

Influence of Organizational Resource Allocation and Strategy Communication on Organizational Performance of Selected Supermarkets in Nairobi County

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Abstract: In Kenya, supermarkets have witnessed challenging times due to unpredictable business environment. In recent times, the industry has seen some of the largest players like Uchumi and Nakumatt close most of their outlets. Therefore, this study assessed strategy implementation on organizational performance of the supermarkets in Nairobi County. Specifically, the study looked at organizational resource allocation, strategy communication, senior management support, monitoring and control of strategies and how they affect organizational performance of selected supermarkets in Nairobi County. The resource based view theory, agency theory and institutional theory were used. The study adopted a descriptive research design and it targeted 27 supermarkets operating in Nairobi County and its management staff who included the operations and human resource managers. The target respondents were 54, two from each of the supermarkets. A census was used thus all of the 54 respondents were included in the study. Hence, the unit of analysis were the 27 supermarkets in Nairobi County while the accessible population were the operations and human resource managers. The researcher collected information using structured questionnaires. A description of patterns in the collected data was done using mean, standard deviation, frequencies and percentages. Regression analysis was used to establish the relationship between strategy implementation and its effect on performance of the selected supermarkets in Nairobi county so that relevant conclusions could be made. The findings were presented in the form of tables, figures, charts and discussions. The study established that monitoring and control of strategies had the largest effect on organizational performance followed by strategy communication, organizational resource allocation and lastly senior management support. This study concluded that strategy implementation had a positive and significant effect on organizational performance. The study recommended that the management of the supermarkets in Nairobi County should ensure that controls in strategy seek to optimize performance of their supermarkets while monitoring strategy implementation activities should seek to enable supermarkets in Nairobi County to minimize wastage of available resources.

Key Words: organizational resource allocation, strategy communication, organizational performance, supermarkets, Nairobi County

I. INTRODUCTION

The concept of strategy implementation is established on the resource based view, the agency theory and the institutional theory. Implementation of strategies require a firm to have in place resources that include the human resources, the financial resources and the physical resources. Without resources, an organization will not be able to put the formulated strategies into practice (Zhang, Xie, Jing & Zhong, 2019). Furthermore, the management of the organization who are viewed as agents should show their commitment towards implementation of the formulated strategies if an organization seeks to remain viable hence supports the agency theory. The structures and systems in the firm will also have an influence on how information flows during strategy implementation and this supports the institutional theory (Shou, Zheng & Zhu, 2016).

On the global scene, Elbanna, Andrews and Pollanen (2016) focused on Canadian public service organizations and shared that strategic plans are ineffective to change the course of direction an organization is taking. It was shown that Canadian public service had improved by strategically implementing its plans through strong leadership and clearly communicating the strategy to its employees and other stakeholders. In Russia, Klimenko and Kalgin (2018) in strategic planning that is applied in the federal government noted that strategic management implementation helps an institution to cut down on costs and this enhances performance. In an inquiry into business strategy and performance of Pakistanian firms, Anwar, Shah and Hasnu (2016) opined that strategy implementation helps the firm to remain viable in the market even when there is a high level of competition. With key emphasis on the private and public sector in United Kingdom (UK), Alharthy, Rashid, Pagliari and Khan (2017) was interested in bringing out the factors that determine strategy implementation and how they affect the ability of business entities in Middle East to perform. It was shown that strategy implementation is a challenging phase that require more attention from the top managers and the leaders of the firm.

In the African context, Van-der-Merwe and Nienaber (2015) investigated on the South African electronic organizations sharing that there are still gaps in terms of the performance of these organizations despite the talk and presence of numerous strategies. As such the study revealed, it is not the presence or absence of strategic plans that affect the performance; but it all depends on the ability of strategy implementation. The study further revealed that some of reasons for failure in strategy implementation include hurriedly formulated strategies without consideration to the organizational structure, design and available resources; the second being poorly communicated strategies where not all employees get the same information and the adopted leadership style.

