



## **INFLUENCE OF ORGANIZATIONAL STRUCTURE ON STRATEGY IMPLEMENTATION AMONG FLOWER FARMS IN NAIVASHA, KENYA**

**Nguku Rose Mueni <sup>1</sup> Dr. Ombui Kepha <sup>2</sup> Prof. Iravo Mike A. <sup>3</sup>**

**<sup>1,2,3</sup> Jomo Kenyatta University of Agriculture and Technology**

### **Abstract**

Organizational structure refers to the formal system of task and reporting relationships that controls, coordinates, and motivates employees so that they cooperate to achieve an organization's goals. This study investigated the influence of organizational structure on strategy implementation among flower farms in Naivasha, Kenya. The specific objectives of the study were to access organizational hierarchical levels, organizational communication, decision-making structures and organization culture management on strategy implementation among flower farms in Naivasha, Kenya. The research study applied a descriptive research design. The target population of this study was the top, middle and low-level management staff of flower farms in Naivasha. The sample was selected from within each group in proportions that each group bears to the study population using Israel method sampling technique. The researcher used questionnaires as data collection instruments for the research distributed through drop and pick later method. Data collected was purely quantitative and was analyzed by descriptive analysis. The descriptive statistical programs such as Statistical Package for Social Sciences (SPSS) Version 24.0 helped the researcher to describe the data and determine the extent used. The researcher used SPSS to generate statistics like percentages, frequencies, means and standard deviations. The findings were presented using tables and charts. The researcher conducted multiple regression analysis to make inferences. Statistical inferences using an ANOVA table indicated that a high reliability was achieved by the data collection instrument with Cronbach's alpha coefficients. Both tests of significance using ordinary least squares regression and correlation analysis indicated a strong significance amongst the variables as well as when combined against the dependent variable. Hierarchical levels, organizational communication, and decision-making structures had no significance on influence of organizational structure on strategy implementation among flower farms in Naivasha, Kenya. Organization culture had a negative significance influence on strategy implementation among flower farms in Naivasha, Kenya. This enabled a conclusion to be made that only organization culture all affected the strategy implementation among flower farms in Naivasha, Kenya. Summarily the study recommended that a positive organization culture to be enhance as this would contribute significantly to strategy implementation among flower farms in Naivasha.

**Keywords:** Organization structure, strategy, strategy implementation, hierarchical levels, organizational communication, decision making structures, organization culture

## Introduction

Organizations exist to achieve strategic goals. These goals are broken down into tasks as the basis for jobs. The organization's structure gives it the form to fulfill its achievement of strategic function in the environment (Nelson and Quick, 2011). According to Mullins (2007), organizational structure is how to be efficient, flexible, innovative and caring in order to achieve a sustainable competitive advantage, (Lim, 2017). In retrospect, Daft, (2012) avers that organizational structure comprises of; policies, procedures and administration systems; formal structures of departments and hierarchies which are depicted in the organization chart; technical policies and procedures as well as technical expertise and systems adopted by organization (Mullins, 2007). To Fitzroy and Hulbert (2011), organization structure influences strategy implementation because it facilitates communication and information flow; controls allocation of the resources; assigns duties and responsibilities; serves to define jobs and work groups such as project teams, departments, quality circles and influence technology and culture he view of Lim, M., G. Griffiths, and S. Sambrook. (2012), an organization's performance can be explained by effective structures and employment of the resources it controls and yet according to Cole (2013), in order to implement strategy effectively, it is crucial to consider he view of Griffiths and Sambrook. (2012), an organization's performance can be explained by effective structures and employment of the resources it controls and yet according to Cole (2013), in order to implement strategy effectively, it is crucial to consider Their results confirmed the hypotheses and unveil the relations between all typologies and dimensions of cultures and components of implementation. Results clear up the key role off flexibility of cultures in strategy implementation process. Additionally, findings verify flexible cultures have to do more with policy formation and structural factors in implementation. Moreover, results reveal the significant correlation between strategic emphases among culture. The primary formal relationships for organizing are responsibility, authority, and accountability, (Bateman, T. S., and Snell, S. A. (2011).). The framework for organizing these formal relationships is known as the organizational structure. It provides the means for clarifying and communicating the lines of responsibility, authority, and accountability. It is believed that strategy implementation and execution is less glamorous than strategy formulation, and that anyone can implement and execute a well-formulated strategy.

Organizational structures and strategy implementation have drawn a lot of attention among scholars and researchers in the global scene. In the U.S.A, Mikko and Roger (2013) investigated strategic, structural contingency and institutional explanations in the adoption of innovative manufacturing practices. The researchers indicated that in order to understand the phenomenon of how innovative manufacturing practices diffuse we need to invoke theoretical arguments other than the ones that are conventionally used. In particular, neo-institutional arguments can shed light on the determinants of manufacturing practice adoption and implementation. They juxtaposed both theoretically and empirically three different theoretical perspectives that can be used to address the phenomenon: strategic contingency, structural contingency and neo-institutional arguments. A preliminary empirical test of the three competing perspectives was tested in a sample of 164 manufacturing plants. The study found that the institutional perspective explains much more of the variance in the practices adopted and implemented by the plants than either the structural contingency or the strategic contingency theories. As globally, strategy implementation usually involves the introduction of change to an organization.

