

DETERMINANTS OF STRATEGIC MANAGEMENT PRACTICE ON TEA FACTORIES IN KENYA: A CASE OF MURANG'A COUNTY

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Abstract: *Strategic management practice has gained importance in recent years. Organizations have been forced to adopt these management practices in order to remain relevant in the dynamic business environment. Tea factories in Kenya over the last one decade have strangle to for their survival despite of adoption of management practices. There are a number of both internal and external environmental factors that may influence the strategic management practice of an organization. Therefore this study seeks to establish the determinants of strategic management practice in Kenya Tea factories. The objectives of the study were, to determine how management support affects strategic management practice, to establish how management skills influence strategic management practice. The study applied descriptive research design to focus on the tea factories in Murang'a County. Data was gathered through semi-structured questionnaires which was pre-tested on thirty individuals randomly selected from the study population to ensure reliability and validity of the tools. The data collected was analyzed by use of statistical package, SPSS. Multiple Regression analysis was conducted to establish the determinants of strategic management practice. The analysis was presented in tables and graphical presentations. The study management skills and management support had a significant effect on the strategic management practices. The study also recommend that top level managers should ensure that training and support is build up in the organizations to enhance strategy implementation. Further the study recommends research to be extended to other area and sectors. The study also that the stakeholders be keen on the factors considered since they were found to be relevant.*

Keywords: *Management skills, Management support, strategic management practice*

1.1 Introduction

The concept and practice of strategic management has been embraced worldwide and across various sectors because of its perceived contribution to organizational effectiveness (Thompson & Strickland, 2007). Today managers both in the public and private sectors have taken serious measures to undergo the whole process of strategic management in their organizations so as to remain relevant in their areas of operations. Steiner (1979) noted that strategic management requires a strong backup in the whole process of formulating and implementing strategies. However, he observed that due to the misunderstanding of the factors that influenced the implementation process, adoption of strategic management often led to incomplete implementations.

Strategic management is a continuous process that involves attempts to match or fit the organization with its changing environment in the most advantageous way possible (Pearce & Robinson, 2007). Adeleke *et al.*, (2008) defined strategic management practice as the process of examining the organizations environments,

formulation of objectives, implementing and controlling decisions focused on achieving these objectives currently and in the future environments. Globalization, competition and technological changes in the environment have in the recent past forced organizations to adjust their ways of doing things. The adoption of a clear strategic perspective in organizations is one of the factors that affect the performance of these organizations. In effective strategic management practice, the flow of information involves historical, current, and forecast data on the operations and environment of the business. Managers evaluate these data in light of the values and priorities of influential individuals and stakeholders that are vitally interested in the actions of the organizations (Pearce and Robinson, 2009). Therefore implementing a good strategy is one of the important factors that enable the organization to survive and gain a sustainable competitive advantage (Ogut, 2015). Since almost all organizations have limited resources, strategists must decide which alternative strategies benefit the firm most (Kakuna, 2012). Thus, a strategy reflects managerial choices among alternatives and signals organizational commitment to particular products, markets, competitive approaches, and ways of operating the enterprise (Thompson 2003).

Effective strategy management practice requires an integrative point of view. Not only the organizational structure, but cultural aspects and the human resources perspective are to be considered as well. An implementation effort is ideally a boundary less set of activities and does not concentrate on implications of only one component, e.g. the organizational structure (Rapa and Kauffman, 2005). It is of great importance to integrate soft facts as well in the reflection of the implementation process. It is the consideration of soft and hard facts together that ascertains that cultural aspects and human resources receive at least the same status as organizational aspects. Altogether, such an integrative interpretation allows an important scope of development for implementation activities (Rapa and Kauffman, 2005). According to Ansoff and MacDonnell (1990), Strategy is a set of decision-making rules for guidance of organization behavior. They further argue that strategy is illustrative and somewhat abstract concept. Its formulation typically produces no immediate productive action in a firm. It is an expensive process both in terms of money and managerial time. A successful strategic management process ensures that the firm achieves its set objectives. Nevertheless there are barriers associated to effective strategy implementation emanating from either internal or external business environment. Both external and internal factors influence strategic management practice in organizations. The external environmental factors include the general environment (political and legal, demography, socio-cultural, economic, technological, and global), industry environment (threat of entry, the threat of substitutes, bargaining power of buyers, bargaining power of suppliers, and rivalry among the existing competitors), and competition. The internal environmental factors are organizational structure, organizational ownership, organizational size, organizational culture, management style, stakeholder expectations, and resources (Edirisisinghe, 2008).

