on organizational performance, necessitating their involvement in strategic implementation. According to Lizbetinova, Lorincová, and Caha (2016), a corporation must be innovative to produce new products and services in readiness for changes in the environment. Successful strategy implementation requires adequate funding and risk preparedness. Innovation is also needed to achieve the set objectives as they help to speed up processes (Müller & de Lichtenberg, 2018).

## **Empirical Review**

## **Operational Responsiveness and Organization Performance**

(Belghis, Hossien, , & Darabian , 2019) conducted a study is to investigate the impact of strategic agility on organizational performance with mediate role operational responsiveness in large manufacturing firms in Khuzestan province in Iran. The population of this applied research consisted of 180 manufacturing firms and with using Cochran's formula for limited society, 123 firms were selected. Statistical unit of society were manufacturing/operation managers of said firms and research questionnaire was distributed to them for each firm. The data collection instrument is Shin (2015) questionnaire, which its content validity was evaluated through experts and academics and its construct validity was confirmed through confirmatory factor analysis. Structural equation models and SPSS 22 have been used in order to analysis the data. The results showed that, strategic agility have a positive and direct impact and also indirect impact through operational responsiveness on organizational performance.

(Adabayo, 2022) conducted a research in Nigeria to evaluated the effect of reverse logistics operational responsiveness on customer satisfaction in retailing. Data was gathered from 223 online shoppers and the data was analyzed using descriptive analysis to analyze the type of product return and the reasons for return while the effect of reverse logistics operational responsiveness on customer satisfaction was analyzed using multiple regression in accordance with the output of

SPSS 21.0 Findings indicated that operational responsiveness in the reverse logistics process significantly influences customer satisfaction.

(kirui & Maina, 2018) carried out a study, whose purpose was to determine the effect of optimization practices on operational performance of construction industry in Uasin Gishu County, Kenya. The research adopted the descriptive research design. The target population was the construction in Kenya and the accessible population was the construction contractors in Uasin Gishu County, Kenya and licensed by the National Construction Authority of which as at 1st February, 2018 stood at 340 for building works and 298 for road works. The sample size was 34 building contractors and 30 road contractors. The study adopted a two-stage sampling technique. Stratified sampling technique was applied in grouping companies into building works contractors and road works contractors. The study applied random sampling where one director, one technical staff and one secretary were targeted in each of the 64 sampled companies. Therefore, a sample size of 192 respondents was selected for the study. The study collected primary data using questionnaire and secondary data from journal articles. Data collected was analyzed using both descriptive and inferential statistics. Descriptive statistics included mean, frequency, standard deviation, variance and percentages whereas inferential statistics included Pearson product moment correlation coefficient and regression analysis. Data was presented using tables, charts and graphs. The study found that optimization practices increases operational performance of construction industry in Uasin Gishu County, Kenya (β=0.497; p<0.05). The study concluded that optimization practices have a significant effect relationship with operational performance of construction industry in Uasin Gishu County, Kenya.

# **Adhocracy Culture and Organization Performance**

Gao (2017) studied effect of organization leaders' values, organization culture and market orientation in China. The sample was 370 business managers. Findings revealed that distinct types of corporate culture are created and developed by business managers with diverse sets of personal values. Leaders who are open to change foster a risk-taking culture, whereas leaders who prioritize conservation foster a collaborative work environment. Kohtamäki, Kraus, Mäkelä and Mikko (2012) studied mediating effect of staff dedication on strategy implementation. Study sample was 160 Finnish IT companies. Results showed that involving staff in strategic planning increases staff commitment to strategy implementation

Sengottuvel and Aktharsha (2016) examined effect of organization culture on organization performance in information technology organizations. The target populace was 1200 staff and 210 staff were sampled. Questionnaires were used in order to collect data. Partial Least Square Path Modelling (PLS-PM) was used for analysis. Results showed that organization culture is a significant determinant of organization performance. Shahzad, *et al.* (2012) measured the effect of organization culture on organization performance. This study used secondary data from previous studies. The findings revealed that organization culture has a great impact on various organization process, staff and performance.