Place of AGA Ltd is mechanistic which relates to projects in a very weak matrix structure due to the nature of its operations, the strategy adopted, the size of the company and the need to respond

rapidly to the dynamic complexity of the external environment. However, this structure is the source of major problems in implementation of projects as the study revealed and concluded that some of the organizational structure related factors significantly impact inversely to the categories of the key performance index namely time, cost and quality. Based on this, a 'projected' structure i.e a project structure was recommended to be adopted among other recommendation made by the study. Nwachukwu (2012) investigated the impact of organizational structure in effective management of Nigerian organization where the focus was on Nigerian Brewery PLC, Enugu. The study found that among others that organizational structure has a great impact in the effective management of organizations. In USA, Bagire and Namada (2013) sought to establish the relationship between managerial skills, financial capability and the level of strategic planning. The study was premised on the increasing focus on strategic planning in Ugandan organizations. There was however, a lack of local empirical studies on the factors driving this trend. Data were obtained from organizations in various sectors that included government institutions, private and family business organizations. The findings confirmed that organizations were involved in significant level of strategic planning. There was a positive and significant relation-ship with managerial skills. However, there was a very weak relationship with the financial capability.

There was a positive and significant relation-ship with managerial skills. However, there was a very weak relationship with the financial capability. Teachers Service Commission and found out that lack of financial resources was the greatest impediment to the realization of TSC's strategic plan. Ongale (2012) studied the challenges of strategy implementation in Non-Governmental Organizations (NGOs) world focusing on the Mission for Essential Drugs and Supplies (MEDS) and found out that weaknesses in processes, tools, equipment and technological mediocrity were the causes of unrealized strategic plans. The same findings were reached at by Marete (2012) who studied the challenges facing implementation of Kenya Human Rights Commission's five-year strategic plan (2008-2012). Nyakundi (2012) carried out a study on strategy implementation at Citibank Kenya and found out that goals' measurement, handling of issues and human capabilities were to blame for the slow pace of attaining the organization's strategic plan.

From small beginnings half a century ago, the floricultural sector has grown to dominate Kenya's horticultural exports (Whitaker and Kolavalli, 2013). Kenya is a major exporter of horticultural products that include flowers, fresh vegetables and fruits, with flowers accounting for more the bulk of the earnings. The earnings from the floriculture increased to Kshs 65 billion in 2012 against Kshs 58.8 in 2011 representing an increase of 38 % (Kenya economic survey 2013). Most of this increase is attributed to a shift toward production of higher value flowers, predominantly roses. This dramatic increase in production of Flowers is noted by the fact that Kenya now supplies 42% of the flowers sold by Flora Holland the world's largest flower auction (Flora Holland statistical Report, 2012) Average export tonnage grew from 29, 373 to 60,982 during the same period (Horticultural Crop Development Authority).

The recent statistics released by (KFC) show that the Kenya's flowers control 38% of the European market, Kenya managed to be the leaders after overtaking Israel and Colombia in the year 2000. (Riungu, 2007) in sub Saharan Africa Kenya is the ultimate leader in flower production and export, with about 60% of African flower trade originating in Kenya. The earnings from the floriculture increased to Kshs 65 billion in 2012 against Kshs 58.8 in 2011 representing an increase of 38 % (Kenya economic survey 2013). Most of this increase is attributed to a shift toward production of higher value flowers, predominantly roses. This

dramatic increase in production of Flowers is noted by the fact that Kenya now supplies 42% of the flowers sold by Flora Holland the world's largest flower auction (Flora Holland statistical Report, 2012) Average export tonnage grew from 29, 373 to 60,982 during the same period (Horticultural Crop Development Authority).

The main aspects of floriculture technology are: Hardware (structures and equipment to manage climatic conditions during production, storage and transport); plant-ware (breeding and multiplication of flower varieties with characteristics desired in the market and suitable for local production conditions); nature-ware (materials and knowledge systems that reduce environmental impacts of production) and; software (technical and management knowledge). The industry has however had its share of challenges. High production costs, insecurity as well as favorable tax incentives are forcing farms in Kenya's flower sector to relocate to neighboring countries, particularly Ethiopia.

### **Statement of the Problem**

While the floricultural sector has grown to dominate Kenya's horticultural exports (Whitaker and Kolavalli, 2013), with Kenya becoming a major exporter of floricultural products accounting for more Kshs 65 billion in 2012 against Kshs 58.8 in 2011, and representing an increase of 38 %. (Kenya economic survey, 2013), the success story can be attributed to change in production tact specifically production of higher value flowers. The global horticulture industry is being fueled by increasing demand to cater for a rapidly expanding global population. On the other hand, consumers taste for flowers is growing up day by day with flowers becoming a gem used for day-to-day home decoration and occasions unlike in the past (Kenya economic survey, 2015).