1.1.1 Tea industry in Kenya

Tea is a major cash crop in the economy of Kenya. The crop has put Kenya squarely on the world map, with over 50 countries importing Kenyan tea. The country accounts for 10 percent of total global tea production and commands a remarkable 21 percent of global tea exports outside producing countries. The tea industry contributes about 14 percent of the agricultural gross domestic product (GDP), which is equivalent to 4 percent of Kenya's GDP (Kenya National Bureau of Statistics, 2014).

Tea industry in Kenya operates under Tea Act (Cap 343) and Agricultural Act (Cap 318) of Kenyan laws. It is based under the auspices of the Ministry of Agriculture for technical and policy guidance. The industry is well structured right from the apex regulatory body, the Tea Directorate (formerly the Tea Board of Kenya (TBK)),

the Tea Research Institute (formerly the Tea Research Foundation of Kenya (TRFK)), through to the producers, tea manufacturing factories, the trade and the blending and packing establishments. The Tea Board of Kenya (TBK), established in 1950 under the Tea Act (Cap 343) of the laws of Kenya was mandated to regulate the tea industry in all aspects of tea growing, research, manufacture, trade and promotion in both the local and the international markets. The Board also disseminates information relating to tea and advises the Government on all policy matters regarding the tea industry through the Ministry of Agriculture. Thirdly, it regulates and controls the cultivation of tea; registers tea growers and management agents & licenses tea manufacturing factories (companies) and regulates and controls the method of manufacture. Over 90% of Kenyan tea is sold to the world market in bulk and is used for blending lower quality teas from other countries. This result in lower prices for Kenyan tea and therefore lower returns to tea firms (TRFK Strategic Plan, 2010-2015). Therefore there is a need to ascertain and ensure quality through a strategic approach, diversify and add value to the tea products for the domestic and international markets. Efforts by TRI to enhance quality improvement, product diversification and value addition have experienced drawbacks due to lack of an adaptive tea research factory and other relevant equipment, lack of qualified and experienced personnel in the fields of food science, biochemistry and process engineering and inadequate market information.

Murang'a County is renowned for its small scale tea farming in the Mt Kenya region. Many small scale tea companies in this region are based in Murang'a County and provide employment opportunities for the county's people. However, it is notable that tea production in Murang'a County is faced with a lot of challenges despite that it is a cash crop to many within the County and beyond. The current state of tea sector in Kenya is a product of many factors including the country's colonial history, resource endowments, the prevailing socio-economic environment, regional economic relations and the general policy environment.

1.2 Problem Statement

Strategic management practice has gained importance in recent years. During last century organizations focused on long-term planning. Long-term planning supposed that external and internal environment will remain stable for long period of time and thus they made plans for long duration (Kakuna, 2012). Today's century organizations are operating in a very dynamic environment. There are therefore a number of both internal and external environmental factors that may influence the strategic management practice of an organization (Edirisinghe, 2008). Strategic management is a very important concept for any organization including the Tea factories. Organization factors such as formalization, centralization and specialization of organization structure play a role in enhancing achievement of organizational goals. The key to success is an integrative view of the implementation process of strategic plans (Raps & Kauffman, 2005).

Kenya has recently been facing a lot of challenges in her Tea industry, which is evidenced by the decline in the export of the product in the last few years (Tea Board of Kenya, 2015). Over the years the crop was valuable and acted as the main export product earning foreign exchange to the county for a better economic stability. However the tea industry exports has been deteriorating over the years which have signaled a collapse of the industry if not addressed early. Some forces of change that have been linked as a threat in the tea industry in Kenya include intensive competition, globalization and technological advancement (Kakuna, 2012). Some farmers have opted to change from tea farming due to the low returns from the product. This has forced tea factories to undergo reorganization and come up with better ways of surviving in the market. Efforts of reviving performance have been experienced in the adoption of strategic management practice by the stakeholders (KTDA, 2015). Tremendous improved performance can be attributed to strategic management

practice it has adopted over time. Nevertheless some of the farmers have opted to turn up to other crops farming due to losses and poor rewarding from the tea crop (Tea Board of Kenya, 2015).