Mashal and Saima (2014) studied effect of organization culture on organization performance in the Telkom sector. The organization performance was measured using balance score card. The study adopted quantitative design. Questionnaires were used for data collection. The target populace was 22 staff and only 15 participated in the study. Findings revealed that all aspects of organization culture influences organization performance. Bateta and Wakogi (2015) studied effect of organization culture on NGO staff performance where 249 staff were sampled. Results showed that organization rewarding systems and values greatly motivated staff to effectively implement strategic plans leading to organization performance.

## RESEARCH METHODOLOGY

This study employed a descriptive research design which depicts a precise profile of individuals, events or situations and it is useful in studies that aims at showing the relationship between variables (Saunders et al., 2016). The Target population for this study was 59 Agrochemicals companies in Nairobi County. The study targeted 3 senior management from 3 departments, staff which included Administrative, customer service and finance management staff from each of the mentioned Agrochemicals companies in Nairobi County. The sampling frame was 177 departmental heads in administration, customer service and finance from 59 Agrochemicals companies in Nairobi County. The study used a census survey, where data was collected from all the 59 agrochemical companies in Nairobi County. Purposive sampling was used to select 3 departmental heads from finance, customer service and administration. Semi-structured questionnaires were used for data collection since they allow data collection using open and close ended questions. According to Orodho (2010) a pre-test comprises of between 1 to 10 % of the target population. A pilot was conducted on 6 companies, which represented 10% of the target population. Respondents in the target population did not participate in the actual data collection. Descriptive and inferential statistics were analyzed using SPSS version 26 and presented in tables. The descriptive statistics included frequencies, percentages, mean and standard deviation. The study used correlation and multiple regressions to show the relationship between the variables.

## RESEARCH FINDINGS AND DISCUSSIONS

The researcher distributed questionnaires to the 177 respondents and managed to collect data from 142 respondents. This represented 80.23% response rate. The questionnaires that were not returned were 35 representing 19.77% of the administered questionnaires. This response rate was deemed satisfactory as suggested by Field (2013) who recommends 75% as a rule of the thumb for minimum responses

## **Descriptive Statistics**

## **Operational responsiveness and Organization Performance**

The study further sought to find out the effect of operational responsiveness on performance of agrochemical companies in Nairobi County. The study findings are shown in Table 1

**Table 1: Operational Responsiveness** 

Statement		S	<b>A A</b>	N	D	S	D MEA	N Std.Dev
The organization is alert on	F	49	36	20	26	11	3.6052	1.33133
changing customer needs	%	34.5	25.4	14.1	18.3	7.7		
The organization is fast on	F	64	21	15	39	3	3.7324	1.33643
responding to customer needs	%	45.1	14.8	10.6	27.5	2.1		
Operational practices are	F	50	29	19	31	13	3.5070	1.39780
flexible enough to	%	35.2	20.4	13.4	21.8	9.2		
accommodate changing								
patterns in consumer behavior	Б	<i>(5</i>	22	1.0	1.0	22	2 (220	1.52660
The organization is able to	r	65	22	16	16	23	3.6338	1.53669
fulfill customer needs at	0./	45.0	155	11.0	110	160		
minimal costs and reasonable	%	45.8	15.5	11.3	11.3	16.2		
lead times	-	<b>.</b>	10	21	22	0	2 0020	1.05045
Customer needs are customized	F	67	12	31	32	0	3.8028	1.25047
to their preference	%	47.2	8.5	21.8	22.5	0.0		