A review of existing literature heavily points to essence of relooking at organization structures in strategy implementation: According to Daft (2012), the structure of an organization influences the capability of an organization to reconfigure its operations and to make quick responses through flexible decision-making structures. Dunford et.al (2013) researched on organizational flexibility and implantation as a change process. The study provided the view that the flexibility of the organization was a function of the structure through the process of organizational design. Latifi and Shooshtarian (2014) studied the effects of organizational structure on organizational trust and effectiveness and showed that there is a significant relationship between organizational structure and trust dimensions. Johanna, Alena and Medina (2014) conducted a study on the effects of organizational structure, leadership and communication on efficiency and productivity- A qualitative study of a public health-care organization. Their research revealed that structure, leadership, and communication affect efficiency and productivity.

Locally, Akwara (2012) studied the challenges of strategy implementation at the Ministry of Cooperative Development and Marketing and found out that the stakeholder participation was inadequate due to lack of a shared vision. Wario (2012) conducted a study on the challenges of strategy implementation at the Ministry of Immigration and Registration of Persons in Kenya and established that the organization structure contributed to delays in decision making. The above scholars have availed evidence on organizational communication, hierarchical levels and decision-making structures form a responsive organizational structure as the key facilitators for attainment of organizations' strategy implementation.

Notably flower farms, while traditionally clothed in hierarchical structures, consistently have to cope with pressure of globalization, rapid changes in technology, rise of e-commerce, situations where customers and suppliers can be both competitors and allies and a change in emphasis from

quantity to quality and from product to services. Despite these challenges, no specific study has been carried out to establish the effects of organization structure on strategy implementation in the flower farms in Kenya. Therefore, this study sought to fill the identified research gap by evaluating the effects of organization structure on strategy implementation among the flower farms in Naivasha Kenya.

### **Objectives of the Study**

The general objective of the study was to establish the influence of organizational structure on strategy implementation among flower farms in Naivasha, Kenya.

The specific objectives of the study were:

- i. To establish the extent to which organizational hierarchical levels influence strategy implementation.
- ii. To assess the influence of organizational communication on strategy implementation.
- iii. To explore the influence of decision-making structures on strategy implementation.
- iv. To determine the influence of organization culture on strategy implementation.

### **Theoretical Review**

This study was guided by Bourgeois and Brodwin's Five Models of Strategy Implementation and McKinsey 7S Framework.

