

EFFECT OF STRATEGIC LEADER'S DIRECTION ON THE PERFORMANCE OF FLAMINGO FLOWER FIRM IN NAKURU COUNTY, KENYA

Sammy Kimani Njuguna¹, Dr. Kipkorir Sitienei Chris Simon²

^{1,2}Department of Business Administration, School of Business, Kenyatta University, Kenya

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Abstract: The environment in which the Kenyan flower firms operate has been subject to great turbulence. For the last decade has seen the collapse of many flower firms in Kenya which was attributed to poor organizational performance due to inefficiency, poor customer satisfaction, low market share, inadequate compliance to policies, low acquisition of skills and marginal profits. Production technology keeps changing and competition continues to become stiff for flower firms in Kenya to improve their organizational performance. Therefore, current study sought to investigate the effect of strategic leader's direction on the performance of flamingo flower firm in Nakuru County, Kenya. A descriptive research design was adopted in the study. The target population was flamingo flower firm in Nakuru County, Kenya and the respondents included the 15 organization's senior managers and 125 support staff. 94 respondents were chosen using a stratified random sampling method. For the primary data sources, the study used questionnaires with open and closed questions. The pilot study included 10 randomly selected respondents in the organization department and will not participate in the final study. A content validity test was used that ensured that what was contained in the questionnaire was in a form that the respondents could understand even without interpretation from the researcher. To assess reliability, the Cronbach alpha test was used, with the Cronbach alpha coefficient calculated from the data collected. The process of analyzing data in quantitative nature was done descriptively using means and standard deviations. Description of inferential statistics was done involving the correlation and regressions analysis that presented the way the variables related to one another. The study found that the strategic leader's direction, strategic control, strategic plans, and human capital development all have a significant impact on organizational performance. The study concluded that strategic leader's direction enables managers to provide a strategic vision for the organization or a portion of the organization, as well as motivating and persuading others to adopt that vision. The study recommended that the strategic leaders should be passionate about their roles that exceed finances and authorities together with the urge in achieving goals with strength and purpose.

Keywords: Strategic Leader's Direction, Organizational Performance.

1. INTRODUCTION

Every organization, both for profit and non-profit, strives for excellence. Performance measurement systems assist managers in monitoring the strategic implementation of their businesses through evaluating the real effects to the goal and strategic goals (Lin & McDonough, 2011). According to Hosmer (2017), strategic practice is the administrative capacity to expect, anticipate, hold adaptability, and engage others to create key substitute in which appropriate. Strategic exercise is hence one of the key determinants of an organization's overall performance as it includes strategic decision-making, figuring out organizational structure, and managing the organizational process.

Taşlıyan, Eren and Yücel (2018) observe that Turkish firms in the flower industry in the current globalizing world trade conjecture, pay special attention to organizational performance. These organizations are constantly adapting new manufacturing methods in meeting the dynamic customer needs. In this regard, having strong organizational resources propels these firms ahead of the competition, allowing them to increase their sales growth, productivity, profitability, goal achievement, and service quality. According to Zack, McKeen and Singh (2019) organizational performance is critical in defining goals and reporting performance. As a result, the organization's performance in maintaining a reasonable financial status will assist managers in maintaining policies to develop the organizational culture.

Yasmin and Musmuliana (2016) observe that organizational performance of Hospitals in South Africa was improve through improved working conditions, training and developing skills together with involving the managers. Furthermore, Yasmin and Musmuliana (2016) note that major critical aspects of performance in South African hospitals are higher performance and wealth maximization for shareholders. Performance is also defined as an object's ability to produce results in a prioritized manner in relation to targets or goals. As a result, effective performance measurement must encompass all performance aspects that are critical to the organization's survival.

In Kenya, Ngumbau (2013) indicates that Challenges to implementing performance management systems include a lack of clear correlations between the annual business planning cycle and the business planning cycle, the establishment of poor performance standards, the complexity of the evaluation tool, the limited use of inadequate response mechanisms and performance monitoring tools work sheets and boards. Ngumbau (2013) further indicate that with a slew of dynamic and competing factors at work, to meet modern management challenges, an effective strategic management plan must be implemented. Strategic practices, therefore, have been adopted in many organizations within the country with impressive performance in service delivery.