From Table 1 indicated that 49(38.0%) Strongly agreed, 36(25.4%) agreed, 20(14.1%) were neutral, 26(18.3%) disagreed and 11(7.7%) strongly disagreed on the statement, The organization is alert on changing customer needs, (Mean=3.6052, Sts.Dev=1.33133). On the statement, The organization is fast on responding to customer needs, 64(45.1%) of the respondents strongly agreed, 21(14.8%) agreed, 15(10.6%) were neutral, 39(27.5%) disagreed and 3(2.1%) strongly disagreed (Mean=3.7324, Std.Dev=1.33643). Further on the statement, Operational practices are flexible enough to accommodate changing patterns in consumer behavior, 50(35.2%) strongly agreed, 29(20.4%) agreed, 19(13.4%) were neutral, 31(21.8%) disagreed and 13(9.2%) strongly disagreed respectively, (Mean=3.5070, Std.Dev=1.39780). Further, 65(45.8%) strongly agreed, 22(15.5%) agreed, 16(11.3%) were neutral, 16(11.3%) disagreed, 23(16.2%) strongly disagreed, on the statement, the organization is able to fulfill customer needs at minimal costs and reasonable lead times (Mean=3.6338, Std.Dev=1.53669). Lastly, on the statement, Customer needs are customized to their preference, 67(47.2%) strongly agreed, 12(8.5%) agreed, 31(21.8%) were neutral and 32(22.5%) disagreed, (Mean=3.8028, Std.Dev =1.25047). The study findings imply that there is a significant effect of operational responsiveness on the organizational performance as shown by most of the respondents who agreed to most of the statements on operational responsiveness.

## **Adhocracy culture and Organization Performance**

The study further sought to find out the effect of adhocracy culture on performance of agrochemical companies in Nairobi County. The study findings are shown in Table 2

**Table 2: Adhocracy culture and organization performance** 

Statement		SA	A	N	D	SI	O MEAN	N Std.Dev
Our organization easily responds to changes in our operating environment thus maintaining our	F	48	38	37	15	4	3.7817	1.11162
performance	%	33.8	26.8	26.1	10.6	2.8		
Staff share knowledge with each	F	39	32	12	25	34	3.1197	1.56868
other in the department to accomplish hard tasks	%	27.5	22.5	8.5	17.6	23.9		
My organization places high value	F	51	38	16	23	14	3.6268	1.37149
in rules	%	35.9	26.8	11.3	16.2	9.9		
The organization defines	F	27	28	14	31	42	2.7676	1.52365
performance based on the most unique product to farmers	%	19.0	19.7	9.9	21.8	29.6		
The management style supports	F	49	25	18	25	25	3.3389	1.52932
teamwork, agreement, and involvement	%	34.5	17.6	12.7	17.6	17.6		
The organization emphasizes	F	36	35	20	27	24	3.2254	1.44593
permanence and stability.	%	25.4	24.6	14.1	19.0	16.9		

Table 2 indicated that 48(33.8%) Strongly agreed, 38(26.8%) agreed, 37(26.1%) were neutral, 15(10.6%) disagreed and 4(2.8%) strongly disagreed on the statement, our organization easily responds to changes in our operating environment thus maintaining our performance. (Mean=3.7817, Std.Dev=1.11162). On the statement, Staff share knowledge with each other in the department to accomplish hard tasks, 39(27.5%) of the respondents strongly agreed, 32(25.5%) agreed, 12(8.5%) were neutral, 25(17.6%) disagreed and 34(23.9%) strongly disagreed

(Mean=3.1197, Std.Dev=1.56868). Further on the statement ,My organization places high value in rules, 51(35.9%) strongly agreed, 38(26.8%) agreed, 16(11.3%) were neutral, 23(16.2%) disagreed and 14(9.9%) strongly disagreed respectively, (Mean=3.6268, Std.Dev=1.37149). Further, 27(19.0%) strongly agreed, 28(19.7%) agreed, 14(9.9%) were neutral, 14(9.9%) disagreed, 31(21.8%) strongly disagreed, on the statement, the organization defines performance based on the most unique product to farmers (Mean=2.7676, Std.Dev=1.52365). On the statement, the management style supports teamwork, agreement, and involvement, 49(34.5%) strongly agreed, 25(17.6%) agreed, 18(12.7%) were neutral, 25(17.6%) disagreed and 25(17.6%) strongly Disagreed, (Mean=3.3389, Std.Dev=1.52932). Lastly, on the statement, The organization emphasizes permanence and stability, 36(25.4%) strongly agreed, 35(24.6%) agreed, 20(14.1%) were neutral, 27(19.0%) disagreed and 24(16.9%) strongly disagreed, (Mean=3.2254,Std.Dev=1.44593). The study findings implies that adhocracy culture supports organizational performance, with proper integration of adhocracy culture in management, organizations are able to achieve good performance.