Most researches on strategy implementation and performance has focused majorly on service industries such as banking (Mburu, 2011; Oyeila, 2011; Onyoro, 2011), aviation Gitau (2011) and insurance (Kiarie, 2013) while little has been done on the manufacturing and processing industry. Namu *et al.*, (2014) on the other hand did a study to determine impact of cost reduction strategies on performance of tea factories in Embu County, Kenya. They based their survey on factories in Embu County. This study focused on a different context and concept from what the current study seeks to cover. Yegon (2013) did a study on tea productivity in Kericho County, Kenya but focused on the financial determinants. In his study Yegon (2013) acknowledged that some of the tea industries have initiated strategic planning though they have not been effectively executed due to some factors emanating from both internal and external environment. It is therefore evidenced that the existing research is not well equipped to evacuate the tea factories from the current situation given that despite of the few researches the industry is still declining in terms of productivity. With few studies done to investigate the problem of strategic management in the tea industry in Kenya and with the projection of decrease in returns from the industry as reported by (TBK), therefore this study will seek to find out the determinants of strategic management practice in tea factories in Kenya.

1.3 Objectives of the study

The general objective of the study will seek to establish the determinants of strategic management practice in tea factories in Murang'a County.

1.3.1 Specific objectives

1. To determine how management support affects strategic management practice in tea factories in Murang'a County.
2. To establish how management skills influence strategic management practice in tea factories in Murang'a County.

1.4 Research questions

1. How does management support affect strategic management practice in tea factories in Murang'a County?
2. How do management skills affect strategic management practice in tea factories in Murang'a County?

2.0 LITERATURE REVIEW

2.1. Theoretical framework

2.1.1 Systems Theory

Systems Theory is the trans-disciplinary study of the abstract organization of phenomena, independent of their substance, type or spatial or temporal scale of existence. It investigates both the principles common to all complex entities and the models which can be used to describe them. This theory was proposed in the 1940s by the biologist Ludwig and furthered by Ross Ashby, (2009). They emphasized that real systems are open to, and interact with their environments, and they can acquire qualitatively new properties through emergence, resulting in continual evolution. Rather than reducing an entity the properties of its parts or elements, systems theory focuses on the arrangement of and relations between the parts which connect them into a whole. Systems analysis developed independently of systems theory, applies systems principles to aid a decision-maker with

problems of identifying, reconstructing, optimizing, and controlling a system while taking into account multiple objectives, constraints and resources. It aims to specify possible courses of action, together with their risks, costs and benefits.

Contemporary studies of accountability movements, professionalization and instructional leadership all benefit from a strongly open systems approach to understanding environmental demands and the resulting adaptation in policy and its implementation, or lack thereof (Chiuri, 2015). The PESTEL framework is a useful tool of analysis of the environment. PESTEL stands for political, economic, social, technical, environmental and legal factors. It is a strategic planning technique that provides a useful framework for analyzing the environmental pressures on a team or an organization. Each and every category of factors is of crucial importance to advanced strategic management, and the PESTEL analysis in itself is definitely a must for any business or company, regardless of its industry.

2.1.2 McKinsey 7S Framework

Based on their study of the ‘best’ American companies in the 1980s, Peters and Waterman (1982) developed a framework identifying the key factors to best explain the superior performance of these companies. This framework best known as McKinsey’s 7S framework is shown in Figure 2.1. This framework is argued to provide a useful visualization of the key components managers have to consider in successfully implementing a strategy (Pearce & Robinson, 1991). After the strategy is formulated, the framework suggests that managers focus on six components to ensure effective implementation: (organization) structure, systems, shared values (culture), skills, style, and staff (Peters & Waterman, 1982).

