THE INFLUENCE OF STRATEGY IMPLEMENTATION ON THE GROWTH OF THE TOP 100 MID-SIZE ENTERPRISES IN KENYA

BY

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UNITED STATES INTERNATIONAL UNIVERSITY-AFRICA

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ON THE GROWTH OF THE TOP 100 MID-SIZE
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BY

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A Research Project Report Submitted to the Chandaria School of Business in Partial Fulfilment of the Requirement for the Degree of Master of Business Administration (MBA)

UNITED STATES INTERNATIONAL UNIVERSITY - AFRICA

SUMMER 2018
STUDENT DECLARATION

I the undersigned declare that this is my original work and has not been submitted to any other institution, or university other than the United States International University- Africa in Nairobi for academic credit.

Signed:_____________________________ Date:________________________

William Juma Arogo (ID 606768)

This project has been presented for examination with my approval as the appointed supervisor

Signed:_____________________________ Date:________________________

Timothy C. Okech, PhD

Signed:_____________________________ Date:________________________

Dean, Chandaria School of Business
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DEDICATION

This study is dedicated to my son Bilal Juma. His curiosity and zest for life inspires me, and continuously lights the flame of hope.
ACKNOWLEDGEMENT

My eternal gratitude is to the Almighty God for the gift of life… I have seen His Grace at work on a number of occasions, and I am grateful for it.

I would also like to express my deep gratitude to my supervisor Dr. Timothy C. Okech, PhD for his guidance, constant feedback and mentorship. Without his steady hand and support, this study would not have been possible.

I would also like to sincerely thank the Top 100 enterprises who agreed to take part in the study and respond to my questionnaire: by agreeing to do so, they demonstrated their commitment to the pursuit of excellence in business and academia.

Finally, I would like to thank my friends, classmates, USIU faculty and research assistants for all their support and encouragement.
ABSTRACT
The purpose of the study was to investigate the influence of strategy implementation on the growth of top 100 mid-size enterprises in Kenya. The study was guided by the research questions that included: To what extent do structures put in place to implement strategy by top 100 mid-sized enterprises affect the growth of their business? To what extent do systems put in place to implement strategy by top 100 mid-sized enterprises affect the growth of their business? To what extent do staff acquired and deployed to implement strategy by top 100 mid-sized enterprises affect the growth of their businesses? To what extent has style of management used by top-level managers of top 100 mid-sized enterprises to implement strategy affected the growth of their businesses?

This study used a descriptive research design to provide a clear picture of strategy implementation in medium sized enterprises, specifically the top 100 mid-size enterprises in Kenya and the influence it had on the growth of these enterprises. The target population of this study consisted of the top 100 mid-size enterprises in Kenya covering the years 2015 – 2017 as classified by KPMG. This study used a simple random probability sampling technique. A sample size of 100 medium-sized enterprises was used in the study. Primary data was collected through structured questionnaire with Likert type of questions. The data collected was analyzed through descriptive and inferential statistics. Descriptive statistics included percentage distribution while inferential statistics included correlation, regression and ANOVA analysis. Results were presented in figures and tables.

Findings on the first research question showed that most of the respondents agreed that structures put in place to implement strategy in mid-sized enterprises had positive effect on some of the growth aspect of the businesses such as growth in sales turnover, growth in number of customers, growth in market share, growth in number of products and services and growth in number of employees in the organization. Results also showed that there was a positive significant correlation between structures put in place in the enterprises to implement strategy and growth of the mid-sized enterprises (r=.640, p<.000). The regression analysis showed that, structures put in place in the enterprises to implement strategy accounted for 41% of growth (R² =.410, F=29.826, p <.000). Findings also showed that systems put in place to implement strategy in the enterprises had a positive effect on growth in sales turnover, number of customers, market share, number of products and services and number of employees. Again, results showed that systems put in place to
implement strategy had a positive significant relationship with growth in the enterprises \((r=0.466, p<0.001)\). The regression results showed that, 21.7% of growth in the mid-sized enterprises is influenced by systems put in place to implement strategy \((R^2 =0.217, F=11.942, p<0.001)\).

Moreover, results showed that staff hired and deployed in mid-sized enterprises to implement strategy had a positive effect on growth in sales turnover, number of customers, market share and number of products and services. It was also revealed that there was a positive significant correlation between staff hired and deployed in the enterprises to implement strategy and growth of the enterprises \((r=0.603, p<0.000)\). Again, the regression results showed that 36.4% of growth in the mid-sized enterprises is influenced by staff hired and deployed to implement strategy \((R^2 =0.217, F=24.62, p<0.000)\). Lastly, findings showed that style of management used by top level managers in the mid-sized enterprises to implement strategy had a positive effect on growth of sales turnover, number of customers, market share, number of products and services and number of employees. Findings also showed that there was a positive significant correlation between style of management used by top level managers to implement strategy and growth of Top 100 mid-sized enterprises. \((r=0.448, p<0.002)\). The regression results showed that the management style used to implement strategy predicted 20.1% of growth in the mid-sized enterprises \((R^2 =0.201, F=24.62, p<0.000)\).

This study concluded that there is a positive significant connection between structures, systems, staffing and management style utilized in mid-sized enterprises to implement strategy and drive growth of the businesses. Further it was concluded that structures, systems, staffing and management style utilized in mid-sized enterprises to implement strategy had a positive effect on the growth in the sales turnover, market share, number of customers, number of products and services and employees in the organization.

This study recommends that mid-sized enterprises should set up proper organizational structures with appropriate organizational systems; hire suitable employees and ensure the management style is appropriate to ensure growth in the enterprise. The medium sized enterprises should ensure their structures are flexible enough to adapt to the dynamic environment. The enterprises should also adopt computerized systems that help save on operational costs. Lastly, enterprises should hire competent staff and create a free working environment to enhance performance that will ensure growth.
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<th>Full Form</th>
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<tr>
<td>SME</td>
<td>Small and Medium Sized Enterprise</td>
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<tr>
<td>SPSS</td>
<td>Statistical Package for the Social Sciences</td>
</tr>
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<td>US</td>
<td>United States of America</td>
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<td>MSMEs</td>
<td>Micro, Small and Medium Enterprises</td>
</tr>
<tr>
<td>KNBS</td>
<td>Kenya National Bureau of Statistics</td>
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<tr>
<td>ILO</td>
<td>International Labour Organization</td>
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1.0 INTRODUCTION

1.1 Background of the Study

Strategy is the plan formulated to give an organization a sustainable competitive advantage. Competitive advantage refers to the advantage a company has over its competitors, resulting in superior business performance. The seminal work on competitive advantage was pioneered by Porter (1985), who postulated that a company can gain competitive advantage in two major ways: cost advantage and product differentiation advantage. Cost advantage is when a business can provide products and services to its customers at a lower cost compared to its competitors. Differentiation is when a company can provide products and services that are superior or seen to offer unique values in the eyes of customers. Strategy is thus the plan that will help the firm gain competitive advantage by taking advantage of factors or resources in its orbit. A good example in the Kenyan market is the per-second billing plan that was implemented by Safaricom to gain advantage and market share over Kencell (which eventually became Airtel). The Safaricom per-second billing plan was more economical by customers compared to the per-minute billing plan by Kencell, and thus Safaricom was able to differentiate itself from Kencell and thus gained significant market share and competitive advantage.

Strategy is often seen as a term that is used at both the corporate and competitive level (Lihalo, 2013). It is the direction and scope of an organization over the long term, which gives the organization an edge over its competitors through configuration of its resources to satisfy the needs of its market and meet all its stakeholders’ expectations. Strategy formulation is the process by which the firm determines where it currently is and where it wants to go. It is the process of choosing the most appropriate course of action to achieve its business goals. Once formulated, the strategy has to be implemented. A strategic plan is thus a written document showing the steps and processes needed to achieve a certain goal as well as the feedback that shows how well the plan is going on. Successful implementation of a strategy is imperative to an organization because it addresses the ‘who, where, when, and how’ of achieving organizational goals and objectives. As strategy implementation involves the entire organization, it is therefore necessary to scan the organization’s environment before the strategy implementation phase. Conducting a SWOT (Strengths, Weaknesses, Opportunities, Threats) analysis, identifying strategic issues, and goals would be important before implementation of any strategy (Lorette, 2018).
Strategy implementation is the detailed process that translates strategies into specific actions in order to achieve the goals and objectives of an organization. Implementing a strategy is thus as important as formulating it (Olsen, 2018). Research by Magaisa, Matipira and Kanhai (2014) showed that medium-sized enterprises that are not able to implement strategies for competitive advantage cannot weather the storms of a difficult operating environment.

Small and medium-sized enterprises are the main drivers of economic growth (Evans, 2014). These organizations create job opportunities, meet local demand for goods and services, provide large organizations with raw materials and services, contribute to the development of different industries, and help in the growth of a country’s GDP. In India, small and medium-sized enterprises in the manufacturing industry are defined based on the investment amount while in Malaysia, they are defined by the annual revenue and number of employees, where small enterprise have an annual turnover of lakh two hundred and fifty thousand to one million and mid-size enterprises have annual revenues of lakh one million to twenty five million. Furthermore, the average number of employees in small enterprises is fifty while in mid-size enterprises it is one hundred and fifty. Small enterprises in Canada have an average of fifty employees in the service sector and a hundred employees in the manufacturing sector. Canadian mid-size enterprises have an average of five hundred employees (Gupta, Guha & Krishnaswami, 2013).

In Africa, Small and Medium Sized Enterprises (SME’s) provide approximately 80% of job opportunities, contributing to the rise of the middle class and creating demand for new goods and services (Adeyeye, 2016). SMEs play a very important role in the Kenyan economy. Research carried by the Kenya National Bureau of Statistics (KNBS, 2017) show that there are 1.56 million licenced SMEs in Kenya. Generally, SMEs are about 98% of all businesses in Kenya and create 30% of the employment opportunities in the country. The labour intensity of small and mid-sized enterprises is much higher than that of large enterprises, therefore they have a greater potential to contribute to the achievement of Vision 2030, Kenya’s long-term development blue-print (Katua, 2014). Micro, Small and Medium Enterprises in Kenya have the following annual turnovers and number of employees; Micro enterprises have a maximum annual turnover of Ksh. 500,000 and have less than 10 employees, Small enterprises have an annual turnover of Ksh. 500,000 to 5 million and have 10 to 49 employees, Medium enterprises have an annual turnover of Ksh. 5 million.
5 million to 800 million and 50 to 99 employees (Adeyeye, 2016). Every year, KPMG Kenya and Nation Media Group recognise the top 100 mid-sized enterprises in Kenya. It is an annual survey that analyses and identifies the fastest growing mid-sized enterprises in Kenya based on the companies’ growth, profitability, shareholders’ returns, and maintenance of a strong financial base (Rimberia, 2017).

Although the critical role played by SMEs in Kenya may not have reached its full potential, SMEs fail to grow due to a myriad of challenges such as poor strategic planning, weaknesses in innovation, lack of financial acumen, and marketing flair (Gatukui and Katuse, 2014). Misaligned organizational resources; poor working conditions and sharing of responsibilities; inadequate knowledge and skills and poor communication are some of the challenges facing SMEs in Kenya (Koske, 2013). Other challenges faced by SMEs in the Kenyan economy include: lack of proper communication; ineffective management style; and poor organization culture that affected strategy implementation (Waititu, 2016).

Growth and good performance of an enterprise depends on the ability of the managerial staff to formulate and implement a good strategy (Radomska, 2014). Implementation of a strategy involves assigning individuals with tasks and timeliness that helps an organization achieve its goals and objectives. A business venture is seen to be successful if it is growing, as growth is a critical gauge of a thriving enterprise (Gupta, Guha & Krishnaswami 2013). The growth of an enterprise may comprise physical expansion of premises, increase in annual revenues or increased value addition. Growth can also be seen in aspects such as the organization’s market position and quality of its products (Gupta et al, 2013). Growth is something that all organizations hope to achieve no matter the size of the enterprise. Small and Mid-Sized firms want to get big and big firms want to become bigger. Medium-sized enterprises strive to grow big so that they can have the advantages that accrue to big firms such as economies of scale, the ability to withstand market fluctuations, higher survival rates, and increased profits (Koske, 2013).

Strategic planning and implementation are key aspects in improving the growth prospects of small to medium sized firms. Previous research has shown that many SMEs may have the same strategies but will end up having different results. This is because the strategy implementation in each firm is different. Some firms may implement their strategies with the sole reason of business survival while others may implement their strategies focussing
on the growth of the business. The different approaches in strategy implementation thus determine the outcome of the chosen strategy (Nyamwanza, 2014).

Strategy implementation is sometimes complicated by uncontrollable environmental factors (Lares-Mankki, 2014). This makes strategy implementation the most difficult phase in strategic management. To overcome this challenge, mid-size enterprises should find the best approach that addresses the internal and external challenges that prevent the successful implementation of strategies. One of the models that defines the key aspects of implementing a strategy effectively is the McKinsey’s 7s model. This model identified seven variables that when interconnected helps an organization prosper. These seven variables are; strategy, structure, systems, staff, skills, style, and shared values. The model shows that the seven variables affect an organization’s ability to implement the formulated strategies (Baroto, Arvand, & Ahmad, 2014).