Kotler and Schlesinger (2015), indicate that organizational performance involve achieving goals by converting input into output. Organizational performance is an incentive for organizational management to consider strategic change. This may be reflected in an organization's profit margin or market share. Short and Palmer (2016) note that in a case whereby the managers of the firm are dealing with such as scenario they start by looking for more effective managerial strategies geared to improving the organizational structure.

Organizational performance refers to how well managers utilize the present resources so as to meet the needs of their clients and achieve the firm's goals (Muogbo, 2013). According to Markiewicz (2015), Company performance should be determined on the basis of the share of market gained, returns from investments and profits gained as wells as the measures of quality and value achievement. As a result, performance can be seen as involving organizational financial and non-financial factors

Jansen, Vera and Crossan (2016) argue that as an organization strives to achieve its objectives, it must ensure that it has the right strategy in place to deal with any challenges that may arise, as well as the right solution to any problems that exist. The role of strategic practice in the organization, according to Rahman, Othman, Yajid, Rahman, Yaakob, Masri, and Ibrahim (2018), is very strategic and important as a determining factor in successfully achieving the organization's mission, vision, and goals. As a result, for a company to be able to achieve its goals, it must always use strategic processes.

Strategic leader direction assists in determining the organization's vision and mission. Furthermore; it makes it more straightforward for the association to carry out compelling procedures to accomplish that vision. Typically, efficient leaders in organizations perform common tasks in the strategy formulation and execution process (Ireland & Hitt, 2013). According to Keating (2016) strategic leader's direction plays a key role in enforcing a strategy. The techniques used to acquire the company's imaginative and prescient decide an organization's performance. Leadership combines approach and imaginative and prescient to enhance the firm's potential to carry out properly or in reaction to a need. As a result, leaders should take a practical technique to figuring out strategic gaps so one can broaden suitable techniques.

Choosing the strategic leader's direction for any organization is a critical role that should not be overlooked. Determining strategic direction, as identified by Ireland and Hitt (2013), is a critical strategic practice variable that refers to the development of an organization's long-term vision. This implies that leaders of an organization ought put into consideration the long-term course of the organization. Determine the organization's direction, according to Lear (2015), refers to the strategic leader developing a long-term vision it is a critical component of strategic practice.

STATEMENT OF THE PROBLEM

For the last decade has seen the collapse of many flower firms in Kenya which was attributed to poor organizational performance due to inefficiency, poor customer satisfaction, low market share, inadequate compliance to policies, low acquisition of skills and marginal profits. The environment in which the Kenyan flower firms operate has been subject to great turbulence (Onyango, 2016). According to Maroa and Muturi (2015) flower industry in Kenya remain to hold environmental changes such as new products and services, political influences, instability among others. The Country's economy has been on the decline, input costs are higher than ever, production technology keeps changing and competition continues to become stiff while global prices for cut flowers has been fluctuating. Therefore, in such an unforeseen occurrence managers should come up with better strategies geared in improving the organization's performance.

Kenyan flower industry has traditionally exported carnations and roses, but the need for profit has moved many growers to diversify into other flower plants and lucrative services such as packing flowers directly on supermarket shelves. Increasing market share from both Kenya and other countries has increased efficiency requirements and reduced genes, leading to a market that can only be profitable through high quality production and high marketing. Flower growers continue to expect to meet customer expectations in the future, as evidenced by the number of new heating houses being built near Lake Naivasha. However, the flower business has become very complex, and growers now need sophisticated market knowledge to make profitable planting and marketing decisions. Therefore, the study investigated the influence of strategic practices on performance of flamingo flower firm in Nakuru County, Kenya

2. LITERATURE REVIEW

Theoretical Literature Review

The study was guided by leadership theory Leadership theory as advocated by Fiedler in the year 1964 proposes that effective strategy implementation it depends on the appropriate similarities between the capability of a leader in leading and situation characteristics such as the leader's abilities, the chosen style and behavior, and the ability of the employee. According to this view, leaders should use a style that best suits the situation and encourage faster staff performance.