Locally, Mailu, Ntale and Ngui (2018) focused on the pharmaceutical industry in Kenya, assessing the effect of strategy implementation on performance of these organizations. Looking at the 64 pharmaceutical companies that are based in the capital of Nairobi; the study shared that adoption and organizational strategy implementation positively and significantly influenced the performance of that organization. Strategy implementation was as a basis of setting in place an effective organizational structure, optimum use of the scarce and limited organizational resources and incorporated culture of diligence and teamwork. Luhangala and Anyieni (2019) investigated on strategy implementation and its effect on the performance of public secondary schools in Nyamira County, Kenya. The study findings showed that leadership in the school is charged with driving the performance of all staff so as to gain the overall target. But the study noted that few organizations were able to successfully focus on strategy implementation so as to *gain high performance and competitiveness. This is despite the best plans present in most schools*; many are unable to successfully implement the plans. It was established that the top leadership influence and structure positively influenced the strategy implementation among the public secondary schools.

In Kenya, supermarkets deal with different products some being regarded as fast moving consumer goods that are highly perishable. Supermarkets operate in highly competitive and turbulent business environment. This requires that these firms constantly formulate and implement new strategies so as to survive and perform well. Some of the supermarkets that have not been able to cope with these changes in environment like Nakumatt Holding Ltd have been forced to close down their operations. Strategy implementation ensures that supermarkets remain viable even as the environment becomes dynamic with changes in customer demands and preferences.

Performance is a measure of properly using the organizational resources towards meeting the objectives and targets. It is the core of any organization, since performance is a determinant of the ability of the organization to continue its operation and survive the highly competitive market. Performance also measures the health of the competitiveness with other market players and thrives such that it can expand to other regions,

have a strong market presence and increase its production and supply lines. The performance can be measured in financial terms or non-financial terms. Financially it can be in terms of returns on equity and assets, the profitability indices, growth margins and revenues (Osman, Onserio, Wairugi, Sangale, Kariuki, Isaboke & Orinde, 2017). The non-financial terms of performance include effective and efficient quality of service delivery, proper use of organizational resources, expansion of the firm into new market regions, increase in production and product lines and satisfaction of customers in terms of their needs, preferences and getting products where and when they want them (Pretorius, 2016). In supermarkets, customer satisfaction is paramount, and this can be achieved through stocking a variety of products, having products and quantities as per the market needs and preferences.

Performance in organizations takes many forms depending on whom and what the measurement is meant for. Organizational performance may be defined as an analysis of a company's performance as compared to its goals and objectives. Within corporate organizations, there are three primary outcomes analyzed; financial performance, market performance and shareholder value. Osman et al. (2017) mentions that when looking at performance from the customer perspective, it will encompass measures such as customer satisfaction, customer retention, new customer acquisition, customer response time, market share and market profitability. Most organizations use the Kaplan and Norton's Balance Score Card (BSC) Model to assess the effectiveness of the strategies and its implementation from the customer perspective.

The Balance Scorecard (BSC) is one of the universally accepted tools of measuring firm performance (Syahdan, Munawaroh & Akbar, 2018) as it link performance measures with the overall strategy including the mission of the organization. The BSC has four perspectives (customers, internal processes, learning and growth and financial) that are used to measure the overall performance of the organization (de-la-Huerga, Molina, Silvera & Turoff, 2019). As noted above, several measures exist for measurement of organizational performance. For this study, the measures shall include: cost minimization, number of customers and sales volume. In this regard, cost minimization and sales volume were used to represent the financial and internal business process perspectives of the Balance Score Card while number of customers was used to represent the customer perspective of the Balance Score Card (Rosli, Ismail & Ahmad, 2019).

Retailing is a major business enterprise in the modern economy as it supports employment and contributes to the tax revenue base which in return promotes national economic stability. The industry supports other sectors such as manufacturing, transport, agriculture, banking, and business events, thereby triggering tremendous economic growth. Retailing is the final stage in the distribution line before the merchandise reaches the final consumer (Isaenko & Degtyar, 2015). Supermarkets are considered as large scale retailers as they have all products under one roof and this makes them a

preference by a large number of customers. Most of the supermarkets are located in areas with high to middle income individuals to increase the purchasing power which maximizes their returns. They also play a significant role in the growth of the Kenyan economy.