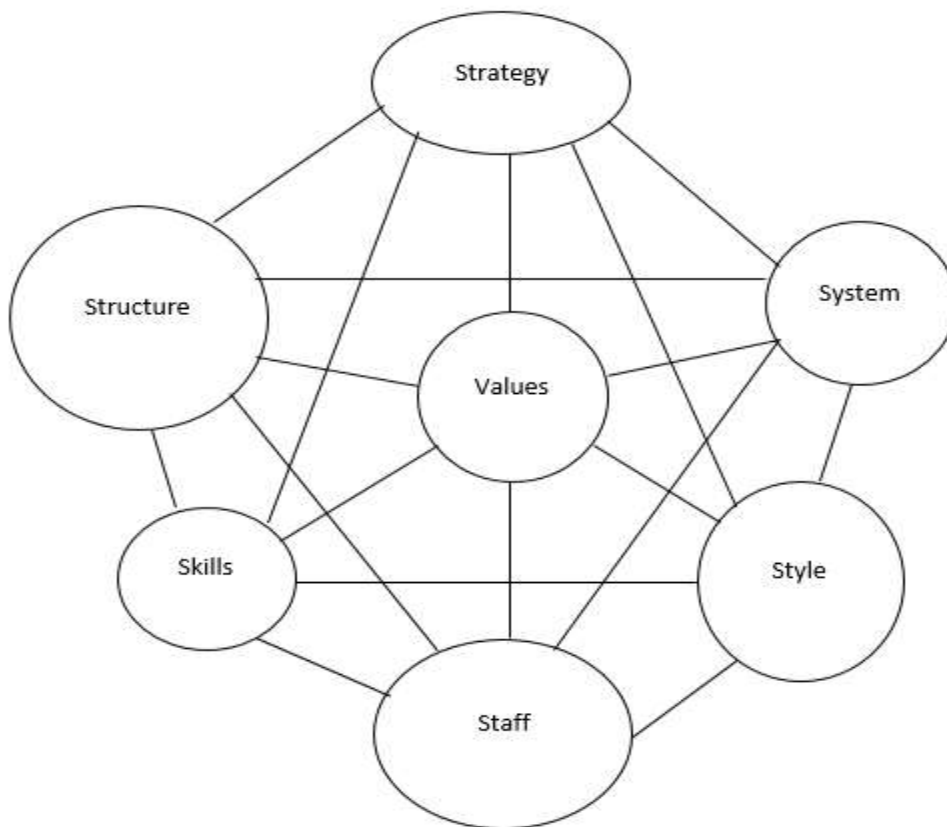


FIGURE 2.1 McKinsey 7S Framework (Peters & Waterman, 1982)

2.2. Conceptual framework

A conceptual framework involves forming an idea about the relationship which exist between variables in the study and showing that relationship graphically or diagrammatically (Mugenda & Mugenda, 2003).

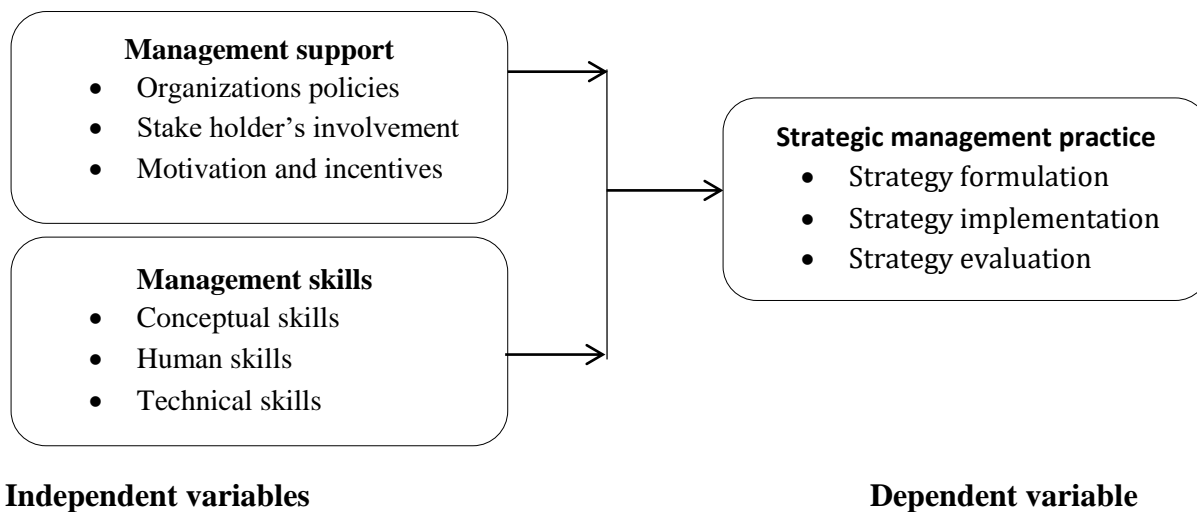


Figure 2.2 Conceptual framework

2.3. Empirical review

2.3.1 Managerial support

The top level management's is the most important factor in the whole process of strategic management (Mwajuma, 2013). This is certainly a prerequisite for strategy implementation. Therefore, top managers must demonstrate their willingness and how they are devoted to the implementation of strategies. This demonstrable commitment becomes, at the same time, a positive signal for all the affected organizational members. Aaltonen and Ikavalko (2002) recognize the role of middle managers, and stated that they are the "key actors" "who have a vital role in strategic communication". In addition to the above, another inhibitor to successful strategy implementation that has been receiving a considerable amount of attention is the impact of an organization's existing management controls and particularly its budgeting systems (Mankins and Steele, 2005). Mankins and Steele (2005) suggest that education and training policies depend on a firm's management culture and forms of management-led organizational change. While such policies are affected by a firm's market, production technologies and strategic goals, managers have the discretion to pursue varied strategies regarding three issues: entry-level education and training, employee development, and company-school relations.