This theory is important for research because It suggests that a a success chief has a duty to offer route and convey information with staff then lead them to better performance and to become experts in maintaining quality work during strategy implementation. The implementation of clean requirements of management develops the middle values and adulthood of their function and duties for this reason the usage of powerful and green techniques to reap higher organizational performance. The theory is linked to strategic leader's direction.

Empirical Literature Review

Waithira, Waiganjo, and Njeru (2015) research focused on how strategic leaders' direction impacts the performance in Kenyan Tourism Government Agencies. Information was collected from both managers and non-managers. Research has found that the direction of strategic leaders significantly impacted the performance in tourism agencies. Many of the sports associated with imparting strategic route to businesses were overseen via way of means of senior control and intermediate managers. Motivation and planning were used to assess the direction of strategic leaders. The measures were in terms of mission, vision, and values in the current study.

Muthaa's (2019) research focused on the influence of strategic leader's direction on Technical Training Institution in Meru County, Kenya performance. The research used the structure of descriptive research in various fields. Questionnaire is used to acquire data. Both descriptive and non-descriptive facts have been used to research the data. In the study it was observed that performance of technical education institutions was influenced by the strategic leader's direction. The addition of a moderating variable to government policy improved the model of organizational direction. The study context was technical institute. The current study's context was flower firms.

Abdow, Guyo, and Odhiambo (2018) studied the effect of strategic leadership on organizational change in Kenya's petroleum industries. The selection of respondents was done using a simple random sampling to whom the questions were distributed. Descriptive statistics, exploratory factor analysis was used in the analysis of data. The study discovered that strategic direction positively influenced the organizational change in Kenya's petroleum industries. The research focused on petroleum industries. The current study concentrated on the performance of the flamingo flower firm.

Kitonga (2017) investigated the strategic and operational effectiveness of the organization in non-profit organizations in Kenya's Nairobi County. Utilization of an integrated research design approach was done. The population constituted of

1475 organization operating with Nairobi County. To collect quantitative data, survey questionnaires were utilized, and to collect qualitative data, an interviews were used. The findings of the study revealed an important correlation between general strategic processes and performance of non-profit organizations. A survey design was employed. Descriptive research design was employed in the present study.

O'Regan and Ghobadian (2014) indicate that skills are important in strategic direction and performance. The findings mean that general skills permit corporations to devise for the destiny through focusing at the desires and necessities in their customers even as coping with the problems and problems that arise in their workplace. Firms seeking high overall performance, according to the findings, would be wise to consider their common skills as the basis for their strategic index. The research focuses on the manufacturing industry. The current study focused on the operation of a flamingo flower factory.

3. RESEARCH METHODOLOGY

A descriptive research design was adopted in the study. The target population was flamingo flower firm in Nakuru County, Kenya and the respondents included the 15 organization's senior managers and 125 support staff. 94 respondents were chosen using a stratified random sampling method. For the primary data sources, the study used questionnaires with open and closed questions. The pilot study included 10 randomly selected respondents in the organization department and will not participate in the final study. A content validity test was used that ensured that what was contained in the questionnaire was in a form that the respondents could understand even without interpretation from the researcher. To assess reliability, the Cronbach alpha test was used, with the Cronbach alpha coefficient calculated from the data collected. The process of analyzing data in quantitative nature was done descriptively using means and standard deviations. Description of inferential statistics was done involving the correlation and regressions analysis that presented the way the variables related to one another.

4. FINDINGS

The study aimed at establishing how strategic leader's direction affects organizational performance of flamingo flower firm in Nakuru County. A number of statements describing strategic leader's direction to rate their level of agreement was provided to the respondents.