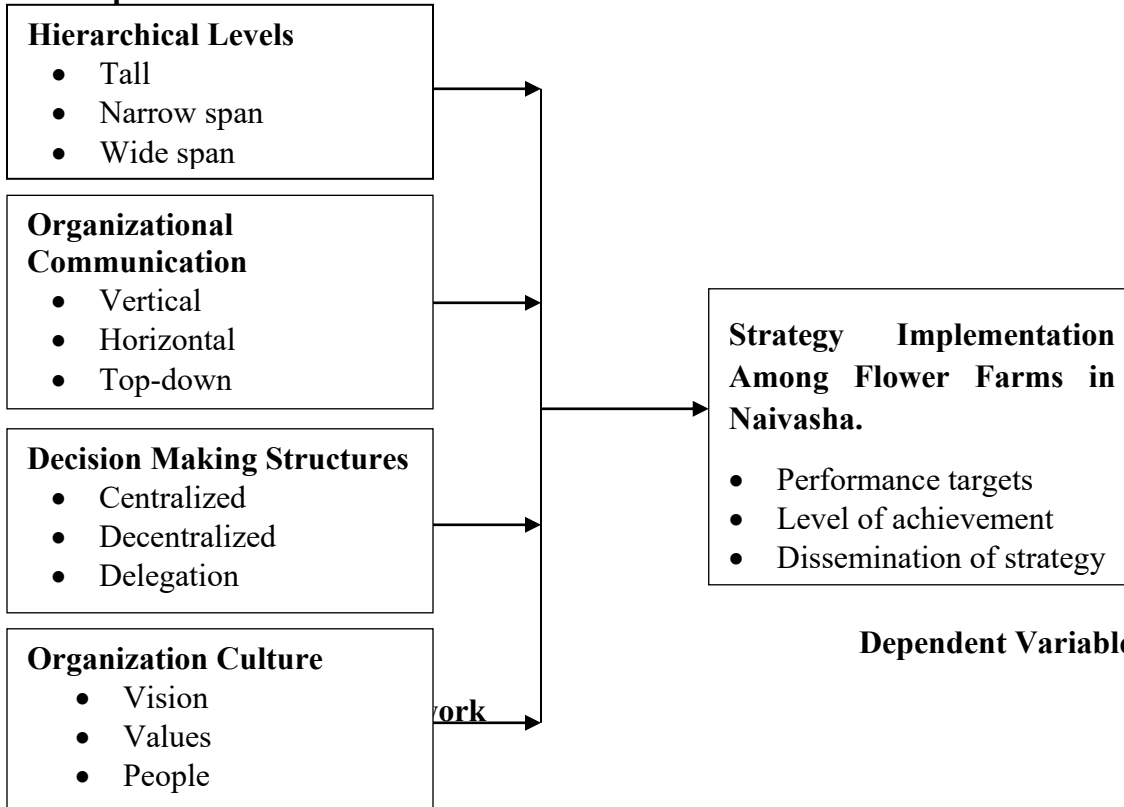
### **Resource Based Theory**

The resource-based view (RBV) of the firm argues that firms are able to outperform others if they can develop valuable resources or capabilities which cannot be easily imitated or substituted by its competitors (Teece, Pisano & Shuen, 2001). The RBV can contribute to investigating how universities identify and develop distinct unique capabilities, and how those might be transferred to new management and structures (Habbershon & Williams, 2001). RBV Theory is of the view that organizations possess valuable resources which it can utilize through value addition process before reverting to the external environment, for example the hierarchical levels within an organization. Resources are critical to implementation of organizational strategy.

### **Modern Management Theory**

The Modern Management Theory which looks at an organization through the open-system view where the organization is treated as an open system that interacts with the environment continually, in order to flourish. It also holds that the organization is dynamic and adaptive hence will always try to adapt itself constantly in line with changes in the internal environment including changes in the organization structures, organization culture and the outside environment made of the political, economic, socio-cultural, technological, political and legal forces (Pearce & Robinson, 2005). This theory therefore holds that the perspective of modern management entails strategic planning, strategy implementation and strategy evaluation and the three practices are a function of internal and external environmental forces. The other dominant feature of this theory is that it is descriptive and probabilistic in the sense that it does not tell how to handle things (prescriptive) but it simply tells how the things are handled. It is also probabilistic whereby no one uniquely determined outcome exists. Therefore, this theory sees a high degree of uncertainty in the organizations and it focuses on both the technical side of work and man side of work (Pearce & Robinson, 2005).

**Conceptual Framework**



An important element of an organization's structure is the number of levels it has in its hierarchy. Organizations with tall (vertical) structures have several layers of management between frontline employees and the top level, while organizations with flat (horizontal) structures have few layers, often with large numbers of employees reporting to a single manager (Fountain, 2016). These hierarchical levels have an effect on the span of control, decision-making, communication, coordination, among others. In tall structures, the number of employees reporting to each manager tends to be smaller, resulting in greater opportunities for managers to supervise and monitor employee activities resulting to a narrow span of control. In contrast, flat structures involve a larger number of employees reporting to each manager resulting to a wide span of control. In such a structure, managers were relatively unable to provide close supervision, leading to greater levels of freedom of action for each employee. Span of control refers to the number of subordinates a manager or supervisor can directly supervise in an organization. It also refers to how relations are structured between leaders and subordinates in an organization (Forman and Argenti, 2015). A wide span of control exists when a manager oversees many subordinates; whereas a narrow span of control exists when a manager oversees few subordinates. While a simple concept, span of control has widespread implications on strategy implementation in organizations.

**Organizational Communication**

Forman and Argenti (2015) rightly noted that although an entire discipline is devoted to the study of organizational strategy, including strategy implementation; little attention has been given to the links between communication and strategy. They also note that in the last decade, business communication researchers have become increasingly interested in the contribution of corporate communication to a company's ability to create and disseminate its strategy. This notwithstanding, very few researchers have investigated the link between corporate

communication and strategy, and - when they have - their focus has primarily been on how corporate communication affects the firm's relationship with its various stakeholders. However, some researchers have emphasized the importance of communication to the process of strategy implementation (Forman and Argenti, 2015; Schaap, 2016). Based on interviews with 21 presidents and 25 governmental agency heads, Forman and Argenti (2015) pointed out that communication was mentioned more frequently than any other single item promoting successful strategy implementation.

### **Decision-Making Structures**

The type of decisions made by those in authority affects strategy implementation. According to Gerhard (2011), top management provides a model for other managers to use in assessing the salient environmental variables, their relationship to the organization, and the appropriateness of the organization's response to these variables, which eventually dictates the implementation of strategies. Two types of decision making authorities exist in many organizations: centralized and decentralized. Centralization refers to the degree to which decision-making authority is concentrated at higher levels in an organization (Gerhard, 2011). In centralized companies, many important decisions are made at higher levels of the hierarchy thus placing greater demands on the judgment capabilities of chief executive officers (CEOs) and other high-level managers. Many companies find that the centralization of operations leads to inefficiencies in decision making which can place the company at serious competitive disadvantages against its competitors.