Over the past few years, there has been unprecedented growth and expansion of the retail stores in major and small towns in Kenya. On the other hand, some supermarkets for instance Ukwala have closed down others like Uchumi Supermarket Limited, Choppies Supermarket and Nakumatt Holdings Limited have reduced the number of their branch networks across the country and are facing uncertain times associated with poor performance (Chanya, 2017). Supermarkets in Kenya operate in dynamic and very competitive environment hence the need for strategic plans that once implemented can deliver on their set objectives, improve their performance and realize high returns on their investment.

This study focused on 27 supermarkets (Appendix II) that differ in sizes in number of employees, branch networks and market share. The rationale for selecting 27 supermarkets is that they are the only one within Nairobi County which was the geographical scope of the study according to statistics from the Ministry of Industry, Trade and Cooperatives. Most of these supermarkets in Nairobi County are faced with a number of challenges including mismanagement, corruption and poorly formulated and executed strategic plans and they are struggling to remain viable. It is therefore against this background that the current study seeks to determine the effect of strategy implementation on performance of these supermarkets.

Statement Of The Problem

Poor organizational performance has been recorded by some major supermarkets in Kenya like Uchumi and Tuskys. For instance, report by the Nairobi Security Exchange (NSE) (2017) indicated that Uchumi Supermarket recorded loss to a tune of 3.2 billion for the year 2015. On the other hand, Tuskys Supermarket is currently under probe by the Competition Authority of Kenya due to poor performance as occasioned by delays in payment of suppliers (CAK, 2020). Due to persistent losses, some supermarkets like Uchumi and Tuskys have been forced to close down some of their branches in order to stay afloat. These challenges of poor performance of the supermarkets call for strategy implementation so as to improve the performance and sustain operations. Consistent with these views, Kamau, Thomsen and McCormick (2019) argued that supermarkets face challenges in their operations because of the rapidly changing forces in the business environment where they require the best of judgment and formulation of appropriate strategies that would drive them to enhance their performance. Mutisya (2016) opined that many organizations formulate good strategies which aim at driving their operations to the desired future position. However, challenges in the implementation phase make it difficult to realize the espoused future position.

Several scholars have examined strategy implementation. For instance, Osman and Kenyuru (2018) identified mismanagement and competition from online shopping as main challenges in strategy implementation. But there is a gap in the study as it focuses on description of one variable which was the factors resulting into collapse of major supermarkets. Malit and Muendo (2017) covered strategy implementation and its effect on the performance of the insurance sector. The findings show that effective strategy implementation needed competent staff so as to improve the performance of the organization. However, the study had ICT as a moderating variable which creates a conceptual gap and it was specific to the insurance sector that differ in operations as the retail sector. A study conducted by Klimentko and Kalgin (2018) in Russia did focus on strategic planning which the federal government had adopted. It was noted that through strategy implementation, an organization is able to cut down on its costs and this improves on its performance. However, this study creates a conceptual gap as it focused on strategic planning instead of strategy implementation and it was also conducted in Russia and not in Kenya hence creating contextual gap.

From the aforementioned studies, some of them were conducted in different contexts for instance insurance sector (Malit & Muendo, 2017) while others (Osman & Kenyuru, 2018) merely focused on challenges of strategy implementation. Furthermore, some of the studies were done in other different countries like Russia (Klimentko & Kalgin, 2018) and not in Kenya. This resulted into contextual and conceptual gaps that the current study sought to fill by examining the effect of strategy implementation on organizational performance of selected supermarkets in Nairobi County.

Research Objective

The study sought to establish the influence of organizational resource allocation and strategy communication has on organizational performance of selected supermarkets in Nairobi County.