Table 1: Strategic Leader's Direction

	M	SD
Strategic leaders direction leads to a strategic vision for future achievement	3.91	1.09
The organization is guided by the mission statements.	4.53	0.47
Strategic leaders direction facilitate adherence to the organizational core values	4.01	0.99
Strategic leaders direction builds commitment to the current core values	4.60	0.40
Strategic leaders' direction affects organizational performance	3.64	1.36
Aggregate	4.14	0.86

Source: Research Data (2022)

The respondents strongly agreed that strategic leader's direction builds commitment to the current core values and that the organization is guided by the mission statements (mean of 4.60 and 4.53 respectively and low standard deviation of 0.40 and 0.47 respectively). The research results is similar to Muthaa's (2019) study that focused on the how strategic leadership had an impact on the performance of technical training institutions in Meru County, Kenya. It was found that strategic direction significantly impacted the performance of technical training institutions.

The respondents agreed that strategic leaders direction facilitate adherence to the organizational core values; strategic leaders' direction affects organizational performance and strategic leaders direction leads to a strategic vision for future achievement as given by mean of 4.01, 3.91 and 3.64 in that order and low standard deviation of 0.99 but little variation of 1.09 and 1.36 respectively. This finding concurs with research results of Kitonga (2017) who examined strategic practice and performance of non-profit firms in Kenya's Nairobi County. The study's results revealed an important positive link between general practice strategy processes and organizational performance in non-profit organizations. However, a research design with a limitation in determining the validity and reliability of the results was used. But there was the use of descriptive research design in the current study.

The aggregate mean of 4.14 with standard deviation of 0.86 indicate that the respondents strongly agreed that strategic leader’s direction influences the organizational performance of flamingo flower firm in Nakuru County. The findings of Abdow, Guyo, and Odhiambo (2018), who investigated how strategic leadership direction had an impact on organizational change in Kenya Petroleum Industries, support this findings. The study found that strategic direction positively influenced that organizational change in the Kenyan petroleum industry. The study focused on organizational changes in Kenya’s petroleum industries. The current study focused on performance of flamingo flower firm.

5. RESULTS OF REGRESSION ANALYSIS

Table 2: Analysis of Variance for Strategic Leader’s Direction

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	110.212	1	110.212	217.896	.000 ^b
	Residual	44.510	88	.506		
	Total	154.722	89			

Source: Research Data (2022)

The p-value of 0.000b is less than 0.05, indicating that the strategic leader's direction was significant at the 5% level of significance

Table 3: Analysis of Coefficient using SPSS Version 20.0

Model		Unstandadized Coefficient		Standadized Coefficient	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.874	.556		1.573	.000
	Strategic leader's direction	.728	.046	.041	15.826	.001

Source: Research Data, (2022)

The results as demonstrated in Table 3 is that 0.874 as the value of constant represents the value at which the performance of flamingo flower firm in Nakuru County changes when strategic leader's direction is kept at constant. Further, a unit increase in strategic leader’s direction would lead to an on the performance of flamingo flower firm in Nakuru County by a factor of 0.728. Therefore, the resulting equation was as follows:

$$Y = 0.874 + 0.728X_1 + \varepsilon$$

Y = Organizational Performance

X₁= Strategic leader’s direction

E = Error margin

6. CONCLUSIONS

The study concluded strategic leader's direction enables managers in articulating a firm’s strategic visions, or a portion of the firm as well as encouraging and persuading other in adopting the plans. The strategic leader's direction creates an environment whereby the employees can forecast the requirements of the firms in regard to the job roles. In addition, strategic leaders motivate the employees to adhere to the suggested plans within the organization. A diverse use of rewards and incentive programs are used by the strategic leaders in encouraging highly productive employees to better serve their organization.

7. RECOMMENDATIONS

The study recommended that strategic leaders they should be passionate about their roles that exceed finances and authorities together with the urge in achieving goals with strength and purpose. Strategic leaders ought to have an understanding of varied staff perspectives and feelings before arriving at any decision. Strategic leaders they should always talk about their point of view until it becomes ingrained in organizational culture

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