### **Organization Culture**

The impact of an appropriate organizational culture on the well-being of the business organization has been explicitly recognized by many organizational researchers (Camerer and Vespalian, 2008; Wilkins and Ouchi, 2008). Culture has traditionally been recognized as a consideration in the strategy implementation process (Bourgeois and Brodwin, 2009; Galbraith and Kazanjian, 2006). Culture is assumed to explain the success of some organizations (Peters and Waterman, 2007), to represent an essential element in effectiveness of organizations if it fits the strategy (Schwartz and Davis, 2001), to act as a determinant of strategy (Ackerman, 2007), or as an influence on the implementation of strategic decisions (Schwartz and Davis, 2006). Such claims contribute to the recognition that culture plays a large role in the overall implementation of strategy. An organization's culture also determines whether a company can attract and keep the best employees and whether in confusing situations, the employees know how they should behave (Coulter and Robbins, 2003).

### **Organizational Structures and Strategy Implementation**

Strategy implementation involves operationalizing of strategy implementation plan at the various levels of the organization. It is believed that strategy implementation and execution is less glamorous than strategy formulation, and that anyone can implement and execute a well-formulated strategy. Therefore, implementation and execution has attracted much less attention than strategy formulation or strategic planning (Bigler, 2011). According to Kiruthii (2011) implementation is a key part of strategic management although it is often considered after formulation of strategy. In implementing the strategy, the organization leaders must direct and control actions and outcomes and adjust to change (Pearce and Robinson, 2015). Kumar et. al., (2016) argued that effective strategy implementation is essentially attending to the relationship between the following seven factors: Strategy, structure, systems, style, staff, skills and

subordinate goals. Pearce and Robinson (2011) postulate that implementation of strategy is a process that cuts across the hierarchies of the organization and requires team working with each level playing a supportive role to the others.

### Research Methodology

In this study a descriptive research design was used. According to Cooper and Schindler (2011) descriptive research portrays an accurate profile of persons, events, or situations. It allows the collection of large amounts of data from a sizable population in a highly economical way. It allows one to collect quantitative data, which can be analyzed quantitatively using descriptive and inferential statistics. Therefore, the researcher found the descriptive survey being best to fulfill the objectives of this study. The unit of analysis for this study was the flower farms in Naivasha Region. According to Kenya Flower Council (2015), there are approximately 30 active flower firms in the region that have been actively involved in floriculture business in the Region. Naivasha Region was chosen as it was easily accessible to the researcher and also it hosts the majority of the flower firms in Kenya. The units of observation in this study were the managers of flower farms in Naivasha. As such, this study was to concentrate on the management staff working in the flower farms in Naivasha region. The target population for the study comprised of 171 senior managers and other managers in different levels of management. This is because managers are fully conversant with influence of organizational structure on strategy implementation of the flower farms in Naivasha. For purpose of this study the target population was stratified through top level, middle level and low-level management.

**Table 1: Target Population**

Category	Population	Percentage
Top management	24	14
Middle level management	48	28
Low level management	99	58
<b>Total</b>	<b>171</b>	<b>100</b>

**Source: Kenya Flower Council, (2017)**

The sample was drawn from the 171 senior managers and other managers in different levels of management at flower farms in Naivasha. This was followed by a sample of respondents drawn from the flower firm's management staff manual. The study was to select a section and particularly the staffs who included departmental heads, assistant departmental heads and lower cadre staffs like the supervisors, accounts and other officers from the flower farms since they are the ones conversant with the influence of organizational structure on strategy implementation of the flower farms in Naivasha Kenya. To select the sample size one of the commonly used formula, the Israel (2011) formula was used. A sample of 120 was selected from within each group in proportions that each group bears to the study population.

Stratified random sampling technique was used to select the sample. From the above population of one hundred and seventy-one, a sample of 120 was selected from within each group in proportions that each group bears to the study population. Furthermore, owing to the big number of target population and given the time and resource constraints, the sampling at least 30 elements was recommended by Mugenda and Mugenda (2014). This made it easier to get adequate and accurate information necessary for the research. The selection was as follows.



**Table 2: Sample Size**

Category	Population	Percentage of Sample	Sample
Top management	24	14%	17
Middle level management	48	28%	33
Low level management	99	58%	70
<b>Total</b>	<b>171</b>	<b>100%</b>	<b>120</b>

The researcher used questionnaires as data collection instruments for the research. The questionnaires contained open ended and closed ended questions all briefly stated and well-focused on recognition of the busy schedule of the participants. This research utilized primary data that was collected by use of administered questionnaires distributed through drop and pick later method.

The data was then be coded to enable the responses be grouped into various categories. Data collected was purely quantitative and it was analyzed by descriptive analysis. The descriptive statistical programs such as Statistical Package for Social Sciences (SPSS) and MS Excel helped the researcher to describe the data and determine the extent used. The Likert scales was used to analyze the mean score and standard deviation, this helped in investigating the influence of organizational structure on strategy implementation among flower farms in Naivasha, Kenya. In addition, to quantify the strength of the relationship between the variables, the researcher conducted multiple regression analysis. The data was broken down into the different aspects of influence of organizational structure on strategy implementation among flower farms in Naivasha, Kenya. This offered a quantitative and qualitative description of the objectives of the study. Data analysis used frequencies, percentages, means and other measure of central tendencies. The findings were presented using tables and charts. This generated quantitative reports through tabulations, percentages and measures of central tendency. This provided the generalization of the findings on the influence of organizational structure on strategy implementation of the flower farms in Naivasha, Kenya.