II. THEORETICAL REVIEW

The resource based view (RBV) was initially coined by Penrose (1959) where the available and unutilized resources were seen to drive the ability of the firm to grow. However, in 1970s all through to early 1980s, the RBV attracted attention among the scholars including Rubin (1963), Teece (1980), Wernerfelt (1984) as well as Barney (1991). According to Barney (1991), the resources owned by organizations are considered to be of great importance towards the sustenance of a firm's competitive advantage and superior performance. The resources can either be tangible or intangible. An organization is also considered to have the capacity of combining resources, people and processes to specifically help in transforming inputs to outputs (Barney, 2001). Resource Based View reveals the role that organizational resources play in bringing a difference as compared to the

organizations in the industry through superior performance and competitive advantage. These differences in resources and capabilities have positive implications on organizational performance (Zhang et al. 2019). According to resource based view, organizations allocating adequate resources have high chances of improving performance as compared to those that overlook the allocation of resources. In the end, this influences the decision making process and the overall organizational performance (Lin & Wu, 2014).

Resource allocation is believed to affect how a firm will invest and even take advantage of the arising opportunities; hence an organization must aim at effectively allocating its resources at a cost-efficient and differentiated manner than its competitors for increased performance and competitive advantage. Campbell and Park (2017) noted that the performance of an organization is the key component in gaining the competitive advantage. According to the resource based view, the performance of an organization is the key component in gaining the competitive advantage. This theory explains why organizations succeed or fail in a given market place and suggests that the abilities of a firm create room for adding customer value chain, developing new products and expanding new market places (Lin & Wu, 2014).

The RBV has attracted some criticisms arising from its assumptions. The RBV fails to provide an explanation of how to identify the resources that can be regarded as being valuable (Hitt, Xu & Carnes, 2016). The RBV also fails to provide a threshold of establishing the resources that can be rendered as being rare (Davis & Simpson, 2017). RBV has also been criticized on ground that it explain more on past performance of the firm (static) hence failing to incorporate the dynamic environment (Lambourdière, Rebolledo & Corbin, 2017).

The theory proposes that management in organizations should set aside sufficient resources both physical, raw-materials and human that is used in the operations and processes of the organization and will yield high returns. As such this theory is therefore relevant to the study because it supports the objective of organizational resource allocation by explaining how resource allocation plays a key role in determining the performance of an organization, implying that when the resources are effectively allocated, there will be chances of enhancing organizational performance.

Institutional Theory

The institutional theory was formulated by Scott (1987) and it tries to explain how organizational environment influences its structures. The way the structures are reported will ultimately affect the way in which the relevant information required for strategy implementation is passed and received. The set policies and procedures are responsible in determining how information flows and the necessary actions to be executed during the process of strategy implementation (Shou et al., 2016). Institutional theory reveals how the flow of information in the structure of an organization affects its

performance. With regard to this theory, the term institution is used in explaining the particular culture policies and procedures in an organization. In organizations that the staffs can easily access management through an environment that has open and supportive communication, there will be high chances of outperforming those with more straining communication environments (Raineri, 2018).

Communication is considered to be a vital requirement in effective strategy implementation. It basically helps in disseminating knowledge during the process of strategy implementation. Communication itself relates to the context of the organization regarding its processes and implementation of objectives (Powell & Colyvas, 2008). The structure of communication influences the performance of an organization by helping in the generation of expectations among different stakeholders during the strategy implementation. The organizational rules and policies helps in determining how information flow, how it should be achieved and the actions that should be undertaken by staff in case of any arising issues at a particular time (Lammers & Barbour, 2006).

Suddaby (2010) stated that adopting the institutional theory in its traditional aspect has been overstretched beyond its purpose. Kondra and Hinings (1998) advocates for institutional theory as a change agent by covering the diverse interests and characteristics of the organization, success of the organization can only be acquired by looking at the structure, the culture, value system, beliefs and norms, which is communicated throughout the organization and to all its employees. Since strategic communication is directly linked to high performance (Lammers & Barbour, 2006).

This theory is therefore relevant to the study as it supports the objective of strategy communication by revealing how the structure of an organization specifically communication structure plays a key role in determining the performance of an organization. It is through communication that organizations are able to successfully coordinate with each other towards the process of strategy implementation.