1.2 Statement of the Problem
A comprehensive global survey by the Economist Intelligence Unit (EIU) in 2013 found out that 61% of the companies surveyed struggled to implement strategy, even though the leadership of the companies acknowledged that executing strategy was key to success. KPMG 2016 Kenya Top 100 Mid-sized companies survey found out that 68% of the participants were in the growth phase, yet growth was being constrained by several challenges including lack of access to credit, inadequate working capital, increased competition, lack of key staff, and flattening revenue growth. Although the Kenyan economy grew by 5.8% in 2016 (KNBS, 2017), in 2017 the GDP slumped down to 4.6%. With a slumping economy and with enterprises facing a myriad of external challenges, mid-size enterprises face a big dilemma of how to implement strategies that drive business growth in a challenging business environment.

In a study of SMEs in Kenya, Awino (2013) found out that most SMEs in Kenya engaged in strategic planning, but a key challenge was strategy implementation: many companies that formulated strategies failed to implement them to optimal effect. Kagumu and Njuguna (2016) found out that an organization’s management style and the skills set of the workforce were some of the factors that affected strategy implementation. Olsen (2018) found out that formulating strategic plans was good for a company, but implementation failures led to shortfalls in desired outcome. Siam (2016) found out that most strategies
failed in the implementation stage because the structures in place were not compatible with the strategy. It is due to this dilemma that this study sought to investigate the effects of strategy implementation on the growth of the top 100 mid-size enterprises in Kenya.

1.3 Purpose of the Study
The purpose of the study was to investigate the influence of strategy implementation on the growth of the top 100 mid-size enterprises in Kenya.

1.4 Research Questions
The study was guided by the following research questions:

1.4.1 To what extent do structures put in place to implement strategy by top 100 mid-sized enterprises affect the growth of their business?
1.4.2 To what extent do systems put in place to implement strategy by top 100 mid-sized enterprises affect the growth of their business?
1.4.3 To what extent do staff acquired and deployed to implement strategy by top 100 mid-sized enterprises affect the growth of their businesses?
1.4.4 To what extent has style of management used by top-level managers of top 100 mid-sized enterprises to implement strategy affected the growth of their businesses?

1.5 Importance of the Study
This study will be important to various stakeholders such as the following:

1.5.1 Top 100 Mid-size Enterprises
Mid-size companies will benefit from the study by establishing organizational structures, organizational systems, staffing strategies, and management styles that support implementation of their strategies since these affect the overall growth of their enterprises. They will also learn how organizational structures, systems, staffing, and managerial styles affect implementation of strategy.

1.5.2 Government
The findings of the study will help the government of Kenya and policy makers appreciate how mid-size enterprises operate, their challenges, and benefits they bring to the economy.
The government will also be better armed to support the growth of mid-size enterprises in the country as a result of the study.

1.5.3 Researchers and Academicians

The study will give researchers and academicians carrying out research on mid-size enterprises insights on how strategy implementation affects growth of mid-sized enterprises. Furthermore, the study will guide them to identify the gaps that need further research.

1.6 Scope of the Study

This study sought to establish the influence of strategy implementation on the growth of top 100 mid-size enterprises in Kenya. The target population was the Top 100 mid-size enterprises in Kenya as per the KPMG/Nation Media Group annual survey. The respondents were the CEOs and top-level managers of these top 100 mid-size enterprises, covering the years 2015 – 2017. The study was conducted for a period of four months from April to August 2018.

1.7 Definition of Terms

1.7.1 Strategy

Strategy comes from a Greek word ‘strategia’ meaning ‘generalship’. This term was initially used in the military where it referred to directing troops into position before engaging the enemy. In this sense, strategy is the link between a goal and a proper course of action or tactic. Strategy is a complex network of thoughts, ideas, past experiences, insights, actions, etc. that help in achieving a goal (Nickols, 2016).

1.7.2 Strategy Implementation

Strategy implementation is the organization’s action plan that helps in achieving the strategic goals and objectives that have been set (Juneja, 2018). It is also the manner in which an organization develops its structure, control systems, and culture to find tactics that provide a competitive advantage and improve an organization’s performance.
1.7.3 Mid-Size Enterprises

Mid-sized enterprises are named by adjectives showing the size of the enterprise. They are normally identified depending on the number of employees or the revenues made annually. Definition of mid-size enterprises differ across different countries but the most common is an enterprise that has up to 250 employees. They may be family-owned and managed businesses or complex entities where ownership is different from management. These enterprises are normally well established and have an observable track record that can be used by creditors, financial institutions, and investors when making financial decisions (Berisha and Pula, 2015).

1.8 Chapter Summary

This chapter has given a general overview of strategy, strategy formulation, strategy implementation, mid-size companies, the statement of the problem, and purpose of the study. The research questions were clearly stated. The scope of the study was given, and the importance of the study justified. The next chapter will be Chapter Two. It reviews literature from previous scholars regarding the research questions. Chapter Three then lays out the methodology used in the study. This is followed by Chapter Four, which lays out the results and findings of the study. Finally, Chapter Five provides summary, discussion, conclusions and recommendations for further study.
CHAPTER TWO

2.0 LITERATURE REVIEW

2.1 Introduction

In this chapter, literature related to the effects of strategy implementation on the growth of top 100 mid-size enterprises in Kenya will be critically reviewed. The chapter is divided into four parts according to the research questions which are: effect of structures put in place to implement strategy on enterprise growth; effects of systems put in place to implement strategy on enterprise growth; effects of staff hired and deployed to implement strategy on enterprise growth and effects of style of management used by top-level managers on enterprise growth. The chapter then ends with a chapter summary.

2.2 Mid-Sized Enterprises Structures

The fit between an organization strategy and an organizational structure is critical because the organizational structure provides the needed systems and processes required for successful strategy implementation (Siele & Kagiri, 2017). This shows that organization structures are key factors in the implementation of strategy (Burgelman, 2013). It is important to design structures that will also give an organization a competitive advantage. Competitive advantage and overall growth of an organization can be achieved by designing structures that are in line with strategy, to ensure the smooth and successful implementation of the said strategy (Chitale, Mohanty & Debey, 2013).

2.2.1 Functional Structure

The functional structure is one of the most commonly used organizational structures (Davoren, 2018). In this structure, employees are categorized according to their specialized skills. Functional structures are more effective in stable environments. This means that they are best used in organizations where the business strategies are rarely changed. However, this makes it difficult for organizations using the functional structures to respond quickly to the evolving market conditions. Dividing an organization depending on functional areas such as information and technology (IT), finance, human resources, marketing, operations, public relations, etc. enables employees with similar competencies to be grouped together which allows operational efficiency (Ganesh, 2013).

It is important for an organization to use structures that are best suited to its circumstances to achieve the best results (Jones, 2013). For example, a good organization structure
facilitates creation of norms and rules that improves communication which in turn improves team performance. Many organizations worldwide form specific structures that enable them to achieve their specific goals (Nishadha, 2014). For example, in Europe, organizations such as Electrolux Home Products (EHP), a Swedish multinational company in the manufacturing sector, uses functional organizational structures to implement strategies that help it compete in the European market. The European market is very competitive and cutting down costs and improving the quality of products is a very important strategy for EHP. In order to implement this strategy successfully, EHP adopted a Europe-wide functional structure that grouped employees based on four functional areas; purchasing, production and product development; supply chain management and logistics; and product businesses, brand management, and key account management. Putting employees with similar skills and knowledge in one functional area enables them to be specialists in their fields, which is beneficial to the organization (Davoren, 2018).

Hossam and El-Said Company is one of the contracting companies in Egypt that realized that organizational structures are important in strategy implementation (Zaki, Hussein, Sanad, & El-Khoriby, 2015). The company adopted a functional organizational structure to implement strategies that would increase overall performance of the company. El-Swedy Electric is another well-established Egyptian company with local and international offices, and which uses functional structures to drive the realization of its strategies. Over the years, the company has seen an increase in its annual revenues. An organizational structure creates order in the organization and shows the relationship between different areas, serving as an enabler for the achievement of goals (Tran & Tian, 2013). Functional organizational structure helps in career advancement for employees in the functional unit. It also improves communication due to the well-established functional units. Implementation of strategies is also smooth since the managers have authority and control of projects in their areas, which ensures the projects are completed within the allocated budgets (Siam, 2014).

Functional organizational structures are not always advantageous, they have certain disadvantages as well (Johnston & Marshall, 2016). For example, the structure is only used in large organizations. Furthermore, unhealthy competition between employees of given functional units may arise for shared resources. This may in turn lead to conflicts within the various departments. The upper level managers have so much authority which may not be good during decision making especially where managers favour the loudest in a
department. The employees within the functional units may have differences which may prevent them from working together and this may paralyze the entire functions of the department (Puranam, Alexy, & Reitzig, 2014). These shortcomings push organizations to adopt other organizational structures.

2.2.2 Divisional Structure

The divisional organizational structure is a structure where the organization organizes its activities according to the geographical area, product or service, market, etc. Divisional organization structure requires an organization to have projects based on each division as well as specialized knowledge of each division (Ganesh, 2013). An organization that has a geographical divisional structure may have its business operations in Europe, United States, Africa, Asia, etc. An organization with product or service divisional structure divides its operations according to the different types of products that the organization offers. Each division in the organization has a complete set of tasks (Bragg, 2017).

Divisional organizational structure is very advantageous because it enables people to focus on a specific product or service and the leadership in each division facilitates easier achievement of set goals and objectives (Gillikin, 2018). Having divisional managers ensures resources are well distributed in the organization and each division receives the particular resources it requires to complete its tasks. Divisional organizational structure enables people to have better knowledge of a product compared to when a single product is handled by multiple departments in the organization. The Procter and Gamble’s organizational structure is primarily based on the products that the organization deals with. The company’s divisional structure influences the managerial decisions and other business process (Smithson, 2017).

Unilever has a divisional organizational structure where the most important division is product division followed by corporate executive teams and then the geographic division (Young, 2017). The divisions can be further subdivided to facilitate faster implementation of strategies. For example, the product divisional structure is divided according to the different types of products offered by the organization where, the organization has personal care products division, home care products division, food products division, and refreshment product division. The corporate executive team’s division has further divisions such as; the chief executive, human resources, research and development, supply chain, etc.
The geographic division is the least important division and its main purpose is to support regional strategies. For examples, strategies used in the European market will be different from the American, Asian, and African markets. The geographic division is divided into Asian, Africa, Europe, and the Americas. The Arab contractors is one of the leading construction companies in Africa and the Middle East. The company has a geographic divisional structure to ensure customers satisfaction in different locations (Zaki et al., 2015).

Divisional organization structure enables the organization to manage regional operations more effectively (Lin, 2014). This type of structure is beneficial to large organization because each division will have its own culture that is vital in meeting the needs and expectations of the local market. The organization is also able to respond to the local consumer needs quickly since each division is able to make its own decisions. Each division is also able to determine the basic workforce units required to support a particular region. The divisions have the ability to adjust strategies and policies to fit each market. Unprofitable projects and services can also be identified easily and discontinued. Divisional structures can thus be used effectively in large organizations (Crane & Matten, 2016).

As studies have shown, the divisional structure is a very good organizational structure, but it also has some disadvantages. Divisional organizational structures may cause unhealthy competition among divisions, where divisional politics ends up affecting critical functions such as allocation of resources. Divisions can sometimes cause employees from different divisions to undermine each other, which in turn hampers pursuit of the common goal. These problems eventually affect the overall achievement of organizational goals and objectives (Gillikin, 2018).

2.2.3 Matrix Structure

A matrix organizational structure is a combination of two or more organizational structures. This type of structure doesn’t follow the traditional hierarchy because reporting relationships are arranged in a grid or a matrix. For example, employees report to the functional manager as well as their project manager (Guadalupe, Li, & Wulf, 2013). Resources and staff are also shared across teams, projects, departments, and functions. The matrix structure is mainly used by large organizations because of their increased complexities (Goetsch & Davis, 2014). Matrix structures enable employees in different
functions and departments to have quality communication and collaboration, which builds trust among them. This in turn contributes to the overall success of organizational projects (Bond-Barnard, Steyn, & Fabris-Rotelli, 2013).

Many large organizations in the European and American markets have matrix organizational structures to facilitate successful completion of their large-scale projects. Matrix structures are best suited in projects that need a combination of technological expertise as well as efficient processing of large-scale information (Gleeson, 2018). Nike Inc. is a company headquartered in United States and deals with designing and distribution of athletic footwear as well as athletic apparel. Nike has a matrix organizational structure which involves multiple responsibilities and reporting lines for each division. Additional levels of hierarchy have been added in regional levels to reduce complexities and increase transparency (Brenner, 2013). Starbuck Coffee has also adopted a matrix organizational structure which is a hybrid of basic organizational structures. Its organizational structure is always changing to meet the organization’s market needs. The organizational structure helps it in expanding globally and in diversification. Its organizational structure contains the functional structure, geographic division structure, product-based division structure, and team structure. Starbuck coffee company grows because it adopts organizational structures that fit their current strategy (Meyer, 2017).