Management can create more effective awareness for the strategic plan by communicating its benefits to the workers. Chiuri (2015) while studying challenges of strategy implementation assert that for organizational strategies to be effectively implemented, they need a strong back up from all stake holders. The implementation part of the strategies is conducted at the low levels in are organization. Support from top management will boost the effectiveness of the whole process in that they will either provide the required resources or boost morale of the subordinates.

2.3.2 Management Skills

Management skills have been defined differently by different scholars. Stoner, Freeman and Gilbert (2001) describe managerial skills as comprising of technical, human and conceptual skills and add that every manager

needs all three. Technical skill is the ability to use the procedures, techniques and knowledge of a specialized field. Human skill is the ability to work with, understand and motivate other people as individuals or in groups while conceptual skill is the ability to coordinate all of an organization's interests and activities. It involves seeing the organization as a whole, understanding how its parts depend on one another and anticipating how a change in any of the parts will affect the whole.

The management is the most fundamental instrument in strategy implementation because it is the leadership and it therefore determines how well the organization will respond to the strategy implementation process. The management sensitizes the organization on the benefits of the new strategies and explains the role of each individual, group or division/department in the new strategy highlighting the benefits and also addressing the challenges of adopting a new strategy. They therefore play an important role in the planning and implementation stages (Speculand, 2009).

Findings of Mapetere *et al.*, (2012) research established that most strategies failed due to the inability of leaders to make use of their various skills to create the awareness and show the strategy implementation roadmap as most of the strategy implementers were not aware of leadership expectations. They recommend that leadership should make use of their skills and abilities such as Human, technical and conceptual skills to create the need for change and enhance strategy implementation receptivity through imparting knowledge, motivation and guidance to strategy implementation individuals and teams.

2.4 Strategic management practice

Adeleke *et al.*, (2008) defines strategic management practice as the process of examining both present and future environments, formulating the organizations objectives, implementing and controlling decisions focused on achieving these objectives in the present and future environments. According to Thompson and Strickland (2003), strategic management practice is the process whereby managers establish an organization's long-term direction, set specific performance objectives, develop strategies to achieve these objectives in the light of all the relevant internal and external circumstances, and undertake to execute the chosen action plans.

Strategic management process has following four steps: environmental scanning, strategy formulation, strategy implementation, and strategy evaluation. Environmental scanning refers to a process of collecting, scrutinizing and providing information for strategic purposes (Thompson and Strickland, 2003). It helps in analyzing the internal and external factors influencing an organization. After executing the environmental analysis process, management should evaluate it on a continuous basis and strive to improve it.

Strategy formulation is the process of deciding best course of action for accomplishing organizational objectives and hence achieving organizational purpose (Thompson and Strickland, 2003). After conducting environment scanning, managers formulate corporate, business and functional strategies. Strategy implementation implies making the strategy work as intended or putting the organization's chosen strategy into action (Thompson and Strickland, 2003). Strategy implementation includes designing the organization's structure, distributing resources, developing decision making process, and managing human resources.

Strategy evaluation is the final step of strategy management process. The key strategy evaluation activities are: appraising internal and external factors that are the root of present strategies, measuring performance, and taking remedial / corrective actions (Thompson and Strickland, 2003). Evaluation makes sure that the organizational strategy as well as its implementation meets the organizational objectives. Abu-Bakar, Tufail, Yusof, and Virgiyanti (2011) sought to study the practice of strategic management in construction companies in Malaysia. Questionnaires were distributed to 300 large construction companies listed under G7 groups

classified by Construction Industry Development Board (CIDB). The response rate of the survey was 26%. The findings of the research showed that most of the firms practicing strategic management had a clear objective, a winning strategy to achieve the objective and a sound mission statement to guide the organization towards success.