### Research Findings and Discussion

The researcher administered questionnaires to 120 respondents to collect data.

**Table 3: Response rate**

Response	Frequency	Percentage
Returned questionnaires	98	81
Unreturned questionnaires	22	19
<b>Total</b>	<b>120</b>	<b>100</b>

From the study, 98 out of 120 target respondents filled in and returned the questionnaire contributing to 81%. This was adequate for the study. According to Mugenda and Mugenda (2003), a response rate of 50%, - 70% was sufficient for a study.

**Table 4: Results of the Pilot Study.**

Variables	Cronbach's alpha	Items
Hierarchical Levels	0.872	4
Organizational Communication	0.798	4
Decision Making Structures	0.786	4
Organization Culture	0.725	4
Strategy implementation	0.867	4
Mean	0.799	4

From the findings in Table 4, the average Cronbach alpha was 0.799 which according to Goforth (2015) a score of more than 0.7 is usually recommended as the minimum level for item reliability.

**Correlation Analysis**

Correlation analysis was conducted to establish existence of any relationship between the dependent variable and the independent variables. Person’s product method at 0.05 significance level was used to perform the correlation analysis. If a significant relationship exists between the dependent and independent variables, then it is viable to estimate the study model. The Table 5 below shows the correlation analysis results.

**Table 5: Correlation analysis of the independent Variables**

		Strategy implementatio n	Hierarchi cal levels	Organizational communicatio n	Decision making structures	Organizati on culture
Strategy implementati on	Pearson	1	-.014	.049	-.066	-.175
	Correlation					
	Sig. (2-tailed)		.882	.597	.471	.056
	N	120	120	120	120	120
Hierarchical levels	Pearson	-.014	1	.070	.092	.186*
	Correlation					
	Sig. (2-tailed)	.882		.449	.317	.042
	N	120	120	120	120	120
Organization al communicati on	Pearson	.049	.070	1	.198*	.323**
	Correlation					
	Sig. (2-tailed)	.597	.449		.030	.000
	N	120	120	120	120	120
Decision making structures	Pearson	-.066	.092	.198*	1	.254**
	Correlation					
	Sig. (2-tailed)	.471	.317	.030		.005
	N	120	120	120	120	120
Organization culture	Pearson	-.175	.186*	.323**	.254**	1
	Correlation					
	Sig. (2-tailed)	.056	.042	.000	.005	
	N	120	120	120	120	120

\*. Correlation is significant at the 0.05 level (2-tailed).

\*\*. Correlation is significant at the 0.01 level (2-tailed).

Results from the correlation analysis showed that there was no significant relationship between the independent variables with the dependent variable. Thus, we can say that strategy implementation is not significantly related to Hierarchical levels (r= -0.14, p-value = 0.882), Organizational communication (r = 0.049, p –value = 0.597), Decision making structures (r = -0.066, p-value =0.471), and organization culture (r= -0.175, p-value = 0.56) evidently from the results where all the p-values (0.882, 0.597, 0.471, 0.56) >0.05. Thus, we can conclude that it is not viable to estimate the model.

**Regression Analysis**

The study carried out multiple regression analysis to determine the nature of relationship of the model by predicting the dependent variable in terms of the independent variables using a linear regression model;

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \epsilon. \dots\dots\dots (ii)$$

The table 6 shows the regression results.

**Table 6: Regression Results of Dependent Variable against Independent Variables (Predictors)**

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
	(Constant)	3.404	.337		
Hierarchical levels	.018	.085	.020	.217	.829
1 Organizational communication	.105	.084	.122	1.259	.211
Decision making structures	-.036	.087	-.040	-.418	.677
Organization culture	-.177	.085	-.208	-2.084	.039

**a. Dependent Variable: Strategy Implementation.**

Regression results revealed that hierarchical levels had positive non-significance influence on strategy implementation as indicated by  $\beta_1 = 0.018$ ,  $p = 0.829 > 0.05$ . Organizational communication involvement in strategy implementation had a positive non-significance influence in strategy implementation as indicated by  $\beta_2 = 0.105$ ,  $p = 0.211 > 0.05$ . As for decision making structures had a negative non-significance influence in strategy implementation as indicated by  $\beta_3 = -0.036$ ,  $p = 0.677 > 0.05$ . This implies an inverse relationship though not significant. An increase in decision making structures would lead to a decrease increase in strategy implementation by  $\beta_3 = 0.036$  and vice versa. The results further revealed that organization culture had a negative significance influence on strategy implementation as indicated by  $\beta_4 = -0.177$ ,  $p = 0.039 < 0.05$ . This implies an inverse significant relationship where an increase in organization culture would lead to decrease in strategy implementation by  $\beta_3 = 0.039$  and vice versa. We can conclude that the there was no evidence of significance of: hierarchical levels, decision making structures, and organizational communication influencing strategy implementation among flower farms in Naivasha, Kenya. Only Organization culture had evidence of significance though negatively, influencing strategy implementation among flower farms in Naivasha, Kenya.