III. EMPIRICAL REVIEW

Resource Allocation and Performance

Sitzmann and Bell (2017) researched on the dynamic effects of subconscious goal pursuit on resource allocation, task performance, and goal abandonment. The study results showed that the subconscious achievement of goals contributes to promoting task performance while subconscious under-attainment goals cause abandonment of goals and difficult conscious goals mitigate those effects depending on the level of resource allocation and timing of the target execution. The study also revealed that resources are considered to be the assets that can be applied with the main aim of managing productivity and performance and that resource allocation is majored on ensuring that the available resources are assigned in a more effective and efficient way to

ensure that the organizational goals and objectives are achieved accordingly. The findings of this study further indicated that in most organizations, production requires limited specific resources of the firm and their allocation to different uses is one of the managers' most important responsibilities hence equity should be considered in all areas of the organization (Sitzmann & Bell, 2017).

Lemarleni, Ochieng, Gakobo and Mwaura (2017) researched on how resource allocation affects strategy implementation at Kenya Police Service in Nairobi County. Findings suggest both positive and substantial associations exist between the predictor and dependent variables. Strongest and most favorable associations were observed between organizational culture and implementation of the strategy followed by implementation of the financial resource and strategy. Resource allocation has continued to play an important role in organizational performance hence creating need for having clearly formulated strategic plans and ways that will ensure that the allocation is achieved as expected. Effective resource allocation is believed to come up with some organizational developments that are geared towards the improved performance of the organization (Lemarleni et al., 2017).

Kogan, Papanikolaou, Seru and Stoffman (2017) investigated on technological innovation, resource allocation and growth. The study established that how well resources are defined and allocated will contribute to the effective running of the organization. This allocation needs careful planning since the process can sometimes be hard. It was also established that when the resources are not allocated as expected it will become very hard to implement the strategy of an organization. The study revealed that the way one allocates the resources will automatically have a direct or indirect effect on the level of productivity and performance. It was concluded that effective resource allocation plays a key role in letting the managers understand how the employees work, hence making it much easier to assign tasks to the resources according to the skills of the employees.

Chi and Bump (2018) investigated on the processes of resource allocation at multilateral organizations working in global health. The study findings revealed that recipient countries themselves have little influence on allocation processes, although they have some influence in relatively narrow areas within these processes. Proper resource allocation can help managers identify the presence of employees in a certain task and even assign them specific tasks according to their availability. Proper resource allocation is also believed to help managers in managing the workload of their employees. This implies that the manager will be able to check the task list of the employees and know who is having more than adequate tasks and those who have been under-assigned. This will help in giving the employees the morale they need in improving their performance because they will not feel overworked (Chi & Bump, 2018).

Strategy Communication and Organizational Performance

Siam (2017) researched on how communication strategy affects the relationship between strategy execution at the organizational level and organizational performance. The study found that strategy communication is aimed at determining how effective sharing of information is achieved and also how it is presented among clients, business firms or even investors. It was revealed that strategy of communicating articulates and promotes organizational goals and visions while creating a consistent and unified voice that plays a key role in linking diverse activities in a way that compliments the employees for their efforts. It was also established that entirely communication is aimed at facilitating a change in a certain behavior so that the achievement of management objectives can be put into consideration in a timely manner.

Kibe (2014) investigated on how communication strategies affect organizational performance using a case study of Kenya Ports Authority. In accordance to the study, communication strategies were found to play a key role in improving the performance of an organization and that it entails the process of transmitting information and creating an understanding between two or more people. Effective communication is considered to play an integral part of the organizational process as it creates efficiency from the top management to the lower management of an organization. The study noted that well planned and organized communication will in the end help in making planned decisions regarding on how organizational performance can be improved and lead to the attainment of set goals and objectives. It was noted that in today's world the strategies of communication have become common and they are widely used as part of the planning process, giving a clear detail on how one should communicate with various groups of people.

Shonubi and Akintaro (2016) conducted a study on the impact of effective communication on organizational performance. The results showed that communication acts both as a symptom and a source of performance issues in the organization and that organizations that are poorly designed in terms of communication will have ineffective processes, unaligned rewards, inconsistent client/partner orientation, fragmented expectations and team leaders who are not qualified. The results suggested that communication strategies in any organization are considered to be one of the most integral components of any performance improvements approach, organizations looking to achieve strategic goals set well-defined communication approaches and that a well-defined approach is one that includes the staff and aligns with the business goals of the company.