According to Nyambok (2005), organizational strategy management is a careful planning, organization and execution of an alteration from the norm to the unknown which will require thinking and doing things differently. The entire process has to involve people from the beginning to the end by making the stakeholders buy into the strategy process and own the process itself. Strategy must be managed because it is disruptive and alters the equilibrium of operations. It results in a paradigm shift and causes variations in the status quo. Wataku (2007) adds that, it is vital to carefully manage strategy for the good of the people affected and the organization for it to yield good results.

3.0 RESEARCH METHODOLOGY

A descriptive research design was applied in this research in attempting to describe and explain the determinants of effective strategic management practice in tea factories in Murang'a County, by using questionnaires to fully describe the phenomenon. Cooper (2000) states that descriptive research is concerned with finding out who, what, where and how of a phenomenon which is the concern of the study.

The study targets all the 10 tea factories in Murang'a County, representing 100% of the target population. According to the KTDA website, and records (2016) they indicated that there are 10 registered tea factories in Murang'a County. The study at least focused on the three management levels to gather the relevant information. Managers are mostly involved in strategic management process and have more insights on the challenges facing the whole process.

Stratified random sampling was employed in the selection of the research sample. Sekaran and Bougie (2010), assert that stratified random sampling involves a process of stratification or segmentation, followed by random selection of subjects from stratum. Kombo and Tromp (2011), argue that research conclusions and generalizations are only as good as the sample they are based on. Samples are always subsets or small parts of the total number that could be studied.

Table 3.1 Sample Size

Category	Population Number of factories	Sampled Managers per factory	Total	Sample
Top level managers	10	2	20	
Middle level managers	10	3	30	
First-line Managers	10	4	40	
Total			90	

Sources Author calculation (2017)

This study used primary data in its empirical analysis. Primary data are those collected afresh and for the first time. There are several methods of primary data collection particularly in survey and descriptive researches. The questionnaires were close-ended. Bhattacharjee (2012), assert that a questionnaire is a research instrument consisting of a set of questions intended to capture response from respondents in a standardized manner. The

questionnaire was also on a Likert-scale with five points. In a Likert-scale, the respondent is asked to respond to each of the statement in terms of several degrees, usually five degrees of agreement or disagreement. A total of 90 respondents in the managerial positions were served with the research questionnaires in all the firms selected for the study.

The data was analyzed using descriptive statistics, and presented by use of frequency tables. The analysis was done with the application of the statistical package for social sciences (SPSS) software.

The study also applied the multiple regression analysis to establish the relationship between the dependent and the independent variables. The regression model is as follows:

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \varepsilon$$

Where:

Y = strategic management practice, β_0 = Constant Term, β_1 = Beta coefficients, X_1 = Management support, X_2 = Management skills, ε = Error Term

4.0 RESULTS AND DISCUSSION

4.1 Response Rate

Table 4.1 Response rate

	Number	Percentage
Responded	70	78
Did Not respond	20	22
Total	90	100

Table 4.1 indicates that out of the 90 questionnaires administered, only 70 were returned. The overall response rate was thus found to be 78% which was very high. The 22% of the respondents did not respond. The interpretation was that the high response rate was essential to obtain sufficient observations for further analysis.

4.2 Management Level

Table 4.2 Management Level

Management Level	Frequency	Percent
Top level Managers	15	21.4
Middle level Managers	24	34.3
First line Managers	31	44.3
Total	70	100.0

Table 4.2, presents the result on the position held by the respondents. From the results 21.4 % of the respondents in the tea factories were top level managers, 34.3% are in the middle level management, and 44.3% were in the first line management level. The distinction of the managers level was necessary in order to capture the cross sectional opinion of all the managers in the organization.

4.3 Qualitative Analysis

4.3.1 Management Support

Table 4.3 management support

Statement	Mean	Standard deviation
Team work in the organization has helped in achieving set goals	4.40	1.267
The institution offers opportunities for employees to participate in the process of strategic planning and management	4.34	1.273
Am satisfied with the institution's policies regarding strategic management as an employee	4.41	1.429
There are internal politics within the department	4.44	1.337

The study sought to examine the respondent's level of agreement or disagreement on the various measures of management support (on a scale of 1 to five), where (1-strongly disagree and 5 –strongly agree). Table 4.3, presents the relevant results which show that the mean values of response and the associated standard deviations (mean score 4.40), (mean score 4.34), (mean score 4.41) and (mean score 4.44) in extension all the variables had a standard deviation less than 1.96 which means that all the variables are normally distributed around their means. The interpretation was that majority of the respondents felt that management support was relevant in strategic management practice.