Matrix organizational structures are also used in Africa-based companies to implement strategies that increase organizational performance. Research studies by Schnetler, Steyn, and Staden (2015) show that majority of South African companies adopt matrix structures to improve performance within teams and complete projects successfully. However, companies with matrix structures are advised to develop measures that encompass team performance which can be added in the merit assessments. Companies are also advised to monitor team performance and its effect on factors that affect successful completion of projects such as communication between team members, collaboration, and level of trust as well as the overall results of the project. Also having a matrix structure is Orascom Construction, an engineering and construction contractor in Egypt that deals with infrastructure, industrial and luxurious commercial projects for public and private clients (Zaki et al., 2015).
Most commercial banks in Kenya have matrix structures where the organizations are divided into functional areas, geographical locations and specific project management teams (Ng’eno, 2013). The organization structure changes depending on the internal and external factors affecting the organization. For example, the organizational structure in commercial banks can change when various business functions are merged, when the organization is entering new markets, changes in employee roles, as well as when organizations want to optimise resource utilisation. This is one of the greatest advantages of matric organizational structures because they enable organizations to create efficient large-scale projects that utilise more employees in the functional organizational structure without necessarily destroying that structure (Gleeson, 2018).

2.3 Mid-Sized Enterprises Systems

Systems are the formal and informal things that people engage in to complete tasks in the organization. Some of the internal systems are: financial systems, promotion and reward systems, recruitment systems, and information systems (Zincir & Tunc, 2017). Growth of mid-size enterprises is determined by the vision and motivation of the owner of the enterprise as well as the environment in which the enterprise operates in. For example, parameters such as the organization systems have a great impact on the growth of the enterprise (Gupta, Guha, & Krishnaswami, 2013).

2.3.1 Financial Systems

These include all resources that are concerned with the availability, usage, and management of funds (Gupta, Guha, & Krishnaswami, 2013). The development of any organization is dependent on its systems such as the financial systems. These systems include the banks that the organization works with, the stocks that the organization has invested in, the insurance companies that the organization deals with, pension funds schemes, etc. When an organization lacks a strong and sound financial system, it will be impossible to formulate and implement any strategies. In a market where the competition is stiff, lack of implementation of strategies will make the organization fail. For example, banks are the cornerstone of most small and medium enterprises. Lack of this source of available capital would be a great disadvantage for a company. Stock markets provide individuals and organizations opportunities to invest in other profitable companies. Companies that are in the public sector are also able to pay off debt and raise capital for their projects by issuing shares (Streissguth, 2018).
The financial systems of organizations have an impact on the overall economy of a country because the growth of companies leads to the economic growth of a country. The financial crisis in the United States in 2007-2009 and the financial crisis in the United Kingdom in 2007 was a clear indication of the relationship between financial systems and the economy of a country because the crisis showed the different responses to shocks and policy measures that organizational financial structures have (Marie-Therese, 2015). The large financial markets in the United States currently show that small and medium enterprises do not solely depend on banks to get loans. Furthermore, their access to other lending facilities has improved. In the European countries, banks are the most important sources of financing for many organizations compared to other sources of financing such as capital markets.

The United Nations Environment Programme (2015) noted that banks are the greatest source of private financing for individuals and organizations in Africa. Sub-Saharan African banks have adequate capital and have average leverage ratios that are above Basel III requirements. Stock markets are also a developing source of finance for organizations in Africa but the total value of listed companies in Sub-Saharan Africa is still low. As of September 2013, the total market capitalization of listed companies was US$ 1.4 trillion and South Africa accounted for almost 70% of the overall market capitalization and owns 388 of the listed companies. In Kenya, the financial system has improved significantly over the last 10 years because of the improved regulatory framework where authorities have specific responsibilities and the number of intermediaries in the financial sector has been increased through provision of many customized services and products. This has had a positive effect on different organizations’ internal financial systems because they are guaranteed of stable sources of accessing funds. As at 2016, more than Ksh. 2.2 trillion was loaned to various economic sectors, small and medium enterprises, as well as individuals (Central Bank of Kenya, 2017). When an organization has a stable source of accessing funds, it can be able to formulate and implement strategies successfully especially when the said strategies require high levels of financing.

2.3.2 Promotion and Reward Systems

Paying employees is one of the most recognized forms of rewarding them for a job done. It is the basis of a good working relationship between the employer and the employee. It also influences the levels of job satisfaction, the quality of the work, as well as improving the standards of living. In addition to the base pay, employers offer other forms of rewards
to reward employees who have had exemplary performance and to motivate people. Reward systems may include; performance related rewards, paying salaries in other forms, contributing to employees’ social security schemes, and financial participation schemes such as sharing of organizational profits (Corral et al., 2016).

Rewards and compensation have a great positive effect on Pakistan bank employees (Aslam, Ghaffar, Talha, & Mushtaq, 2015). China has a high holistic and collectivist culture where employees are required to know their individual responsibilities within a larger group of shared goals and recognizing someone’s effort is very important. This is because recognition offers employees a clear way to give and receive mianzi (face) in Chinese culture. China has an average population of 1.3 billion but has a shortage of skilled and immigrant labour, in its 800 million labour force. In light of this looming Chinese labour crisis, organizations need to differentiate themselves through things like recognizing employees’ effort in their promotions and rewards systems (Jacobsen, 2014).

Previous studies have revealed that 62% of European organizations use some form of variable pay. The most common forms of pay are performance-based rewards which have management appraisal. Supplementary reward systems are more common in the private sector than in the public sector. These reward systems are more frequently used in large organizations compared to small and medium sized enterprises. Supplementary reward systems are controlled by a combination of labour laws, tax laws, as well as other agreements (Corral et al., 2016).

Rewards have been seen to motivate employees and increase their performance which is necessary for achieving organization goals and objectives (Geraghty, 2013). The positive relationship between reward system and factors such as employee effectiveness, employee satisfaction, increased performance, and low turnover has been witnessed in many organizations (Hicks, O’Reilly & Bahr, 2014). High compensation attracts more employees to an organization. In West Nigeria, organizations that have more attractive compensation packages keep employees motivated which in turn increases their performance at work. Such organizations have also been noted to have a minimal employee turnover rate (Aslam et al., 2015).
Studies done on South African organizations reveal that organizations seek to find rewards that will attract younger employees while still retaining the older ones by keeping them happy and engaged. Organizations should understand their own employees and find out what rewards work for them because one reward system may be good in one organization but may not work in another. This is because organizations are different. Furthermore, money rewards are the most commonly used forms of rewards, but they are not the most effective in some organizations (Hoole & Hotz, 2016).

Compensation and reward systems have a major influence on the performance of employees working in Kenyan banks (Aslam et al, 2015). Most employees prefer working in organizations where their performance will be fairly recognized, and this can be done through administration of rewards. Efforts that employees put on a particular task depend on the level of rewards that they believe will accrue. It is therefore necessary to have a reward system that articulates the goals of a particular reward element; assimilate them in a clear way; and let employees know what they are required to do in order to earn the reward. Studies done in Faulu Kenya, a micro finance company registered in Kenya as a public company, revealed that majority of the employees feel that intrinsic and extrinsic rewards for a job well done makes them loyal and committed to the organization. The rewards also motivate them to work extra hard to achieve the strategic goals set by the organization. Employees also feel that rewards should be based on realistic and reliable standards (Nyandema & Were, 2014).

2.3.3 Recruitment Systems

Recruitment is the process by which organizations find and hire employees. The human resources department of an organization is tasked with the responsibility of filling vacant positions throughout the organization. Some companies also use third party recruitment firms for their recruitment processes (Deutsch, 2016). In the Greek public sector, selection of employees is done by the director of the department that needs the employees, an electoral college that has been founded for recruitment purposes, a written recruitment competition, graduation from a public service training school, and finally selection based on any set criteria (Ioannis & George, 2017).

Recruiting people that have the required abilities is critical because it determines how good they will be in the implementation of an organization’s strategies (Spiliotopoulos &
Chrysanthakis, 2013). The recruitment systems and job positions in the Greek public sector are divided into; permanent positions, specific job positions, and career position systems. Other European countries such as Britain and France recruit people from well-known colleges for the top civil service positions (Christensen, 2015). An organization cannot implement any strategies or even carry out its basic functions without the right staff. It’s imperative for an organization to recruit the right staff at the right time in order to achieve the set goals and objectives. The recruitment strategy should be vigorous to ensure the recruited staff will contribute to the growth of the organization (Amusan & Oyediran, 2016).

In Ghana, construction firms seek to get the best staff to achieve the best results, to meet the clients’ expectations in terms of quality, cost, time, and safety. However, there is little evidence to show the criteria the construction firms use to recruit their staff. Previous research studies show that firms should adopt clear policies that ensure transparency and accountability in the recruitment systems (Darkoh, 2014). Strategic human resources management is viewed as the most important factor in strategy implementation. A study carried out in public universities in Kenya showed that a systematic process of assessing the competency of staff was lacking and that affects the attainment of organizational goals (Ragui & Gichuhi, 2013).

2.3.4 Information systems
Information systems are organized combinations of people, software, hardware, communication networks, and data resources that store, retrieve, transform, and disseminate information within an organization (Al-Mamary, Shamsuddin, & Aziati, 2014). Nowadays, having information systems in organizations has become unavoidable. All processes within the organization are using technology one way or another. In Sweden’s paper industry, there are three types of systems that are important in each enterprise: Enterprise Resource Planning systems (ERP), Paper Management Systems (PMS), and Mill Execution Systems (MES). It is vital for these systems to be integrated for an organization to run smoothly and attain its main objectives (Arvidsson, Holmstrom, & Lyytinen, 2014).

The Connect Project in Tanzania also uses information systems in its operations. It aims to improve communities’ primary health care. The project uses community - level information data capture tools (Mutale et al., 2013). The top management of the Kenya Forest Service
in Mau Conservancy makes decisions on the information systems to be used as well as choosing the most suitable vendors. This shows that top management of different organizations are responsible for selecting information systems that are compatible with the strategic goals of the organization (Koech, Gichunge, & Thuo, 2016).

2.4 Mid-Sized Enterprises Staffing

Staffing is a critical function of an organization that involves acquiring, deploying, and retaining workforce that will help the organization achieve its goals and objectives (Morgan, 2014). The workforce is constantly changing and the employees’ behaviour is challenging the general idea of what employees should do to accomplish organizational goals and their expectations from the organizations (Siele & Kagiri, 2017). The alignment of the organizational strategy and the individual and work group goals ensures everyone in the organization knows how important their role is in the implementation of a strategy. Employees are also motivated when their efforts contribute to greater organizational goals. Where you have small and medium enterprises operating in two or more countries (also known as mini multinationals) seeking to sell products and services to help communities in which they have subsidiaries, they will need to adopt a staffing strategy that is compatible with the organizational goals (Campbell, 2013).

2.4.1 Home-Country National Staffing

This is when an organization hires an employee whose nationality is the same as the headquarters of the multinational firm. This type of staffing is also known as parent country nationals’ staffing. Organizations that have home country nationals’ staffing are able to control operations and other functions of the business. The best employees and top managers can be promoted to head the international offices while they gain international experience in the course of their stay at the international office. Organizations are also assured that their subsidiary offices will comply with all the regulations to ensure there is standardization of products and services (Crawshaw, Budhwar, & Davis, 2017). Organizations that have this staffing strategy have a centralized strategic dimension and prefer all the employees hired from one central location, that is, the organization’s headquarters. Hiring employees from the home country guarantees the organization that all operations that are carried out in the subsidiaries are aligned with the operations in the headquarters and they represent the interests of the headquarters (Grimsley & Heinichen, 2015).
Organizations usually decide to hire employees from their home countries to work in their subsidiaries to ensure goods and services are standardized. Employees may also be transferred from the headquarters to the subsidiaries to save on staff training costs while still maintaining the standards of the organization. For example, Ford motors headquartered in the United States has some American citizens working in the Ford Motors subsidiary in China. Organizations are faced with wage-rate differences when they choose to staff from their home countries. Different regions have different wage rates and the organizations are still required to adhere to the international labour laws. Furthermore, the differences in exchange rate may cause significant difference in the remuneration packages which would have a negative effect on the employees’ motivation. The international Labour Organization, ILO (2015) defines wages as, “the total gross remuneration including bonuses given to workers during a specific period of time including time that the worker has worked and time that the worker has not worked. For example, paid annual leaves and paid sick leaves”. As of 2013, various regions had the following increase in real wage; Asia 6%, North America 1%, Africa 1%, and Europe 0.2%. Asia had the highest wage rate while Europe had the lowest (ILO, 2013).

Bhaskar (2014) argues that employees of the home country may have difficulties adapting to the culture of the host country. This may affect the operations of the subsidiary and implementation of any strategy might be difficult. Any decisions made when the home nationals are trying to adjust to the culture of the host country may not be sound. Other factors that may affect the operations of the subsidiary include language difficulties and lack of knowledge of the host country’s business environment. These factors may lead to low productivity and increased turnover. Adapting to the new country may take a long time and that will affect the operations of that subsidiary. A style that is practiced in the home country but is not compatible with the host culture may be practiced and that would have a negative impact on the organization (Crawshaw et al., 2017). The literacy level in a country can make the organization hire home country national because it would be difficult to find and train nationals from the host country before the operations of the new subsidiary commences (Powoh, 2016).