Okuneye, Lasisi, Omoniyi and Shodiya (2014) conducted a study on internal communication strategy and performance using a case study of Nigeria service and manufacturing industry. It was indicated that a communication strategy that is very comprehensive is considered to be of a vital importance to the success of an organization and that effective

communication strategy helps in setting the directions that are geared towards the improvement efforts. The study noted that communication strategies that are well aligned tend to enhance the performance of an organization. These strategies are believed to influence the energy levels for improvement purposes. Clear communication, while providing feedback on success, keeps managers focused on goals and priorities. Effective communication methods, processes, and procedures have an immense and direct impact on learning and creativity in organizations (Okuneye et al., 2014).

Aregay (2019) investigated on how internal communication affects employee performance using a case study of Ethiopian Ministry of Health. The findings of the study revealed a positive relationship between information reliability and performance of employees. Communication can be understood as a practice that is conveyed to the general public. Determining what should be communicated to employees, when it should be communicated, and how it should be communicated is often left to the individuals' decisions when a need appears to be made. The strategies of communication are created when there is a crisis or a major event clearly requiring communication issues to be resolved. Where contact is planned, it is often about upheavals such as major changes in company or organization, layoffs and downsizing, and technological change. Most companies understand the importance of creating strategic plans to drive decision-making over the long term. The idea is that the companies cannot organize organizational resources without knowing where the organization wants to be and how it will get there, hence effective communication is a key factor to consider (Aregay, 2019).

Bakhuya (2015) researched on how communication strategy affects strategic planning in African banking corporation Kenya. The study was aimed at examining the factors that affect communication strategy on strategic planning at African Banking Corporation in Kenya and the challenges encountered in implementing the strategy of communication. The study adopted the use of a case study design. Data was collected using interviews with the Director of Human Resources, Chief Finance Officer, Public Relations Manager, Corporate Banking Director, Treasury Country Head and Chief Operating Officer. The study used qualitative data which was done using content analysis. The study findings revealed that effective communication positively and significantly affects the successful implementation of strategy at the African Banking Corporation in Kenya. Effective communication is aimed at helping managers perform the basic organizational functions like planning, organizing, motivating and controlling. Responsible managers should be geared towards facing and tackling the challenges of strategic communication like poor authority structure, lack of coordination and support from other management levels and resistance from lower levels and poor planning activities.

Gachungi and Musyoka (2014) investigated on how the strategy of communication affects change management at

Unilever Kenya Limited. The main objective of the study was to determine how communication strategy affects change management at Unilever. The study findings revealed that communication plays a major role in change management in Unilever including quick acceptance and reduced resistance. The study concluded that for an organization to successfully implement change, it must have the ability of clearly planning consistent communication. Effective communication strategies are believed to help most organizations in achieving satisfied repeat customers rather than unsatisfied ex-customers, employees who are well motivated rather than expensive industrial disputes and creative strategies rather than inefficiency and resistance to change. Usually a typical communication strategy is a summary of what management wants to say and a list of ways that it intends to say. Communication entails the glue that keeps the organisation. Poor communication in virtually all organizations is the number one problem, and considered as the cause of most problems. Effective communication means good partnerships and it means improved efficiency and income. Poor communication brings conflict, inefficiency and loss. Good communication can also help in making customers become more responsive and the success of a message is measured in terms of action taken by receiver.

IV. RESEARCH METHODOLOGY

A research design is the blueprint that the researcher will use during the process of answering the research questions. For this study, a descriptive research design was adopted. A descriptive research design helps in describing elements and reports things the way they are and in their natural state (Bishop, 2015). This design is also used in answering questions on what, where, when and how of the elements under observation and it is ideal in proving or disproving the assumptions on the role of strategy implementation on performance of the supermarkets within Nairobi County. The study targeted 27 supermarkets operating in Nairobi County (appendix II) (Nairobi County, 2020) and the respondents included the operations manager and human resource manager each from these supermarkets. The unit of analysis were supermarkets while the unit of observation were the HR manager and the operations manager. Essentially, the HR manager conduct activities like allocation of resources including people and communicating any formulated policy. On the other hand, the operations manager on daily basis is involved in monitoring and control activities. The study targeted head offices of the various supermarkets because this is the office in charge of formulation of strategies which are then cascaded down to other levels and branches. Since the population of the study was relatively small, census was used where all the 27 supermarkets were covered. Primary data was collected using structured questionnaire that was designed in accordance with the study objectives. Questionnaire was used in gathering information since it allowed the researcher to collect a relatively large amount of information from respondents within limited time. The questionnaire was