# **Organizational Performance**

The study lastly sought to find out the organizational performance of the selected firms. The study findings are shown in Table 3

**Table 3: Organizational Performance** 

Statement Statement	<u> </u>	SA	A	N	D	SD	MEAN	Std.Dev
Our customer base has expanded	F	37	39	24	22	20	3.3592	
continuously		26.1	27.5	16.9	15.5	14.1		
The internal processes are efficient and effective		43 30.3	42 26.9	7 4.9	23 16.2	27 19.0	3.3592	1.52214
The firm management promotes	F	45	28	23	24	22	3.3521	1.46446
staff learning and growth	%	31.7	19.7	16.2	16.9	15.5		

Results from Table 3 indicates that out of the 142 respondents, 37(26.1%) strongly agreed, 39(27.5%) agreed, 24(16.9%) were neutral, 22(15.5%) disagreed and 20(14.1) strongly disagreed on the statement, Our customer base has expanded continuously". In addition on the statement, the internal processes are efficient and effective, 43(30.3%) strongly agreed, 42(26.9%) agreed, 7(4.9%) were neutral, 23(16.2%) disagreed and 27(19.0%) strongly agreed. Lastly on the statement the firm management promotes staff learning and growth, 45(31.7%) strongly agreed, 28(19.7%) agreed, 23(16.2%) were neutral, 24(16.9%) disagreed and 22(15.5%) strongly disagreed. From the study findings, it was shown that various strategy implementation has a greater influence on the organizational performance.

## **Inferential Statistics**

Inferential statistics focused on correlation and regression analysis. Correlation analysis was used to determine the strength of the relationship while regression analysis was used to determine the relationship between dependent (Organizational performance) and independent variables (Operational responsiveness, and adhocracy culture).

# **Correlation Analysis**

**Table 4: Correlation Coefficients** 

		Performance	Operation responsiveness	Adhocracy culture
	Pearson	1		
Organizational	Correlation			
Performance	Sig. (2-tailed)			
	N	25		
	Pearson	.867**	1	
Operation	Correlation			
responsiveness	Sig. (2-tailed)	.003		
-	N	25	25	
	Pearson	.764**	.246	1
A dla a ana ary and tuma	Correlation			
Adhocracy culture	Sig. (2-tailed)	.002	.060	
	N	25	25	25

The study findings also revealed that there was a very strong relationship between operational responsiveness and organizational performance (r = 0.867, p value =0.003). The relationship was significant since the p value 0.003 was less than 0.05 (significant level). The study findings agree with the study done by Bevilacqua, Ciarapica and De Sanctis (2017) who found a positive relationship between operational responsiveness and organizational performance.

Moreover, findings revealed that there was a very strong relationship between adhocracy culture and organizational performance (r = 0.764, p value =0.002). The relationship was significant since the p value 0.002 was less than 0.05 (significant level). The study findings agree with the study done by Lee and Raschke (2016) who found that there is a significant relationship between adhocracy culture and organizational performance.

## **Regression Analysis**

Multivariate regression analysis was used to assess the relationship between independent variables (Operational responsiveness, adhocracy culture) and (organizational performance) dependent variable.

**Table 5: Model Summary** 

Model	R	R Square	Adjusted R Square	Std. Error of	the
				<b>Estimate</b>	
1	0.931	0.867	0.868	0.06184	

The model summary was used to explain the variation in the dependent variable that could be explained by the independent variables. The r-squared for the relationship between the independent variables and the dependent variable was 0.867. This implied that 86.7% of the variation in the dependent variable (organizational performance) could be explained by independent variables (Operational responsiveness, and adhocracy culture).