UNESCO (2013) shows that different regions in the world have different literacy levels. In 2011, the literacy level of adults in Africa was 59%, Asia 63%, Middle East 77%, Latin America 92%, and Europe 99%. The literacy levels of youth during the same year was:
Africa 70%, Asia 81%, Middle East 90%, Latin America 97%, and Europe 99%. Most organizations hire home nationals in a new subsidiary to ensure the parent organizations’ values are instilled in the subsidiary. Organizations from developing country’s such as Kenya who have subsidiaries in undeveloped or developed countries also hire nationals from their home country. In KCB Kenya, subsidiary’s senior management staff are recruited from the home country (Kenya) during the establishment of a new subsidiary. KCB South Sudan which is a subsidiary of KCB Kenya has the highest number of home nationals in the senior management level while subsidiaries in Tanzania and Uganda which have been in operation for 16 and 6 years respectively have the lowest numbers of home nationals (Kenyans) in their senior management level (Lusenaka, 2013).

2.4.2 Host-Country National Staffing

An organization that has a host country staffing strategy hires employees who are nationalities of that country instead of getting employees from other nationalities or other countries. This strategy is more advantageous than the home country strategy because it overcomes some of the shortcomings seen in home strategy staffing strategy. For example; by employing the host country nationalities, organizations avoid language barrier and costs involved in training expatriates to adjust to the host culture as well as moving the expatriate and the family from overseas. Host country staffing is easier because no work permits are required, and an organization can maintain a low profile. However, this staffing strategy hinders the organization’s global approach (Crawshaw, 2017). Organizations with little international exposure may opt to hire host country nationals who have previously worked in an organization with a similar background especially during the initial stages of opening the new subsidiary. Organizations can also socialize the host country nationals at the organization’s headquarters in situations where the employee is not familiar with the parent country (Lusenaka, 2013).

Staffing from the host country is more beneficial to an organization because the staffing process will be less costly, and the host nationals have better knowledge of their country, culture, and language (Bhaskar, 2014). Furthermore, host country managers can protect the organization from hostile host country governments. In Mexico, organizations recruit host country nationals by advertising the open positions by posting job vacancy signs outside their organizational premises. In Hungary, governments have tight measures to ensure host nationals are the majority staff in all international organization. They do this by insisting
organizations to seek permission from the ministry of labour before hiring any expatriates. Many host country’s immigration policies make it difficult for organizations to use other staffing strategies and hiring the host country nationals becomes easier (Tiwari, 2013).

Hiring host nationals to work in an organization has many advantages, including guiding the few employees that have been sent by the parent country to oversee the operations in the new subsidiary (Reiche, 2013). No matter how good employees are, they will still need some guidance when they go to a new country. The host nationals come in handy at that particular time. As the home country nationals set up their operations in the new country, they will teach the host country national’s important values of the parent organization among other things while in return they are guided on how to conduct business in the host country. Some organizations also recruit expatriate host nationals because of their international business experience. Studies carried out on Chinese expatriates recruited to work in Chinese mainland revealed that unlike their Western counterparts, Chinese expatriates did not want to adjust to the Chinese mainland business environment. They did not seem to work comfortably in the Chinese mainland because of selective perception. They did not recognize the cultural differences because none were assumed (Thite, 2014).

Hisense, a Chinese electronics company, has a subsidiary in South Africa and has employed over 600 South African nationals. The organization has employed the host country staff because problems such as language barrier are eliminated when reaching the market (Hipsher, 2018). Coca-Cola Company, headquartered in the United States, has been in Africa since 1928. The company is comprised of the parent company, franchised bottling operations, and distribution. Coca Cola strives to hire local talent in its Kenyan subsidiary as well as local nationals in other host countries (Crawshaw et al., 2017). Majority of the multinational organizations operating in Kenya prefer host country nationals staffing strategy for recruiting employees in senior levels of management. The KCB group has various staffing strategies which depend on the level of management. Management levels are first-line managers, middle-level managers, and top-level managers. The KCB group has adopted a host country staffing strategy for the senior corporate relationship manager in their subsidiary in South Sudan. This is because the South Sudan government has a high level of business with the group and so it has made this a requirement (Lusenaka, 2013).
2.4.3 Third-Country National Staffing

Third-country nationals staffing strategy is when an organization headquartered in another country hires employees whose nationality is different from the organization’s home country or the organization’s host country (Menon, 2015). For example, when an Indian employee is working for a Chinese office of a German company. Multinationals use third party nationals (TCN) to balance their strategic needs for global integration and local responsiveness (Hipsher, 2018). Third country nationals staffing has an advantage because the salary requirements and benefits may be lower than the home country nationals. However, it faces disadvantages such as animosities between nationals, e.g. the rivalry between India and Pakistan (Bhaskar, 2014).

In the EU between 2008 and 2012 there was an increase in the number of third party nationals hired in the high-skill occupations. In the past 10 years, countries in the EU have introduced measures that encourage highly qualified third-party country nationals to seek employment in the region. This was through having processes and procedures that facilitate easier entry to the EU countries. United States, Canada, and China are also introducing measures that encourage highly qualified third-party country nationals to seek employment in their countries (European Commission, 2013). Some countries do not encourage hiring of third party nationals whether they are highly qualified or just qualified. Organizations may also have reservations hiring third party nationals because they may refuse to go back to their home countries after the job is over and that may complicate issues for the hiring organization (Crawshaw et al., 2017).

An organization’s staffing strategy determines the quality of workforce the company will have. Staff are the most important assets of an organization and the successful implementation of a strategy will depend on the quality of the staff. This is because, the workforce provides the skills, knowledge, experience and talent that is needed for an organization to achieve its goals and objectives. Whether an organization recruits home country national, host country nationals, third party country nationals, or uses any other staffing strategy, staff should be kept motivated to increase their productivity. Furthermore, when good staffing practices are strategically integrated with business, the overall organization performance will improve (Francis, 2013).
2.5 Mid-Sized Enterprises Management Styles

Management style is the style of leadership that is used by an organization. It is how managers get things done in an organization to (Morgan, 2014). Management style plays a critical role in an organization and determines whether a strategy will be implemented successfully or not (Vitez, 2018). Successful managers have a flexible style of management. This means that the manager can use more than one management style depending on the circumstances at hand. Different situations require different management styles, but some managers tend to use only one management style in all situations. To be a successful manager, one must know when to change their usual management style to fit the situation at hand (Rhatighan, 2016). The nature of decision making in small and medium-sized enterprises highlights the importance of delegation of authority, and choice of management style (Mihai, Schiopoiu, & Mihai, 2017).

2.5.1 Autocratic Style

This style is also called authoritative management style (Rhatighan, 2016). In this management style, managers tell staff what to do and make all decisions without involving employees. If employees fail to do as required, they suffer the consequences, and this makes them fear the autocratic manager. All members of the organization are required to follow a specified set of rules and regulations, and all work processes should be carried out as indicated. Autocratic managers do not give employees feedback on operations that have been carried out. Small and medium enterprises tend to use autocratic management styles because the owner of the enterprise controls most of the functions and is responsible for all the crucial decisions that are made. Business owners use this management style to ensure all employees understand the goals and objectives of the enterprise. Rewards and punishments ensure employees perform as expected (Khumalo, 2015).

Autocratic management style is also used to ensure all goods and services are of the same standards (Greiger, 2014). Depending on the organization, an autocratic manager can be effective or fail to meet the overall expectations. It’s important to note that an autocratic management style does not always mean there should be lack of understanding, flexibility, and accommodation of other greater options. Autocratic style is prevalent in small and medium enterprises (SMEs) in Romania and Netherlands. The SMEs in Europe have a maximum of 250 employees, an annual turnover rate of 50 million Euros, and total assets of not more than 43 million Euros (Mihai et al., 2016). Factors used to measure the
autocratic management style are: intensive control of performance standards set by the management; constant supervision; management’s responsibility for success or failure; as well as high bureaucracy.

Management style affects both large and small businesses, and several factors such as culture can determine the management style (Pirragla, 2018). In Romania, men are expected to be authoritative at work and at home. This explains why majority of the men in management in this country have an autocratic management style. In Netherlands, most men do not necessarily use autocratic style and are seen to have other management styles. This might be explained by the short power distance by the Dutch which does not allow a person to be in power for a long time. Women are expected to be less dominant and maternal in both Netherlands and Romania (Mihai et al., 2016). In Nigeria’s cement production manufacturing firms, the type of management style changes during acquisitions. It has been noted that initially, majority of the firms have an autocratic style of management and a different style of management post acquisition. Before change of management, employees are not allowed to participate in the decision-making process (Longe, 2014).

The style of management in the organization determines the level of employee involvement in the decision-making process as well as the general administration of the organization (Uchenwangbe, 2013). In most Kenyan SMEs, the successful implementation of strategies is determined by the business owner’s management style. This means that the management style in these SMEs determines the success or failure of the business. Previous studies have shown that many SMEs in Kenya use various management types depending on the nature of the situation. Autocratic style is mostly used when managers are implementing a new strategic plan. This involves tight supervision of core business operations (Chege, Wachira, & Mwenda, 2015).

Research done on NGOs in Nairobi City County, Kenya revealed that management style is important during strategy implementation and different styles should be used depending on the situation at hand (Kivasu, 2015). In general, autocratic management style has its own advantages and disadvantages. Autocratic management style is necessary especially in crisis situations where fast decisions need to be made. This style of management also ensures that work is completed on time since employees know their specific roles and have clear expectations of what is required of them (Rhatighan, 2016). As good as autocratic
management style may seem during strategy implementation, it has its downside. This style of management does not give feedback to employees meaning a mistake may be repeated over and over again. The autocratic manager is also not open to new ideas and this blocks innovative and creative ideas in the company.

An autocratic management style can create a stressful environment which in turn might decrease productivity because employees are often trying to avoid punishments rather than work hard (Vitez, 2018). Furthermore, fear of the manager by the employees makes their communication impossible which might make implementation of some strategies difficult since effective communication is one of the key factors in successful strategy implementation. When weak managers use this style, it proves to be ineffective and devastating. Such managers cause productivity and discipline in the organization to go down (Greiger 2014).

2.5.2 Democratic Style
The demographic style of management encourages managers and employees to participate in decision making process. Employees’ contributions are valued, and each employee is treated as an important part of the organization. Managers consult the employees before implementation of any strategies and offer feedback in every stage of organizational operations (Akoma et al., 2014). This style is normally considered the best management style in an organization. It is the complete opposite of autocratic management style. It emphasizes the need of top level managers to offer guidance to their juniors and allow contributions from individual staff members. Managers make the final decisions but allow employees to give feedback, ideas, and suggestions. Democratic managers boost employees’ morale since they feel they are valued in the organization and this has a great effect on individual and group performance in the organization (Pirraglia, 2018).

A good example of a company that employs a democratic management style is ABC facilities Management in United Arab Emirates. This has empowered the middle-level managers to provide clients the best services ensuring high levels of satisfaction (Naeem and Azam, 2017). In Sweden and Netherlands, organizations that have been in operation for five to ten years tend to have a democratic style of leadership. To measure the democratic style used in organizations the following factors are assessed: high degree of autonomy; mutually agreed performance standards; building employee responsibility;
management’s responsibility for the employees’ well-being; and mutually agreed solutions to problems. Democratic style is normally used by managers in organizations of medium age in both Sweden and Netherlands, while in Romania, democratic style is mostly prevalent in mature organizations because of the high-power distance. Generally, the Romanians and the Dutch have a democratic management style (Mihai et al., 2016).

Research on SMEs in Nigeria by Akoma et al. (2014) reveal that democratic management style has a positive effect on the overall performance of employees in the organization. Employees working in the SMEs would also prefer managers who are free to work with them in various projects. Afrox is a leading supplier of gas and welding equipment in South Africa, and a democratic style of management is widely used in the company. This management style boosts the employees’ commitment to the organization. Democratic management in the organization ensures all employees participate in decision making as well as allowing discussions and free flow of information. The managers also encourage team work and offer guidance to employees in all levels of the organization (Khumalo, 2015).

Studies done on SMEs in Kenya indicated that having democratic style of management in an organization improves the implementation of strategic plans because top level managers and employees can communicate openly, engage in discussions where everyone feels their opinion is valued, and get constant feedback which ensures previous mistakes are not repeated. Encouraging teamwork and offering guidance where required ensures successful implementation of strategies (Chege, Wachira, & Mwenda, 2015).

2.5.3 Laissez Faire Style

Laissez faire is a style of management that gives employees total freedom (Akoma et al., 2014). Laissez faire style of management is also known as delegative style of management. Laissez faire managers rarely make any decisions in the organization because they leave this function to the lower-level employees. These types of managers do not also give any guidance to the individuals and groups as everyone is expected to make their own decisions as well as solve their own problems. The management style may be liked by many but the downside of this style of management is the lack of defined roles and responsibilities. The lines of authority are also not well specified. This might lead to low productivity and lead to failure of an organization (Pirraglia, 2018).
Former United States President Herbert Hoover had a laissez faire approach in running the country affairs (Cherry, 2017). He allowed his advisors to advise him in areas where he had little or complete lack of knowledge and expertise. In Sweden and Netherlands, organizations that have been in operation for more than ten years tend to have a laissez faire style of leadership. To measure the level of laissez faire style of management used in organizations, the following factors are typically assessed: lack of management’s involvement; employee self-evaluation; high degree of employees’ responsibility; employees’ ability to make their own decisions; and employees’ ability to solve their own problems. As the organization grows old and the employees’ experience increases, managers delegate more responsibilities to the employees as well as the level of involvement in the decision-making process (Mihai et al., 2016).