structured so as to give respondents ample time to fill in the required details while reducing biasness. Structuring of the questionnaire was also meant to ease the process of coding and analysis of the results. Primary data is the one that is collected directly from its original source for the first time (Fletcher, 2017). The researcher used self-administered questionnaire and it was taken to the respondents at their place of work. The questionnaires were administered to the respondents using online method. More specifically, the researcher sent the questionnaires to respondents through email. In addition to primary data, the study collected secondary data on sales volume from the Kenya Revenue Authority reports and Nairobi County government publications. This secondary data was used to substitute primary data. It was also used to establish the general trend in performance of these supermarkets to validate the primary data collected using questionnaire. The collected data was cleaned by verifying the completeness of filling in the questionnaire. It was coded and Statistical Package for Social Sciences was used as an aid for analysis. Descriptive statistics were conducted where mean and standard deviation were generated to describe the general nature of the data. Apart from representing descriptive statistics, the means and standard deviations were also used as measures of central tendency and dispersion respectively. Furthermore, the study used frequencies and percentages as other descriptive statistics particularly in analyzing the nominal data collected on general information of the respondents and the firms that were studied. The means and standard deviations were largely used in analyzing the ordinal data that had been gathered on the Likert formulated questions. Besides the descriptive statistics, the study further adopted regression analysis to establish the relationship of strategy implementation and performance of supermarkets in Nairobi county. The regression model is as follows:

$$Y = \beta_1 X_1 + \beta_2 X_2 + \epsilon$$

Where: Y = organizational performance; X_1 = Organizational resource allocation; X_2 = Strategy communication; ϵ = Error term; β_1 and β_2 are the beta coefficients.

The study findings were presented in the form of tables, figures, charts and discussions. A number of regression assumptions were checked before using regression analysis in the study. First, the study conducted normality tests to determine whether the data was normally distributed. The second assumption was tested to ensure that there was no multicollinearity. In interpreting regression results, the coefficient of determination R square was used to signify the fitness of the regression model. In this regard, a value of R square above 50% is interpreted to mean that the model is fit. The Analysis of Variance (ANOVA) was used to determine the significance of the overall regression model. The p-values were interpreted at 5% level of significance (0.05). In this regard, p-values below 0.05 were regarded as being significant.

V. RESEARCH RESULTS

Regression coefficients and significance of the variables of the study were reported and indicated in Table 1.

Table 1: Regression Coefficients and Significance

	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	22.571	2.771		8.145	.000
Resource Allocation	.490	.148	.453	3.307	.002
Strategy Communication	.570	.134	.741	4.251	.000

a. Dependent Variable: Organizational Performance

Based on the results shown in Table 1, the following equation is predicted:

$$Y = 22.571 + 0.453X_1 + 0.741X_2$$

Where: Y = Organizational Performance; X_1 = Organizational Resource Allocation; X_2 = Strategy Communication

Resource Allocation and Organizational Performance

The first objective sought to establish the influence that organizational resource allocation has on organizational performance of supermarkets in Nairobi County. From the results of descriptive statistics, respondents generally agreed on the statements provided under resource allocation as an aspect of strategy implementation and thus the studied firms practiced resource allocation. Majority of the statements had low values of standard deviation being less than 1; which imply that respondents had similar views and opinions on resource allocation. However, respondents highly reacted on the fact that effective allocation of employees resulted in operational efficiency. The statements that were highly rated by respondents include the fact that adequate budgetary allocations for smooth operationalization of the strategies and that strategic human resource management was employed to ensure optimal utilization of personnel. Respondents further agreed on the fact that staff allocation to tasks was based on desired level of efficiency and that staff allocated to departments were qualified in their different areas of operation. The results of regression analysis indicate that organizational resource allocation had a positive beta coefficient with p-value which is less than 0.05. The beta coefficient of organizational resource allocation is the third largest among all the four independent variables.