4.432 Management skills

Table 4.4 Management skill

Statement	Mean	Standard deviation
The management in your organization has high level of integrity	4.56	1.247
The management in your organization spearheads strategy effectively	4.54	1.259
Management staff are all well aware of the institutional strategy	4.60	1.254
Training is often provided to enhance management skills	4.40	1.267

The study sought to examine the respondent's level of agreement or disagreement on the various measures of management support (on a scale of 1 to five), where (1-strongly disagree and 5 –strongly agree). Table 4.4, presents the relevant results which show that the mean values of response and the associated standard deviations (mean score 4.56), (mean score 4.54), (mean score 4.60) and (mean score 4.40) in extension all the variables had a standard deviation less than 1.96 which means that all the variables are normally distributed around their means. The interpretation was that majority of the respondents felt that management skill was relevant in strategic management practice.

4.3.3 Strategic Management practice

Table 4.5 Strategic Management practice

Statement	Mean	Standard deviation
The organization adheres to the underlined strategies	4.63	1.287
The strategies in the organization are well formulated	4.61	1.207
The strategies in the organization are well implemented	4.74	1.176
The strategies in the organization are well evaluated	4.37	1.165

The study sought to examine the respondent's level of agreement or disagreement on the various measures of management support (on a scale of 1 to five), where (1-strongly disagree and 5 –strongly agree). Table 4.15, presents the relevant results which show that the mean values of response and the associated standard deviations (mean score 4.63), (mean score 4.61), (mean score 4.74) and (mean score 4.37) in extension all the variables had a standard deviation less than 1.96 which means that all the variables are normally distributed around their means. The interpretation was that majority of the respondents felt that the strategic management process is well practiced.

4.4 Correlation Matrix

Table 4.6 Correlation Matrix

	Management Skills	Management Support	Strategic management practice
Management skills	1		
Management support	0.275	1	
Strategy implementation	0.609	0.712	1

From table 4.6 it can be observed that the correlation between the independent variables and the dependent variable was high. The interpretation was that the level of multicollinearity between the independent variable was not very high which meant that the influence of each variable in the regression model could be isolated individually. The finding show that engagement support had the highest influence on strategy implementation with a strong positive correlation of 0.712, followed by management skill with 0.609.

4.5 Regression Analysis

Table 4.7 Regression Results Table

Variables	Beta	Standard error	t-statistic	p-value
(Intercept)	1.467		3.416	0.000
Management skill	0.318	0.043	5.761	0.000
Management support	0.347	0.056	6.232	0.000
Adjusted R-squared 87.2,	F-Statistic=> 157.968 p-value=>0.000			

The fitted regression model is;

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \varepsilon$$

$$Y = 1.467 + 0.318X_1 + 0.347X_2 + \varepsilon$$

$$\text{Standard Error} \quad 0.043 \quad 0.055 \quad 0.056$$

$$\text{t-Statistics} \quad 3.416 \quad 5.761 \quad 6.232$$

$$\text{p-value} \quad 0.000 \quad 0.000 \quad 0.000$$

Where; Y = Strategic management practice, X1 = management, X2 = management support, ε = Error Term, β_0 = Intercept, β_1 , β_2 = Coefficients

4.5.1 Management skills

From table 4.7, the regression coefficient of management skills was found to be 0.318. This value shows that holding other variables in the model constant, an increase in management skill by one unit causes the strategic management practice to increase by 0.318 units. The value of the coefficient is also positive. The positive effect shows that there is a positive relationship between management skills and strategic management practice.

The coefficient was not just positive but also statistically significant with a t-statistic value of 5.761. A t-statistic value of 1.96 and above is normally accepted to be significant for inference analysis. The standard error was found to be 0.055 and the p-value was found to be 0.000. The variable was also found to be the second most influential variable on the strategic management practice. These findings supports those of Mwajuma (2013) who found that management skills had effect on strategic management practice. The interpretation was that management skills causes the strategic management practice to increase and that it effect should be of concern to the stakeholders.

4.5.2 Management support

From table 4.7, the regression coefficient of management support was found to be 0.347. This value shows that holding other variables in the model constant, an increase in management support by one unit causes the strategic management practice to increase by 0.347 units. The value of the coefficient is also positive. The positive effect shows that there is a positive relationship between management support and strategic management practice.