Research done on top SMEs in Kenya reveal that SMEs growth and laissez faire style have a significant relationship (Linge, Shikalieh & Asiimwe, 2016). Offering little or no guidance to employees that are highly qualified and experts in their field motivates them which in turn increases their morale and performance in the organization. Laissez faire style provides employees an environment where they can be creative and also gives them the power to make decisions that can lead to the overall growth of the organization. This style requires managers to understand the employees’ needs and provide an environment that allows them to be innovative. This style facilitates visionary employees, provides the freedom to work without any disturbances, and encourages the employees to be responsible. This in turn motivates the employees and encourages them to work extra hard to increase the organization’s performance. Employees who are given the power to make decisions contribute to the successful implementation of strategies (Chege et al., 2015).

2.6 Chapter Summary

The chapter was divided into four sections according to the research questions. The first section reviewed existing literature on mid-sized enterprises structures, the second section reviewed existing literature on mid-sized enterprises systems, the third section reviewed existing literature on mid-sized enterprises staffing strategy, and the fourth section reviewed existing literature on mid-sized enterprises style of management. The next chapter, Chapter Three, covers the research methodology.
CHAPTER THREE

3.0 RESEARCH METHODOLOGY

3.1 Introduction

This chapter provides research design and methodology followed by the target population and the sampling design. Other sub-sections include data collection methods, research procedures, data analysis and finally chapter summary.

3.2 Research Design

Research design is the blueprint or plan that is used by a researcher to incorporate various components of the research study in a clear and sensible way that enables achievement of the research objectives (Yin, 2013). A research design can also be viewed as a plan that assists researchers obtain answers for their research questions as well as guide the researcher on the key research areas that need high allotment of funds. The research design used in this study was descriptive research design. Descriptive research design is used to describe the characteristics of the variables under study (Saunders, Lewis & Thornhill, 2016). Descriptive research design was considered desirable in this study as it would allow the researcher to project the study findings to a larger population from a representative sample.

3.3 Population and Sampling Design

3.3.1 Population

Population is a group of individuals with similar observable characteristics from which a sample size is selected to represent the entire population (Sekaran & Bougie, 2013). The target population of this study consist of the top 100 mid-size enterprises in Kenya covering the years 2015 – 2017 as classified by KPMG.

Table 3.1: Population Distribution

<table>
<thead>
<tr>
<th>Year</th>
<th>Top 100 Mid-Size Enterprises Population</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015 - 2017</td>
<td>300</td>
<td>100%</td>
</tr>
<tr>
<td>Total</td>
<td>300</td>
<td>100%</td>
</tr>
</tbody>
</table>

Source: KPMG (2017)
3.3.2 Sampling Design

3.3.2.1 Sampling Frame
A sampling frame is a list from which the sample is derived (Cooper and Schindler, 2014). The sampling frame for this study consists of the KPMG and Nation Media Group list of top 100 medium-sized enterprises released every year. The study used the lists covering the years 2015 - 2017.

3.3.2.2 Sampling Technique
Sampling technique is the method that is used to select the sample size from the target population (Cooper & Schindler, 2014). The study used a simple random probability sampling technique. This type of technique gives equal chance of selection to all the enterprises in the top 100 for the period 2015 – 2017. This was considered the most appropriate technique given that some of the enterprises in the KPMG/Nation Media Group Top 100 Survey made repeat appearances on the annual list.

3.3.2.3 Sample Size
A sample size is a small representation of the entire target population (Tavakoli, 2015). The target population is the top 100 mid-size enterprises in Kenya for the years 2015 – 2017. The formula developed by Yamane (1967) to guide in sample size selection is as follows:

\[ n = \frac{N}{1 + Ne^2}, \]

where \( n \) = sample size required, \( N \) = population size, and \( e \) = alpha level, that is \( e = 0.05 \) at a confidence interval of 95%. The guide for sample size \( n \) as per Yamane’s formula would be: \( n = \frac{300}{1+300(0.05x0.05)} \), \( n = \frac{300}{1+0.75} \), \( n = 171.428 \). For this study, a sample size of 100 was considered appropriate given that a) the annual KPMG/Nation Media Group comprises 100 names, and b) in the period 2015-2017, a number of mid-sized enterprises made repeat appearances on the list.
Table 3. 2: Sample Size Distribution

<table>
<thead>
<tr>
<th>Year</th>
<th>Top 100 Enterprises Population</th>
<th>Mid-Size</th>
<th>Sample Size</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015 - 2017</td>
<td>300</td>
<td>100</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>300</td>
<td>100</td>
<td></td>
</tr>
</tbody>
</table>

3.4 Data Collection Methods
The study used a structured questionnaire divided into five sections. The first section had questions based on the demographics of the respondents. For example; gender, age, education level, etc. The second section had questions based on the first research question i.e. effect of structures put in place to implement strategy on the growth of the enterprise. The third section had questions based on the second research question, i.e. effect of systems put in place to implement strategy on growth of the enterprise. The fourth section had questions based on the third research question, i.e. effect of staff hired and deployed to implement strategy on growth of the enterprise. The fifth section had questions based on the fourth research question, i.e. effect of style of management used by top-level managers to implement strategy on growth of the enterprise. The sixth section looked at aspects of growth of the enterprises, e.g. growth in business turnover, growth in stock, etc. A five-point Likert scale was used in the questionnaire. This is because of its wide usage in the business field.

3.5 Research Procedures
The study begun by developing the questionnaire that was used to collect data. The researcher sought permission from Chandaria School of Business to carry out the research study. A pilot test using 10 questionnaires (10% of the sample size) was carried out to test the reliability of the data collection instrument. Pilot testing is necessary to check and eliminate weaknesses in the data collection instrument (Cooper and Schindler, 2014). The researcher then distributed questionnaires and arranged for appointments with the CEOs and top management of the target top 100 mid-sized enterprises in order to be allowed to collect data in their organizations. The researcher and the research assistants then collected data, following up through phone calls, emails and visits to the business premises.
3.6 Data Analysis Methods
Data analysis means drawing inferences from the collected raw data. Descriptive and inferential statistics was used to analyse the data. Descriptive statistics involves presentation of data in percentages and frequencies while inferential statistics involves correlation, regression and ANOVA analysis to show the relationship of the variables under study. Data collected was coded, entered in the analysing software, cleaned, and edited to prepare it for analysis. Data coding is assigning numerical values to variables for analysis (Sekaran and Bougie, 2013). Statistical Package for Social Sciences (SPSS) was used in the analysis of the data.

3.7 Chapter Summary
The chapter has discussed the research design and methodology used in the study. Specifically, the following has been discussed in the Chapter: the research design used in the study; the population and sampling techniques; data collection methods; research procedures, and data analysis methods used. The next chapter provides results and findings followed by summary, discussion, conclusion and recommendations in chapter five.
CHAPTER FOUR

4.0 RESULTS AND FINDINGS

4.1 Introduction
This chapter presents the results and findings of the study according to the research objectives. The first section provides respondents’ demographic information and the following section is divided into descriptive and inferential sub-section with each covering the research objectives. Findings are demonstrated in figures and tables.

4.2 Response Rate and Background Information

4.2.1 Response Rate
The researcher distributed a total of 100 questionnaire and was able to get back 66 questionnaire that were duly filled. This translated to a response rate of 66% that was deemed adequate for carrying out data analysis.

4.2.2 Background Information

4.2.2.1 Respondents’ Gender
This study sought to find out the number of males and females among the respondents so as to establish the gender representation in the study population. According to findings given in Figure 4.1, there were 56.5% male and 43.5% female. This showed that there were slightly more men than women in the study population.

![Figure 4.1: Respondents’ Gender](image-url)

Figure 4.1: Respondents’ Gender
4.2.2.2 Respondents’ Age

This study examined respondents’ age by requesting respondents to indicate their age bracket as constructed by the researcher. Results provided in Figure 4.2 showed that 63% of the respondents were aged between 26-34 years, there were 15.2% respondents who were aged between 35-44 years and similarly those who were below 25 years old were 15.2%. Lastly, only 6.5% of the respondents were above 44 years old. This shows that the highest population of the employees in the top 100 medium-sized enterprises were young people aged between 26-34 years old.

![Figure 4.2: Respondents’ Age](image)

4.2.2.3 Managerial Position

This study sought to examine the positions held by respondents in the organization management hierarchy. Results provided in Figure 4.3, demonstrated that 47.7% of the respondents were in the middle level management and 45.5% were in the top-level management while only 6.8% of the respondents were in the lower level management. This is clearly showing that the study was able to capture the views of the highest-ranking managers in the organization who have better understanding of the organization due to their position.
4.2.2.4 Level of Education

This study again looked at the education qualification of the respondents who were asked to indicate their highest level of qualification. Findings illustrated in Figure 4.4 showed that 60.9% of the respondents had an undergraduate degree, 23.9% had a graduate degree, masters’ degree and Phd. Again 8.7% of the respondents were diploma holders and 6.5% had studied up to secondary level. This indicates that most of the respondents working in top 100 medium-sized enterprises had an undergraduate academic qualification.

Figure 4.3: Managerial Position

Figure 4.4: Level of Education
4.2.2.5 Years of Existence

This study also sought to find out the number of years the respondents had been operating their business. Results displayed in Figure 4.5, showed that 25% of the medium-sized enterprises had been in existence for 6-10 years and similarly, other 25% had been in existence for less than 5 years. In addition, results showed that 22.7% of the medium-sized enterprises had been in existence for over 20 years and 20.5% had been in existence for 11-15 years while only 6.8% had been in existence for 16-20 years. This shows that most of the medium-sized enterprises had been in existence for quite some sometime, as it is seen only 25% reported to have been in existence for less than 5 years while the rest have existed for over 5 years.

![Years of Existence](image)

**Figure 4.5: Years of Existence**

4.2.2.6 Business Sector

This study sought to examine the sector in which the respondents were operating their business. According to findings, 34.9% of the medium-sized enterprises were in the technology sector, 23.3% were in the manufacturing sector and 9.3% were in the retail sector. Further, 4.7% of the medium-sized enterprises were in the construction, insurance, motor vehicle and logistics sectors, for each. Again 2.3% of the medium-sized enterprises were in the real estate, hospitality and tourism, FMCG, agribusiness, healthcare services and financial services sectors, for each. These results are given in Figure 4.6.
4.3 Growth in Small and Medium Experiences

In order to establish the effect of strategy implementation on medium-sized enterprises growth, the study examined growth in medium-sized enterprises on a 5-point Likert scale where, 1 - strongly agree, 2 - agree, 3 - neutral, 4 - disagree, 5 - strongly disagree. Data collected was computed in percentage that was used to draw inferences. The results are presented in Table 4.1. Results showed that 51.1% of the respondents agreed and 44.4% strongly agreed that there is growth in sales in their enterprise, even though 4.4% remained neutral. Again 55.8% of the respondents agreed and 37.2% strongly agree that their business kept on expanding, however, 7% remained neutral. Further findings showed that 51.1% of the respondents strongly agreed and 37.8% agreed that there is high customer retention in their business, even though 11.1% were neutral. Further, 45.5% strongly agreed and 40.9% agreed that there is growth in their business stock, there were however 13.6% respondents who were neutral. In addition, findings showed that 46.7% of the respondents strongly agreed and 37.8% agreed that they had reduced wastage in their business. Still 11.1% remained neutral while 4.4% disagreed that they had reduced wastage in their business. Results also demonstrated that 43.2% of the respondents agreed and 27.3% strongly agreed that they had reduced their business budget. Even though 15.9% disagreed and 2.3% strongly disagreed that they had reduced their business budget, still 11.4% were neutral. Findings are shown in Table 4.1.
Table 4.1: Growth in Medium-Sized Enterprises

<table>
<thead>
<tr>
<th></th>
<th>Strongly Agree</th>
<th>Agree</th>
<th>Neutral</th>
<th>Disagree</th>
<th>Strongly Disagree</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>There is growth in sales in our enterprise</td>
<td>44.4%</td>
<td>51.1%</td>
<td>4.4%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>100%</td>
</tr>
<tr>
<td>Our business keeps on expanding</td>
<td>37.2%</td>
<td>55.8%</td>
<td>7.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>100%</td>
</tr>
<tr>
<td>There is high customer retention</td>
<td>51.1%</td>
<td>37.8%</td>
<td>11.1%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>100%</td>
</tr>
<tr>
<td>There is growth in our stock</td>
<td>45.5%</td>
<td>40.9%</td>
<td>13.6%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>100%</td>
</tr>
<tr>
<td>We have reduced wastage in the business</td>
<td>46.7%</td>
<td>37.8%</td>
<td>11.1%</td>
<td>4.4%</td>
<td>0.0%</td>
<td>100%</td>
</tr>
<tr>
<td>We have reduced our business budget</td>
<td>27.3%</td>
<td>43.2%</td>
<td>11.4%</td>
<td>15.9%</td>
<td>2.3%</td>
<td>100%</td>
</tr>
</tbody>
</table>

4.4 Effect of Structures Established to Implement Strategy on Growth of the Enterprise

This study sought to examine the effect of structures put in place to implement strategy in organizations on the growth of medium-sized enterprises. The study used a 5-point Likert scale where, 1 - strong positive effect, 2 - positive effect, 3 - neutral, 4 - negative effect and 5 – strong negative effect. Data collected was computed in percentage that was used to draw inferences. The results are presented in Table 4.2.