**Table 7: Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.211 <sup>a</sup>	.045	.011	.58060

Result in Table 7 indicated that a variation of  $R^2 = 0.045$  dependent variable can be attributed to changes in independent variable of hierarchical levels, organizational communication, decision making structures, and organization culture. This means that hierarchical levels, organizational communication, decision making structures, and organization culture can be used to determine or explain 4.5% change in strategy implementation.

**ANOVA**

The study conducted analysis of variance to determine the significance and fitness of the model as shown in the Table 8 below

**Table 8: ANOVA Test for Strategy Implementation among flower farms in Naivasha**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1.810	4	.452	1.342	.259 <sup>b</sup>
	Residual	38.765	115	.337		
	Total	40.575	119			

From the study the P-value was 0.259 which is greater than the threshold value of 0.05. Based on the findings, in Table 8 the results indicate the  $F_{Cal} = 1.342 < F_{Cri} = 3.444$  at confidence level 95 % and sig is  $0.259 > 0.05$ . Thus, it can be concluded that there doesn't exist a significant goodness of fit of the model  $Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \epsilon$ . This implies that there was not goodness of fit of the model fitted for this study. Meaning the independent variables of Organization culture, Hierarchical levels, Decision making structures, and Organizational communication were not significant in determining strategy implementation among flower farms in Naivasha, Kenya

### Model Fitting

Bases on the results of Table 8, only organization culture has a negative significance relationship in implementation of strategy,  $\beta_4 = -0.177$ ,  $p = 0.039 < 0.05$ . Thus, the estimated model was fitted as below:

$$Y = 3.404 - 0.177X_4 + \epsilon \dots\dots\dots (iii)$$

This implies that Organization culture is inversely related to strategy implementation. An increase in Organization culture affects strategy implementation negatively.

### Discussion

The study revealed that organizational hierarchical levels do not enhance assessment of strategy implementation among flower farms in Naivasha. The findings are contrary to Carol, Cohen, & Palmer, (2004) and also with Fudge, & Wolfe, (2008). This study established that organizational communication significantly led to positive influence though not significantly on strategy implementation among flower farms in Naivasha as increase in organizational communication would lead to an increase in strategy implementation. The results were further supported by regression results that revealed that organizational communication has a positive and significance influence in strategy implementation among flower farms in Naivasha. The findings were supported by Nobeoka and Cusumano (2005) who established that relationship between organizational communication and their effect on strategy implementation as was studied by in Japan.

This study demonstrated clearly that decision making structures on strategy implementation do not contribute significantly on strategy implementation among flower farms in Naivasha. The regression results demonstrated that decision making structures on strategy implementation had a negative and insignificance relationship on strategy implementation among flower farms in Naivasha. The implication is that increase in decision making structures on strategy implementation would lead to a decrease in strategy implementation among flower farms in Naivasha. The findings were contrary to Zhai, Xin, & Cheng (2009). The regression results demonstrated that strategy implementation among flower farms in Naivasha had a negative and insignificance influence which are contrary to the argument of Duncan (2008) who revealed a positive and a significance relationship.

The results showed that organization culture on strategy implementation has a negative influence on strategy implementation among flower farms in Naivasha. An increase in organization culture on strategy implementation would lead to a decrease in strategy implementation among flower farms in Naivasha. Regressing results confirmed that organization culture on strategy implementation would contribute significantly though negatively on the strategy implementation

among flower farms in Naivasha. The finding contradicted the Flanagan & Norman (2003) who found that organization culture had a positive influence on strategy.

### **Conclusion**

The study concluded that organizational hierarchical levels; organizational communication; decision-making structures did not have a major influence on strategy implementation among flower farms in Naivasha. However, organization culture was significant determinant of strategy implementation and from the study it could be used to explain 4.5% of strategy implementation. Organizational hierarchical levels; organizational communication; decision-making structures were not fit in determining strategy implementation therefore could not be fitted in the model to estimate or predict the status of strategy implementation among flower farms in Naivasha.

### **Recommendation**

Based on the findings, the following recommendations were made. The study recommends a positive organization culture should be promoted because a bad organization culture would influence negatively strategy implementation. From the findings, majority of the respondents strongly agree that the aforementioned factors have a significant influence on strategy implementation among flower farms in Naivasha. A further study to be done to establish the really determinants of strategy implementation.

### **Suggestion for Further Studies**

While the objectives were clear and successfully accomplished, several areas remain unclear and require further research. First the study focused only on the concept of strategy implementation. The concept of strategy planning, formulation, evaluation and other stages should be considered for further study. Second, data was collected from flower farms based in Naivasha that were practicing strategic plans. It is proposed that further research be carried out on all flower farms in Kenya. Third, although data collection was limited to the use of questionnaires, observations and interviews, more robust qualitative methods are recommended for future research namely, comparative research and census study. Fourthly, the other determinants of strategy implementation that will explain the 95.5% should be researched. Finally, the study determined the influence of organizational structure on strategy implementation among flower farms in Naivasha, Kenya. Further studies should be carried out in different regions in Kenya for comparison. Studies could also be directed to establish challenges facing strategy implementation among flower farms.