The study established that a unit change in resource allocation other factors kept constant would result into 0.453 unit increase in organization performance of supermarkets in Nairobi. At 5%, the study established that resource allocation has a p=0.000 which is lower than 0.05. This means that resource allocation has significant effect on organizational performance. Lemarleni et al. (2017) established that resource allocation has continued to play an important role in

organizational performance hence creating need for having clearly formulated strategic plans and ways that will ensure that the allocation is achieved as expected and that effective resource allocation is believed to come up with some organizational developments that are geared towards the improved performance of the organization. Kogan et al. (2017) established that effective resource allocation plays a key role in letting the managers understand how the employees work, hence making it much easier to assign tasks to the resources according to the skills of the employees. Chi and Bump (2018) revealed that proper resource allocation can help managers identify the presence of employees in a certain task and even assign them specific tasks according to their availability.

Strategy Communication and Organizational Performance

The results show that strategy communication was practiced among the studied firms ranging from a moderate extent to a greater extent. Most of the respondents agreed on the fact that their organization embraced strategy communication. Some of the statements had high value of standard deviations above 1; for instance, exchanging information with suppliers in a timely manner, exchanging information with distributors in a timely manner and collecting feedback from staff to improve overall customers shopping experience. Among the key statements that respondents highly rated include the fact that information sharing with stakeholders was timely, all top employees were involved in strategy formulation, product offerings were communicated to customers in a timely manner and that new product offerings were well displayed in strategic locations for customers to see. From the results of regression analysis, strategy communication was found to have the second largest beta coefficient which was positive with a p-value being less than 0.05.

It was noted that a unit change on strategy communication when other variables are held constant would lead to 0.741 unit increase in organizational performance of supermarkets in Nairobi. Strategy communication had $p=0.05$ which means that it had significant effect on organizational performance. Siam (2017) found that strategy communication is aimed at determining how effective sharing of information is achieved and also how it is presented among clients, business firms or even investors. Kibe (2014) established that communication strategies play a key role in improving the performance of an organization. Shonubi and Akintaro (2016) noted that communication strategies in any organization are considered to be one of the most integral components of any performance improvements approach. Organizations looking to achieve strategic goals set well-defined communication approaches. Okuneye et al. (2014) noted that effective communication strategy helps in setting the directions that are geared towards the improvement efforts.

VI. CONCLUSION

The first objective of the study sought to establish the influence that organizational resource allocation has on

organizational performance of supermarkets in Nairobi County. From regression results, organizational resource allocation had a p-value of less than 0.05 and the beta coefficient was positive. Based on this finding, the study concludes that organizational resource allocation has a positive and significant effect on organizational performance of supermarkets in Nairobi County. Most of the supermarkets in Nairobi City County have embraced resource allocation as an aspect of strategy implementation.

The second objective of the study sought to determine the effect of strategy communication on organizational performance of supermarkets in Nairobi County. From the results, strategy communication was found to have a positive beta coefficient which was positive and its p-value was less than 0.05. In view of this finding, the study concludes that strategy communication has a positive and significant effect on organizational performance of supermarkets in Nairobi County.

VII. RECOMMENDATIONS

Strategy communication had the second largest beta coefficient based on the results of regression analysis. Hence, this study recommends that all managers of supermarkets in Nairobi County should increase the adoption of technology based information sharing with customers so as to improve on performance.

Organizational resource allocation had the third largest beta coefficient in view of the result of regression analysis. Based on this result, the study recommends that supermarkets in Nairobi should improve on mobilization of the adequate financial resources so as to facilitate smooth strategy implementation. At the same time, additional finances should be made available to support strategy implementation as need arises. The management of supermarkets in Nairobi County should engage sufficient personnel to handle tasks in the departments.

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