Respondents were asked to what extent the structures put in place to implement strategy had affected growth in sales turnover in their business. According to the findings given in table 4.1, 55.5% reported that the structures had a positive effect, 33.3% indicated that they had strong positive effect on sales turnover and another 11.1% were neutral, they did not considered structures established to implement strategy to have had any effect on sales turnover. Respondents were also asked to indicate the extent to which structures put in place to implement strategy had affected growth in customer numbers in their business.
Findings showed that 57.8% of the respondents reported that customers were positively affected by established structure, 33.3% indicated that there was a strong positive effect while 6.7% were neutral and 2.2% thought there was a negative effect. Further, respondents were asked to indicate the extent to which structures put in place to implement strategy had affected growth in market share. Results showed that 48.9% of the respondents felt these structures had positive effect and 31.1% felt these structures had a strong positive effect on growth of their market share. However, there were 20% who were neutral, they felt that structures put in place had not affected growth of their market share in any way.

In addition, respondents were asked to indicate the extent to which structures put in place to implement strategy had affected growth in the number of their products and services. Results showed that 48.9% of the respondents indicated that structures put in place to implement strategy had a positive effect and 42.3% said there was a strong positive effect on growth in the number of their products and services. Still 4.4% indicated that the structure had a negative effect and similarly 4.4% were neutral. Results also showed that 51.1% of the respondents indicated that structures put in place to implement strategy had positive effect on growth in number of employees, 31.1% said that the structures had a strong positive effect while 13.4% were neutral and still 4.4% said that the structure established to implement strategy had a negative effect on growth in number of employees. These findings are illustrated in Table 4.2.
Table 4.2: Structures Established to Implement Strategy

<table>
<thead>
<tr>
<th></th>
<th>Strong Positive Effect</th>
<th>Positive Effect</th>
<th>Neutral</th>
<th>Negative Effect</th>
<th>Strong Negative Effect</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Extent to which structures put in place to implement strategy have affected growth in Sales Turnover</td>
<td>33.3%</td>
<td>55.6%</td>
<td>11.1%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>100%</td>
</tr>
<tr>
<td>Extent to which structures put in place to implement strategy have affected growth in customer numbers</td>
<td>33.3%</td>
<td>57.8%</td>
<td>6.7%</td>
<td>2.2%</td>
<td>0.0%</td>
<td>100%</td>
</tr>
<tr>
<td>Extent to which structures put in place to implement strategy have affected growth in Market Share</td>
<td>31.1%</td>
<td>48.9%</td>
<td>20.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>100%</td>
</tr>
<tr>
<td>Extent to which structures put in place to implement strategy have affected growth in number of Products and Services</td>
<td>42.3%</td>
<td>48.9%</td>
<td>4.4%</td>
<td>4.4%</td>
<td>0.0%</td>
<td>100%</td>
</tr>
<tr>
<td>Extent to which structures put in place to implement strategy have affected growth in number of Employees</td>
<td>31.1%</td>
<td>51.1%</td>
<td>13.4%</td>
<td>4.4%</td>
<td>0.0%</td>
<td>100%</td>
</tr>
</tbody>
</table>

4.4.1 Correlation between Organizational Structure and Growth in Medium-Sized Enterprises

This study sought to find out the relationship between the independent variables of this study and the dependent variable. A correlation analysis was carried out to examine these relationships. Findings showed that structures put in place in the medium-sized enterprises to implement strategy had positive relationship with growth of medium-sized enterprises, r=.640, this relationship was found to be statistically significant, p=.000 at 99% confidence level. The results are illustrated in Table 4.3.
Table 4.3: Correlation between Organizational Structure and Growth in Medium-Sized Enterprises

<table>
<thead>
<tr>
<th></th>
<th>Growth in Medium-Sized Enterprises</th>
<th>Structures</th>
</tr>
</thead>
<tbody>
<tr>
<td>Growth in Medium-Sized Enterprises</td>
<td>Pearson Correlation: 1</td>
<td>.640**</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed): .000</td>
<td></td>
</tr>
<tr>
<td>Structures</td>
<td>Pearson Correlation: .640**</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed): .000</td>
<td></td>
</tr>
</tbody>
</table>

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

4.4.2 Regression on the Effect of Organizational Structure on Medium-Sized Enterprises Growth

This study sought to find out the effect of organizational structure in medium-sized enterprises on their growth. The study carried out a regression analysis to estimate the amount of growth in medium-sized enterprises that is caused by structure put in place in the organization to implement strategy.

4.4.2.1 Model Summary on the Effect of Organizational Structure on Medium-Sized Enterprises Growth

The results on the regression analysis showed that, R squared was, .410 which signifies that 41% of growth in medium-sized enterprises is influenced by structures put in place to implement strategy in medium-sized enterprises. The remaining 59% of growth in medium-sized enterprises is influenced by factors outside this model. The findings are illustrated in Table 4.4.
Table 4.4: Model Summary on the Effect of Organizational Structure on Medium-Sized Enterprises Growth

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.640(^a)</td>
<td>.410</td>
<td>.396</td>
<td>.39030</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Structures

4.4.2.2 ANOVA on the Effect of Organizational Structure on Medium-Sized Enterprises Growth

The ANOVA was used to establish the significance of the model in predicting the dependent variable. Results showed that, F=29.826 with a p value of .000, this shows that model was statistically significant in predicting the dependent variable at 95% confidence level. The results are given in Table 4.5.

Table 4.5: ANOVA on the Effect of Organizational Structure on Medium-Sized Enterprises Growth

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>Df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Regression</td>
<td>4.543</td>
<td>1</td>
<td>4.543</td>
<td>29.826</td>
<td>.000(^p)</td>
</tr>
<tr>
<td>Residual</td>
<td>6.550</td>
<td>43</td>
<td>.152</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>11.094</td>
<td>44</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Dependent Variable: Growth_in_medium-sized enterprises

b. Predictors: (Constant), Structures

4.5 Effect of Systems Established to Implement Strategy on Growth of the Enterprise

This study sought to examine the effect of systems put in place to implement strategy in organizations on the growth of medium-sized enterprises. The study used a 5-point Likert scale where, 1 - strong positive effect, 2 - positive effect, 3 - neutral, 4 - negative effect and
Results showed that 47.8% of the respondents reported that systems put in place to implement strategy had a strong positive effect on growth in sales turnover, 39.1% also felt there was a positive effect from systems put in place to implement strategy on growth in sales turnover. However, 10.9% of the respondents remained neutral and 2.2% felt that systems put in place to implement strategy had a strong negative effect on growth in sales turnover. Further, findings indicated that 47.8% of the respondents stated that systems put in place to implement strategy had a strong positive effect on growth in customer numbers, 37% also said that there was a positive effect on the growth in customer numbers as a result of systems put in place to implement strategy. However, 10.9% of the respondents were neutral while 2.2% felt the system put in place to implement strategy had a negative effect and a strong negative effect for each, on the growth in customer numbers.

Additionally, results showed that 56.5% of the respondents indicated that system put in place to implement strategy had a positive effect on growth of market share and 28.3% were of the opinion that there was a strong positive effect on growth of market share as a result of the establish system to implement strategy. However, 13% of the respondents were neutral while 2.2% felt that the establish system to implement strategy had a strong negative effect on the growth of market share. Furthermore, findings revealed that 41.3% of the respondents felt that the systems established to implement strategy had a positive effect and a strong positive effect, for each, on the growth in the number of products and services. Even though 15.2% were neutral and 2.2% said that the systems established to implement strategy had a strong negative effect on the growth in the number of products and services.

Lastly, findings revealed that 50% of the respondents reported that the systems established to implement strategy had a positive effect on the growth in the number of employees. These were supported by 26.1% who felt there was a strong positive effect on the growth in the number of employees due to the systems established to implement strategy. Still 21.7% were neutral and 2.2% felt the systems had a strong negative effect on the growth of number of employees. These results are illustrated in Table 4.6.
Table 4.6: Systems Established to Implement Strategy

<table>
<thead>
<tr>
<th></th>
<th>Strong Positive Effect</th>
<th>Positive Effect</th>
<th>Neutral Effect</th>
<th>Strong Negative Effect</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Extent to which systems put in place to implement strategy have affected growth in Sales Turnover</td>
<td>47.8%</td>
<td>39.1%</td>
<td>10.9%</td>
<td>0.0%</td>
<td>100%</td>
</tr>
<tr>
<td>Extent to which systems put in place to implement strategy have affected growth in customer numbers</td>
<td>47.8%</td>
<td>37.0%</td>
<td>10.9%</td>
<td>2.2%</td>
<td>100%</td>
</tr>
<tr>
<td>Extent to which systems put in place to implement strategy have affected growth in Market Share</td>
<td>28.3%</td>
<td>56.5%</td>
<td>13.0%</td>
<td>0.0%</td>
<td>100%</td>
</tr>
<tr>
<td>Extent to which systems put in place to implement strategy have affected growth in number of Products and Services</td>
<td>41.3%</td>
<td>41.3%</td>
<td>15.2%</td>
<td>0.0%</td>
<td>100%</td>
</tr>
<tr>
<td>Extent to which systems put in place to implement strategy have affected growth in number of Employees</td>
<td>26.1%</td>
<td>50.0%</td>
<td>21.7%</td>
<td>0.0%</td>
<td>100%</td>
</tr>
</tbody>
</table>

4.5.1 Correlation between Organizational Systems and Growth in Medium-Sized Enterprises

This study sought to find out the relationship between the independent variables of this study and the dependent variable. A correlation analysis was carried out to examine these relationships. Findings showed that systems put in place to implement strategy in the medium-sized enterprises had a positive relationship with growth of medium-sized enterprises, $r=0.466$, this relationship was found to be statistically significant, $p=0.001$ at 99% confidence level. The results are provided in Table 4.7.
Table 4.7: Correlation between Organizational Systems and Growth in Medium-Sized Enterprises

<table>
<thead>
<tr>
<th></th>
<th>Growth in medium-sized enterprises</th>
<th>Systems</th>
</tr>
</thead>
<tbody>
<tr>
<td>Growth in medium-sized</td>
<td>1</td>
<td>.466**</td>
</tr>
<tr>
<td>Pearson Correlation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td></td>
<td>.001</td>
</tr>
<tr>
<td>Systems</td>
<td>.466**</td>
<td>1</td>
</tr>
<tr>
<td>Pearson Correlation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>.001</td>
<td></td>
</tr>
</tbody>
</table>

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

4.5.2 Regression on the Effect of Organizational Systems on Medium-Sized Enterprises Growth

This study sought to find out the effect of organizational systems in medium-sized enterprises on their growth. The study carried out a regression analysis to estimate the amount of growth in medium-sized enterprises that is caused by systems put in place in the organization to implement strategy.

4.5.2.1 Model Summary on the Effect of Organizational Systems on Medium-Sized Enterprises Growth

The results on the regression analysis showed that, R squared was, .217 which signifies that 21.7% of growth in medium-sized enterprises is influenced by systems put in place to implement strategy in medium-sized enterprises. The remaining 78.3% of growth in medium-sized enterprises is influenced by factors outside this model. The findings are illustrated in Table 4.8.
Table 4.8: Model Summary on the Effect of Organizational Systems on Medium-Sized Enterprises Growth

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.466a</td>
<td>.217</td>
<td>.199</td>
<td>.44935</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Systems

4.5.2.2 ANOVA on the Effect of Organizational Systems on Medium-Sized Enterprises Growth

The ANOVA was used to establish the significance of the model in predicting the dependent variable. Results showed that, F=11.942 with a p value of .001, this shows that model was statistically significant at 95% confidence level. The results are given in Table 4.8.

Table 4.9: ANOVA on the Effect of Organizational Systems on Medium-Sized Enterprises Growth

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>Df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Regression</td>
<td>2.411</td>
<td>1</td>
<td>2.411</td>
<td>11.942</td>
</tr>
<tr>
<td></td>
<td>Residual</td>
<td>8.682</td>
<td>43</td>
<td>.202</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>11.094</td>
<td>44</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Dependent Variable: Growth_in_medium-sized enterprises
b. Predictors: (Constant), Systems

4.6 Effect of Staff Hired and Deployed to Implement Strategy on Growth of the Enterprise

This study sought to examine the effect of staff hired and deployed to implement strategy in organizations on the growth of medium-sized enterprises. The study used a 5-point Likert scale where, 1 - strong positive effect, 2 - positive effect, 3 - neutral, 4 - negative effect and 5 - strong negative effect. Data collected was computed in percentage that was used to draw inferences. The results are presented in Table 4.10.
Findings revealed that 47.8% of the respondents stated that staff hired and deployed to implement strategy in the organization had a strong positive effect on the growth of sales turnover. These were supported by 43.5% respondents who also felt that staff hired to implement strategy in the organization had a positive effect on the growth of sales turnover. Though, 6.5% respondents were neutral and there were 2.2% of the respondents who held that staff hired to implement strategy in the organization had a negative effect on the growth of sales turnover. Again, findings showed that 46.7% of the respondents indicated that there was a strong positive effect on the growth in customer numbers as a result of staff hired and deployed to implement strategy in the organization. Similarly, 44.4% respondents reported that there was a positive effect on the growth in customer number as a result of staff hired and deployed to implement strategy. Still, 6.7% were neutral and 2.2% thought there was a negative effect on the growth in customer number as a result of staff hired and deployed to implement strategy.