Table 6: Analysis of Variance

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	111.294	4	27.82	62.24	.002
Residual	8.943	20	.447		
Total	120.237	24			

The ANOVA was used to determine whether the model was a good fit for the data. F calculated was 62.24 while the F critical was 2.867. The p value was 0.002. Since the F-calculated was greater than the F-critical and the p value 0.002 was less than 0.05, the model was considered as a good fit for the data. Henceforth, it can be used to predict the effect of Operational responsiveness, and adhocracy culture on Organizational performance.

**Table 7: Regression Coefficients** 

Model	Unstanda Coefficie		Standardized Coefficients	t	Sig.
	В	Std.	Beta		
		Error			
1 (Constant)	0.253	0.088		2.875	0.001
Operational responsiveness	0.356	0.089	0.358	4.000	0.001
Adhocracy culture	0.379	0.09	0.381	4.211	0.001

The regression model was as follows:

$$Y = 0.253 + 0.356 X_1 + 0.379 X_2 + \epsilon$$

According to the results, operational responsiveness has significant effect on performance in the manufacturing firms  $\beta_1$ =0.356, p value=0.001). The relationship was considered significant since the p value 0.001 was less than the significant level of 0.05. The study findings agree with the study done by Jermsittiparsert, Sriyakul and Khumboon (2019) who found that organizational performance is influenced in greater level by operational responsiveness.

The results also revealed that adhocracy culture has significant effect on organizational performance  $\beta$ 1=0.379, p value= 0.001). The relationship was considered significant since the p value 0.001 was less than the significant level of 0.05. The study findings agree with the study done by Thokozani and Maseko (2017) who found that there is a significant effect of adhocracy culture on organizational performance.

## **Conclusion**

On the first objective, the study concluded that organizations perform well when customer needs become their priority. The firms are very responsiveness to the customer changing trends particularly on customer behavior that are very dynamic. Through market research, the firms are able to identify new customer preferences and meet them to beat competition. To adopt to the changing business environment, the firms have flexible practices that enables them to accommodate changing patterns in consumer behavior. Customizing the needs of the customers enhances brand loyalty, higher sales volume and productivity.

On the second objective, the study concluded that adhocracy culture leads to great performance. Adhocracy culture puts an emphasis on the ability of an organization to easily adapt to changes in the operating environment in order to achieve great performance. To achieve this adaptability, management enforce teamwork, in the sense that staff share knowledge and unite to get solve challenging issues at the work place. Adhocracy culture is anchored on a belief of having to do anything to get the job done. However, in so doing, employees value the rules and standard operating procedures so as to keep all operations within acceptable norms. Responding to changes in the operating environment requires that employees keep a track of trends, so as to make informed decisions. It is therefore important that organizations emphasize on permanence of employees in order to optimally utilize their experience and skills.

## Recommendation

The study recommended that the agrochemicals market is very dynamic and great performance can be realized if the organizations adequately implement their strategies. In that light, organizations management should first align their resources to meet the market demands at minimal costs. The companies need to recruit adequate personnel, whose capabilities match their tasks. They should as well prioritize their financial resources in market research, and fulfilling their customer needs. stakeholders of the agrochemical companies in Nairobi should be keen to see that the various factors in implementation are properly aligned to the various strategies in order to ensure success. Companies also need to equip themselves with Technology infrastructure so as to enable them innovate and reduce operational costs, while achieving a high synergy in communication across the supply chain.

Agrochemical companies should adopt an adhocracy type of culture that emphasizes on innovative ways to quickly respond to changing environment. Employees should work as a team with shared visions and clear mission. Companies should encourage creativity in employees and promote the spirit of adventure and innovation. The firms should endeavor to create a learning culture so as to adapt to the rapid changes in their external environments. This will help employees to enhance their knowledge, experience and ideas so as to provide services according to the ever-changing consumers' needs and wants.

The current study was done in Nairobi County and it specifically focused on agrochemical Companies. Further research can be done in other parts of the country and also on other industries like food production industries and other manufacturing industries.

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