The coefficient was not just positive but also statistically significant with a t-statistic value of 6.232. A t-statistic value of 1.96 and above is normally accepted to be significant for inference analysis. The standard error was found to be 0.056 and the p-value was found to be 0.000. The variable was also found to be the most influential variable on the strategic management practice. These findings supports those of Mwajuma (2013) and Gitau (2012) who found that management support had effect on strategic management practice. The interpretation was that management support causes the strategic management practice to increase and that it effect should be of concern to the stakeholders.

4.6 Good-of- fit Statistics

The results in Table 4.7 indicated that the overall model was a good fit since the value of F-statistic was found to be 157.968 and it p-value was found to be 0.000 which is less than the critical value of 0.05. The value of the adjusted R square was 0.87.2 This value clearly suggests that after adjusting for the degrees of freedom there is a strong relationship between management skills, management support and strategic management practice. This indicates that all the variables considered cause a variation of 87 % on strategic management practice. The interpretation is that the selected strategic management drivers considered in this study have a substantial effect on strategic management practice and therefore should be considered carefully when making organizational policies.

5.0 SUMMARY, CONCLUSION AND RECOMMENDATION

5.1 Summary of the findings

5.1.1 Management skills

The constructs for management skills were found to be of good reliability that allowed the researcher to proceed to the actual data collection, qualitative and inferential analysis. All the measurers of management skills were found to have effect on the strategic management practices as shown by the various respondents from the

responses that were presented using a table. This variable was found to have a positive effect on strategic management practices. This meant that increase in management skills facilitated the increase in strategic management practices in tea factories in Kenya.

The regression coefficient was found to be significant. This coefficient meant that a single unit increase in management skills would cause the rate of strategic management practice to increase. This coefficient was also found to be statistically significant. The t-statistic value was found to be significant and the p-value was found to be 0.000, a value that was less than the critical value of 0.05. The findings therefore showed that for tea factories in Murang'a to perform better they should improve their management skills.

5.1.2 Management support

The constructs for management support were found to be of good reliability that allowed the researcher to proceed to the actual data collection, qualitative and inferential analysis. All the measurers of management support were found to have effect on the strategic management practices as shown by the various respondents from the responses that were presented using a table. This variable was found to have a positive effect on strategic management practices. This meant that increase in management support facilitated the increase in strategic management practices in tea factories in Kenya.

The regression coefficient was found to be significant. This coefficient meant that a single unit increase in management support would cause the rate of strategic management practice to increase. This coefficient was also found to be statistically significant. The t-statistic value was found to be significant and the p-value was found to be 0.000, a value that was less than the critical value of 0.05. The findings therefore showed that for tea factories in Murang'a to perform better they should improve their management support.

5.2 Conclusion

The study concluded that resource allocation in the tea industry in Kenya has an influence on strategic management practice. The study concluded that management skills in the tea industry in Kenya has an influence on strategic management practice. The findings that, management skills had a positive effect on tea factories in Kenya were good indications that increase in management skills has a motivating effect on strategic management practice. This variable was found to have a statistically significant effect on Tea factories in Murang'a. From the qualitative analysis it was found that management skills variable was key in the management process as depicted by the high number of respondents who agreed with the questions asked on management skills relevance.

The study concluded that management support in the tea industry in Kenya has an influence on strategic management practice. The findings that, management support had a positive effect on tea factories in Kenya were good indications that increase in management support has a motivating effect on strategic management practice. This variable was found to have a statistically significant effect on Tea factories in Murang'a. From the qualitative analysis it was found that management support variable was key in the management process as depicted by the high number of respondents who agreed with the questions asked on management support relevance.

5.3 Recommendation

Since management skills and management support variables were found to be a key determinant of strategic management practices in tea factories in Kenya and in particular Murang'a county, the managers and regulatory authorities should keep a keen eye on improving the viability of the considered factors. Tea factories should

therefore come up with more innovative ways of enhancing their corporate strategic management practices in their organizations.

The government should ensure that enough resources are allocated for the tea industry in Kenya in order to make it successful. The government should also ensure that the management team that is elected or appointed to management the sector has the required qualification. The management should also support the strategic management practices in the industry.

5.4 Area for further research

Future research should be directed towards identifying more factors that affect tea factory performance in Murang'a and other parts of tea growing areas. Good examples are, change management, technological changes, innovations and human resource management among other factors. This study therefore recommends the improvement of this model by including more variables that are relevant in explaining the variation some of which have been mentioned above. This paper also recommends further research to include studies in other organizations apart from the tea factories sector.

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