Moreover, results showed that 50% of the respondents were of the opinion that staff hired and deployed to implement strategy caused a positive effect on the growth in market share. Likewise, 37% held that there was a strong positive effect on the growth in market share caused by staff hired and deployed to implement strategy but 13% were neutral. Results also showed that 50% of the respondents held that staff hired and deployed to implement strategy in the organization had a strong positive effect on the growth of products and services in the organization. Equally, 43.5% thought that that staff hired and deployed to implement strategy in the organization had a positive effect on the growth of products and services in the organization but 6.5% were neutral. These results are given in Table 4.10.
### Table 4.10: Staff Hired and Deployed to Implement Strategy

<table>
<thead>
<tr>
<th></th>
<th>Strong Positive Effect</th>
<th>Positive Effect</th>
<th>Neutral Negative Effect</th>
<th>Strong Negative Effect</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Extent to which staff hired and deployed to implement strategy have affected growth in Sales Turnover</td>
<td>47.8%</td>
<td>43.5%</td>
<td>6.5%</td>
<td>2.2%</td>
<td>100%</td>
</tr>
<tr>
<td>Extent to which staff hired and deployed to implement strategy have affected growth in customer numbers</td>
<td>46.7%</td>
<td>44.4%</td>
<td>6.7%</td>
<td>2.2%</td>
<td>100%</td>
</tr>
<tr>
<td>Extent to which staff hired and deployed to implement strategy have affected growth in Market Share</td>
<td>37.0%</td>
<td>50.0%</td>
<td>13.0%</td>
<td>0.0%</td>
<td>100%</td>
</tr>
<tr>
<td>Extent to which staff hired and deployed to implement strategy have affected growth in number of Products and Services</td>
<td>50.0%</td>
<td>43.5%</td>
<td>6.5%</td>
<td>0.0%</td>
<td>100%</td>
</tr>
</tbody>
</table>

### 4.6.1 Correlation between Staff hired and Growth in Medium-Sized Enterprises

This study sought to find out the relationship between the independent variables of this study and the dependent variable. A correlation analysis was carried out to examine these relationships. Findings showed that staff hired and deployed to implement strategy in medium-sized enterprises had a positive relationship with growth of medium-sized enterprises, $r=0.603$, this relationship was found to be statistically significant, $p=0.000$ at 99% confidence level. The results are provided in Table 4.11.
**Table 4.11: Correlation between Organizational Staff hired and Growth in Medium-Sized Enterprises**

<table>
<thead>
<tr>
<th></th>
<th>Growth in medium-sized enterprises</th>
<th>Staff_hired</th>
</tr>
</thead>
<tbody>
<tr>
<td>Growth in medium-sized</td>
<td>Pearson Correlation</td>
<td>.603**</td>
</tr>
<tr>
<td>enterprises</td>
<td>Sig. (2-tailed)</td>
<td>.000</td>
</tr>
<tr>
<td>Staff hired</td>
<td>Pearson Correlation</td>
<td>.603**</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.000</td>
</tr>
</tbody>
</table>

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

**4.6.2 Regression on the Effect of Staff Hired on Medium-Sized Enterprises Growth**

This study sought to find out the effect of staff hired and deployed to implement strategy in medium-sized enterprises on their growth. The study carried out a regression analysis to estimate the amount of growth in medium-sized enterprises that is caused by staff hired and deployed to implement strategy in medium-sized enterprises to implement strategy.

**4.6.2.1 Model Summary on the Effect of Staff Hired on Medium-Sized Enterprises Growth**

The results on the regression analysis showed that, R squared was, .364 which signifies that 36.4% of growth in medium-sized enterprises is influenced by staff hired and deployed to implement strategy in medium-sized enterprises. The remaining 63.6% of growth in medium-sized enterprises is influenced by factors outside this model. The findings are illustrated in Table 4.12.

**Table 4.12: Model Summary on the Effect of Staff Hired on Medium-Sized Enterprises Growth**

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.603*</td>
<td>.364</td>
<td>.349</td>
<td>.40522</td>
</tr>
</tbody>
</table>

*Predictors: (Constant), Staff_hired*
4.6.2.2 ANOVA on the Effect of Staff Hired on Medium-Sized Enterprises Growth

The ANOVA was used to establish the significance of the model in predicting the deponent variable. Results showed that, \( F=24.62 \) with a p value of .000, this shows that model was statistically significant at 95% confidence level. The results are given in Table 4.13.

Table 4.13: Model Summary on the Effect of Staff Hired on Medium-Sized Enterprises Growth

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>Df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>4.033</td>
<td>1</td>
<td>4.033</td>
<td>24.562</td>
<td>.000 ( b )</td>
</tr>
<tr>
<td>Residual</td>
<td>7.061</td>
<td>43</td>
<td>.164</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>11.094</td>
<td>44</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Dependent Variable: Growth in medium-sized enterprises
b. Predictors: (Constant), Staff hired

4.7 Effect of Style of Management Used by Top-Level Managers to Implement Strategy on Growth of the Enterprise

This study sought to examine the effect of style of management used by top-level managers to implement strategy in organizations on the growth of medium-sized enterprises. The study used a 5-point Likert scale where, 1 - strong positive effect, 2 - positive effect, 3 - neutral, 4 - negative effect and 5 – strong negative effect. Data collected was computed in percentage that was used to draw inferences. The results are presented in Table 4.14.

Results revealed that 51.1% of the respondents reported that the style of management used in implementing strategy in the organization had a positive effect on the growth in sales turn over. Equally, 42.2% thought that style of management used in implementing strategy in the organization had a strong positive effect on the growth in sales turn over but still 6.7% remained neutral. Again, findings showed that 57.8% of the respondents were of the opinion that style of management used in implementing strategy in the organization had a positive effect on the growth in customer numbers. Similarly, 35.6% respondents felt that style of management used in implementing strategy in the organization had a strong positive effect on the growth in customer numbers though, 6.7% were neutral. It was also shown that 51.1% of the respondents viewed that style of management used in
implementing strategy in the organization had a positive effect on the growth in market share and 28.9% felt there was a strong positive effect although, 20% were neutral.

Furthermore, results indicated that 51.1% of the respondents held that style of management used in implementing strategy in the organization had a positive effect on the growth in number of products and services. This was supported by 37.8% respondents who believed that style of management used in implementing strategy in the organization had a strong positive effect on the growth in number of products and services, even though 11.1% were neutral. Lastly, findings demonstrated that 40% of the respondents felt that style of management used in implementing strategy in the organization had a positive effect and a strong positive effect, for each, on the growth in number of employees. However, 17.8% were neutral and 2.2% thought that the style of management used in implementing strategy in the organization had a negative effect on the growth in number of employees. These findings are given in Table 4.14.
Table 4.14: Style of Management Used by Top-Level Managers

<table>
<thead>
<tr>
<th>Extent to which style of management used by top-level managers to implement strategy has affected growth in Sales Turnover</th>
<th>Strong Positive Effect</th>
<th>Positive Effect</th>
<th>Neutral Effect</th>
<th>Negative Effect</th>
<th>Strong Negative Effect</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>42.2%</td>
<td>51.1%</td>
<td>6.7%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>100%</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Extent to which style of management used by top-level managers to implement strategy has affected growth in customer numbers</th>
<th>Strong Positive Effect</th>
<th>Positive Effect</th>
<th>Neutral Effect</th>
<th>Negative Effect</th>
<th>Strong Negative Effect</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>35.6%</td>
<td>57.8%</td>
<td>6.7%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>100%</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Extent to which style of management used by top-level managers to implement strategy has affected growth in Market Share</th>
<th>Strong Positive Effect</th>
<th>Positive Effect</th>
<th>Neutral Effect</th>
<th>Negative Effect</th>
<th>Strong Negative Effect</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>28.9%</td>
<td>51.1%</td>
<td>20.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>100%</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Extent to which style of management used by top-level managers to implement strategy has affected growth in number of Products and Services</th>
<th>Strong Positive Effect</th>
<th>Positive Effect</th>
<th>Neutral Effect</th>
<th>Negative Effect</th>
<th>Strong Negative Effect</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>37.8%</td>
<td>51.1%</td>
<td>11.1%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>100%</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Extent to which style of management used by top-level managers to implement strategy has affected growth in number of Employees</th>
<th>Strong Positive Effect</th>
<th>Positive Effect</th>
<th>Neutral Effect</th>
<th>Negative Effect</th>
<th>Strong Negative Effect</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>40.0%</td>
<td>40.0%</td>
<td>17.8%</td>
<td>2.2%</td>
<td>0.0%</td>
<td>100%</td>
<td></td>
</tr>
</tbody>
</table>
4.7.1 Correlation between Strategy Implementation and Growth in Medium-Sized Enterprises

This study sought to find out the relationship between the independent variables of this study and the dependent variable. A correlation analysis was carried out to examine these relationships. Findings showed that style of management used by top level managers to implement strategy in medium-sized enterprises had a positive relationship with the growth of medium-sized enterprises, $r=.448$, this relationship was found to be statistically significant, $p=.002$ at 99% confidence level. The results are provided in Table 4.15.

Table 4.15: Correlation between Management Style and Growth in Medium-Sized Enterprises

<table>
<thead>
<tr>
<th></th>
<th>Growth in medium-sized enterprises</th>
<th>Style of management</th>
</tr>
</thead>
<tbody>
<tr>
<td>Growth in medium-sized</td>
<td>Pearson Correlation 1</td>
<td>$.448**</td>
</tr>
<tr>
<td>enterprises</td>
<td>Sig. (2-tailed) .002</td>
<td></td>
</tr>
<tr>
<td>Style of management</td>
<td>Pearson Correlation $.448**</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed) .002</td>
<td></td>
</tr>
</tbody>
</table>

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

4.7.2 Regression on the Effect of Management Style on Medium-Sized Enterprises Growth

This study sought to find out the effect of management style used to implement strategy in SMEs on their growth. The study carried out a regression analysis to estimate the amount of growth in SMEs that is caused by management style used to implement strategy in SMEs to implement strategy.

4.7.2.1 Model Summary on the Effect of Management Style on SMEs Growth

The results on the regression analysis showed that, R squared was, .201 which signifies that 20.1% of growth in SMEs is influenced by management style used to implement strategy.
in medium-sized enterprises. The remaining 79.9% of growth in medium-sized enterprises is influenced by factors outside this model. The findings are illustrated in Table 4.16.

**Table 4.16: Model Summary on the Effect of Management Style on Medium-Sized Enterprises Growth**

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.448&lt;sup&gt;a&lt;/sup&gt;</td>
<td>.201</td>
<td>.182</td>
<td>.45404</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Style of management

**4.7.2.2 ANOVA on the Effect of Management Style on Medium-Sized Enterprises Growth**

The ANOVA was used to establish the significance of the model in predicting the dependent variable. Results showed that, F=24.62 with a p value of .000, this shows that model was statistically significant at 95% confidence level. The results are given in Table 4.17.

**Table 4.17: Model Summary on the Effect of Management Style on Medium-Sized Enterprises Growth**

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>Df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Regression</td>
<td>2.229</td>
<td>1</td>
<td>2.229</td>
<td>10.814</td>
</tr>
<tr>
<td></td>
<td>Residual</td>
<td>8.864</td>
<td>43</td>
<td>.206</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>11.094</td>
<td>44</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Dependent Variable: Growth_in_medium-sized enterprises

b. Predictors: (Constant), Style_of_management

**4.8 Chapter Summary**

This chapter has presented the results and findings obtained from the analysis of data collected from respondents. Findings have been presented on the background information of the respondents, descriptive statistics and inferential statistics in relation to the research objectives. The next chapter provides the summary of the findings, discussion, conclusion and recommendations.
CHAPTER FIVE
5.0 DISCUSSION, CONCLUSION AND RECOMMENDATION

5.1 Introduction
This chapter discusses the findings of the study presented in chapter four, it further gives conclusions regarding findings on each of the study objectives. Recommendations are also made here for improvement and further research. The chapter first presents a summary of the whole study.

5.2 Summary
The purpose of the study was to investigate the influence of strategy implementation on the growth of top 100 mid-size enterprises in Kenya. The study was guided by the research questions that included: To what extent do structures put in place to implement strategy by top 100 mid-sized enterprises affect the growth of their business? To what extent do systems put in place to implement strategy by top 100 mid-sized enterprises affect the growth of their business? To what extent do staff acquired and deployed to implement strategy by top 100 mid-sized enterprises affect the growth of their businesses? To what extent has style of management used by top-level managers of top 100 mid-sized enterprises to implement strategy affected the growth of their businesses?

This study used a descriptive research design to provide a clear picture of strategy implementation in medium sized enterprises, specifically the top 100 mid-size enterprises in Kenya and the influence it had on the growth of these enterprises. The target population of this study consisted of the top 100 mid-size enterprises in Kenya covering the years 2015 – 2017 as classified by KPMG. This study used a simple random probability sampling technique. A sample size of 100 medium-size enterprises was used in the study. Primary data was collected through structured questionnaire with Likert type of questions. The data collected was analyzed through descriptive and inferential statistics. Descriptive statistics included percentage distribution while inferential statistics included correlation and regression analysis. Results were presented in figures and tables.