### **References**

- Ackerman, R.H. (2007), "*Organizational culture and performance: proposing and testing a model*", Organization Science .Bourgeois, J and Brodwin, N. (2009). *Commitment in the Workplace: Theory, Research and Application*, Sage, London.
- Akwara, J. A. (2012). *Challenges of Strategy Implementation at the Ministry of Cooperative Development and Marketing*. Unpublished MBA project, School of Business, University of Nairobi.
- Aniagyei, W. (2011) *The Effect of Organisational Structure on Project Performance: The Case of Aga Ltd*. Commonwealth Executive Masters in Business Administration, Kwame Nkrumah University of Science and Technology, Ghana
- Awino, Z. (2015) *Organizational Structure and Performance of Large Manufacturing Firms in Kenya: An Empirical Investigation*. *Journal of Business and Economics*, 6(11), 1883-1891
- Ayabei, K. S. (2012). *Challenges of Strategy Implementation at the Teachers Service Commission*. Unpublished MBA project, School of Business, University of Nairobi.

- Bagire, V. and Namada, J. (2013) Managerial Skills, Financial Capability and Strategic Planning in Organizations. *American Journal of Industrial and Business Management*, 3(1), 480-487
- Barnat, R. (2005). The Nature of Strategy Implementation. Retrieved from <http://www.strategyimplementation.24xls.com/en101>
- Bourgeois, L.J. and Brodwin, D.R. (2007), Strategic implementation: five approaches to an inclusive phenomenon, *Strategic Management Journal*.
- Camerer, J and Vespalian, L.C. (2008), "Leadership style, organizational culture and performance: empirical evidence from UK companies", *International Journal of Human Resource Management*.
- Department of Immigration Services, (2015). *Strategic Plan*. Nairobi: Government Printer.
- Giovani G. and Rivikin, J. W. (2007) On the Origin of Strategy: Action and Cognition," *Organization Science*. doi:10.1287/orsc.1070.0282
- Hunger, J. D. and Wheelen, T. L. (2008). *Concepts in strategic management and business policy*. New Jersey: Prentice-Hall.
- John C. (2011). *Organization; Contemporary Principles and Practice*, New York: Blackwell Publisher.
- Johnson, G. and Scholes, P. (2015) Exploring *Corporate Strategy*. London: Prentice Hall.
- Kaplan, R.S. and Norton, D. P. (2011) *The Strategy-Focused Organization: How Balanced Scorecard Companies Thrive in the New Business Environment*. Boston: Harvard Business School.
- Kiruthii, S. (2011). *Strategy Implementation Challenges of the 21st Century*. Unpublished Med. project, School of Business, Kenyatta University.
- Kumar, R. (2016), "Implementation and execution of industrial service strategy: A case study from the oil and gas industry", *Journal of Quality in Maintenance Engineering*.
- Lim, M. (2017). Examining the literature on organizational structure and success. *College Mirror*, 43, 1, 16-18
- Marete, M. (2012). *Challenges facing Implementation of Kenya Human Rights Commission's Five Year Strategic Plan (2008-2012)*. Unpublished MBA project, School of Business, University of Nairobi.
- Mikko, A.K. and Roger, G.S. (2013) Strategic, structural contingency and institutional explanations in the adoption of innovative manufacturing practices. *Journal of Operations Management*.
- Nelson, D. L., and Quick, J. C. (2011). Understanding Organizational behavior. Belmont, CA: Cengage South-Western
- Nyakundi, O. D. (2012). *Strategy Implementation at Citibank Kenya*. Unpublished MBA project, School of Business, University of Nairobi.
- Ongale, S. K. (2012). *Challenges of Strategy Implementation at the Mission for Essential Drugs and Supplies*. Unpublished MBA project, School of Business, University of Nairobi.
- Pearce, J.A. and Robinson, R.B. (2015) *Strategic Management: Strategy, Formulation, Implementation and Control*. (6<sup>th</sup> Ed). Boston: McGraw-Hill.
- Peters, T., and Waterman, R. (1982). In Search of Excellence. New York: Harper and Row
- Schwartz, H., and Davis, S. M. (1981). Matching corporate culture and business strategy. *Organizational Dynamics*. Summer, 10(1), 30-48.
- Thompson A. A. Jr. and Strickland A. J. III (2014), *Strategic Management: Concepts and Cases*, 13<sup>th</sup> edn. Tata McGraw-Hill Publishing Company Ltd. New Dheli.
- Wario, A. (2012). *Challenges of Strategy Implementation at MIRP*. Unpublished MBA project, School of Business, University of Nairobi.