Findings on the first research question showed that most of the respondents agreed that structure put in place to implement strategy in medium size enterprises had positive effect on some of the growth aspect of medium size enterprises such as growth in sales turn over, growth in number of customers, growth in market share, growth in number of products and services and growth in number of employees in the organization. Further results established
that there was a positive significant correlation between structures put in place in the medium size enterprises to implement strategy and growth of medium size enterprises (r=.640, p<.000). According to the regression analysis, structures put in place in the medium-sized enterprises to implement strategy accounted for 41% of growth in medium size enterprises (R²=.410, F=29.826, p <.000).

Findings on the second research question showed that most of the respondents agreed that systems put in place to implement strategy in medium size enterprises had a positive effect on growth in sales turnover, number of customers, market share, number of products and services and number of employees. Moreover, results showed that systems put in place to implement strategy had a positive significant relationship with growth in medium size enterprises (r=.466, p<.001). According to the regression analysis, 21.7% of growth in medium-sized enterprises is influenced by systems put in place to implement strategy in medium size enterprises (.R²=.217, F=11.942, p<.001).

Results on the third research question showed that most of the respondents agreed that staff hired and deployed in the Top 100 medium size enterprises to implement strategy had a positive effect on growth in sales turnover, number of customers, market share and number of products and services. Further, it was revealed that there was a positive significant correlation between staff hired and deployed in the medium size enterprises to implement strategy and growth of medium size enterprises (r=.603, p<.000). Again, the regression analysis showed that 36.4% of growth in medium size enterprises is influenced by staff hired and deployed to implement strategy (R²=.217, F=24.62, p<.000).

Findings on the fourth research question showed that majority of the respondents agreed that style of management used by top level managers in the Top 100 medium size enterprises to implement strategy had a positive effect on growth of sales turn over, number of customers, market share, number of products and services and number of employees. Findings showed that there was a positive significant correlation between style of management used by top level managers to implement strategy and growth of Top 100 medium size enterprises (, r=.448, p<.002). The regression model showed that the management style used to implement strategy predicted 20.1% of growth in medium size enterprises (R²=.201, F=24.62, p<.000).
5.3 Discussion

5.3.1. Effect of Structure Established to Implement Strategy on Growth of the Enterprise

Organizations structures refers to the framework of the relationships on works, systems, working process, individuals and teams working towards attaining objectives in the organization (Gholam, Maryam & Aghdas, 2016). Organization structures as argued by Burgelman (2013) is a key factor in the implementation of organizational structures, the structure will support the strategy in the organization and enable the organization attain the goal of the implemented strategy. This study examined how organizational structures in top 100 mid-size enterprises in Kenya affected the growth of these mid-size enterprises. Results demonstrated that the structure put in place to implement strategy in the enterprises had positively affected growth in sales turnover in these businesses. Similarly, Ochiki (2014) argued that Kenyan organization and organization all over the world should use organizational structures as a means of creating efficiency and effectiveness in the organization which will enable the organization attain business growth in the long run.

The findings of this study also demonstrated that organizational structure also had a positive effect in the growth of the enterprises customer numbers, market share of the enterprise, product and services in the business and number of employees in the organization. The growth in the organizational customer numbers, market share and product and services in the enterprise here may represent a competitive advantage for the enterprise in the market. Competitive advantage and overall growth of an organization can be attained through designing structures that are in line with strategy to ensure the smooth and successful implementation of the strategy in the organization (Chitale, Mohanty and Debey, 2013)

Findings here that established that structures put in place to implement strategy in the enterprises positively affected growth in sales turnover agrees with the findings of Zaki et al. (2015). These authors in a study to examine organizational structure observed that an organization that adopted functional organizational structure to implement strategies that would increase its overall performance registered growth in annual revenues. The results here established that organization structure established to implement strategy led to growth in market share. Similarly, Meyer (2017) presented that one organization, Starbuck Coffee was able to grow internationally and achieve diversification as a result of putting in place structures flexible to market needs. According to Meyer (2017) Starbuck Coffee Company
was able to grow because it adopted organizational structures that was able to fit their current strategy.

Results also demonstrated that structures put in place to implement strategy in the Top 100 mid-size enterprises positively affected growth in number of employees in the organization. One of the organizational structure types, identified as matrix organizational structure, supports the findings of this study. The matrix type of structure enable organizations to create efficient large-scale projects that utilize more employees in the functional organizational structure without necessarily destroying that structure (Gleeson, 2018)

This study has also established that organizational structure has an influence on growth in number of sales, number of customers, market share, number of products and services and number of employees. Whilst Qingmin, Helmut and Juergen (2012) examined how structures affected performance in organization, their findings showed that organizational structures influenced performance in through learning and innovation in knowledge-intensive industries. In labor-intensive industries, Qingmin, Helmut and Juergen (2012) established that organizational structure was found to have affected performance through innovation.

Further, this study has established that there is a positive significant relationship between organizational structure and enterprise growth. This result is in line with earlier studies that have linked organizational structures with growth in enterprise. Researchers Shiraishi and Barbosa (2015) found that SMEs growth is hindered by failure to create formal organizational structure. Researchers Sarwoko and Frisdiantara (2016) in a study of determinants of growth in SMEs examined the influence of organizational structure as one of the factors affecting growth of SME businesses. Their findings established that structure was a key factor that affected growth in SME businesses. Similarly, Ochiki (2014) in a study of the linkage between growth strategy and the organizational structures of commercial banks in Kenya, found out that the kind of structure in the organization had a modest impact on the realization of the bank’s society expectation and the growth of the commercial banks investments.
5.3.2 Effect of Systems Established to Implement Strategy on Growth of the Enterprise

Systems in the organization refers to the formal and informal things that people engage in to complete tasks in the organization (Zincir & Tunc, 2017). The growth of mid-size enterprises is determined by not only the vision and motivation of the owner of the enterprise but as well with the environment in which the enterprise operates in (Gupta, Guha, & Krishnaswami, 2013). Organizational systems are thus a critical component in the growth strategy in organization. This study found out that there is a significant relationship between the organization’s systems and its growth. These findings support the argument of Churchill and Lewis (1983) argued that in order to attain growth in business, the processes in the business should be systematized. Marie-Therese (2015) also argued that financial systems have a significant relationship with economic growth.

Findings in this study also showed that systems put in place to implement strategy had a positive effect on the growth of sales turnover, number of customers, market share, number of products and services and number of employees. Gupta, Guha and Krishnaswami (2013) argued that parameters such as the organization systems have a great impact on the growth of an enterprise. Researchers Hicks, O’Reilly and Bahr, (2014) found that there is a positive relationship between reward system in the organization and low employee turnover in the organization. This could contribute to a positive growth in the number of employees in the organization since the organization is able to retain its employees. Supporting this argument, studies done in South African organizations reveal that organizations seek to find rewards that will attract younger employees while still retaining the older ones by keeping them happy and engaged (Hoole & Hotz, 2016). A study in Nigeria showed that organizations that have more attractive compensation packages keep employees motivated and increases their performance at work. Such organizations have also been noted to have a minimal employee turnover rate, which could help to maintain a high retention rate in the organization (Aslam et al, 2015)

This study has shown that organizational systems put in place to implement strategy have a positive effect on market share growth. Similarly, Mustafa (2010) in a study on effect of marketing information systems on decision making, demonstrated that decisions made using good marketing information systems lead to increased market share. The findings in this study that show that medium size enterprises growth is affected by organizational
systems is in line with the observation of Street and Meister (2004) who noted that the implementation of enterprise resource planning in SMEs has a potential of enabling the growth of the enterprises. The findings of this study demonstrated that organizational systems had a significant relationship with organization growth. This result support the findings of James and Lahti (2011) who observed that organizational system factors had a significant relationship to employee inspiration that had a significant influenced on organization performance that was indicated with annual net sales and organizational market leadership.

Findings here showed that most of the respondents agreed that the established systems in the organization used to implement strategy has a positive effect on different facets of medium size enterprises growth such as sales turn over, market growth, number of customers, number of products and services and number of employees. The growth in these different facets in the organization is demonstration of positive performance in the organization. Several studies have been able to link different types of organization systems to better performance in the organization more so information systems that have become common in the business environment. Almazán, Tovar and Quintero (2017) established that information systems are one of the most significance components of the present business environment, while this study showed that organization systems positively contribute to the growth of sales turn over, market share, number of customers, product and services and organization employees. Almazán, Tovar and Quintero (2017) showed that information systems in the organization helps to increase the quality of services and support positive performance in the organization. They also note that information systems in organization contribute to not only the development of the organization but also the development of individuals in the organization.

5.3.3 Effect of Staff Hired and Deployed To Implement Strategy on Growth of the Enterprise

Staff are the employees of an organization and their overall competencies represent a critical component of the organization. Morgan (2014) argued that hiring of staff into the organization is a critical function which entails acquiring, deploying and retaining employees who will enable an organization to achieve its objectives and goals (including growth). Equally this study has been able to establish a significant relationship between staff hired and deployed to implement strategy and enterprise growth.
Understandably the hiring of staff and their deployment in the enterprise to implement strategy has a significant effect on the growth of the organization, since appropriate employees will help in strategy implementation while inappropriate employees will derail organization strategy. The results here demonstrated this logic with most of the respondents agreeing that staff hired and deployed to implement strategy have a positive effect on enterprise growth in sales turnover, customers, market share, and product and services. This finding is shared by Amusan and Oyediran (2016) who noted that recruitment strategy should be vigorous to ensure the recruited staff will contribute to the growth of the organization. Similarly, Vosloban (2012) argued that growth strategy in organizations not only depend on organizational managers skills but also on the employees who are hired in the organization.

The findings in this study showed that staff hired and deployed to implement strategy in organization had a positive effect on the growth of customer number and market share. Similarly, Campbell (2013) arguing on the same line noted that SMEs will need to plan well in hiring their staff to ensure they are compatible with the organizational goals and this will enable them to sell their products and services through subsidiaries. This will consequently increase their market share and customer number by selling in new markets.

Results here have shown evidence of a positive effect of staff hired and deployed to implement strategy on organizational growth. This finding agrees with the observation made by Vosloban (2012) that established that organizational staff have a significant role in the growth and performance of an organization in the emerging markets. However, staff employed in the organization should be well taken care of and be nurtured to be able to perform at their best for the organization and contribute positively to the growth of the organization (Vosloban, 2012).

The findings in this study showed that staff hired and deployed to implement strategy in the organization positively affect growth in sales turnover, market share, customer number and number of products and services. This finding is in line with Francis (2013) who observed that when good staffing practices are strategically integrated with business, the overall organization performance will improve. According to Francis (2013) an organization’s staffing strategy determines the quality of workforce the organization will have. The staff hired will determine how successful an organizational strategy is implemented, because they offer the skills, knowledge, experience, and talent that is needed.
for an organization to achieve its goals and objectives, such sales made, market expansion, customer increment and product and service increment.

To further demonstrate the positive effect of staff hired to implement strategy on organization growth, earlier studies have shown that organization staff hired though various strategy such as home-country national staffing, host-country national staffing and third-country national staffing have enabled international businesses to set up and grow in foreign countries. For instance, Reiche (2013) notes that host-country national staffing has so many advantages because host nationals’ staff can guide the few employees sent by parent country to oversee the operations in the newly established subsidiaries. On the other hand, Hipsher (2018) presented that Hisense, an appliance and electronics manufacturer in its expansion in South Africa and African market at large, has hired local staff so as to eliminate problems of language barrier when reaching out to the new market. This local staff employed would thus positively influenced this company to conquer their new markets and enable them to grow their market share and customer number. Similarly, Coca-Cola Company which has successfully grown its market share in Kenya has used the strategy of host-country national staffing that has positively affected its growth in the country’s soft drinks market (Crawshaw et al., 2017).

5.3.4 Effect of Style of Management Used by Top-Level Managers to Implement Strategy on Growth of the Enterprise

Style of management refers to the way the organization is controlled, it demonstrates how managers in the organization get work done in the organization (Morgan, 2014). Ukaidi (2016) posited that management style is the pattern of thinking, feeling and behavior, which an organizational manager uses to deal with individual and circumstances at work in the organization. Karimi, Hosseinzadeh and Azizi (2011) argue that growth in any community relies on the progress made in the management system. Organization striving to achieve growth look for managers who are able to manage the organization effectively and efficiently. Each manager is distinctive with his or her style of management in relation to the circumstances at hand and the inclined paradigm (Ukaidi, 2016).

The findings of this study showed that there is a positive significant relationship between management style in medium size enterprises and the growth of the medium size enterprises. These findings are in line with the argument of Karimi, Hosseinzadeh and Azizi (2011) who presented that management style is undeniably significant to the existence and
growth of every organization. In another study on Kenyan SMEs Linge, Shikalieh, and Asiimwe (2016) found out a significant relationship between SMEs growth and the laissez faire style of management. They noted that offering little or no guidance to employees that are highly qualified and experts in their field motivates them which in turn increases their morale and performance in the organization.

According to the findings of this study the results showed that management style had a positive effect on the growth in sales turnover, number of customers, market share, number of products and services and number of employees in the organization. Similarly, in a study of SMEs in Nigeria on the effects of style of leadership on organizational performance, it was established that good style of leadership uplifts employees’ spirits and participatory leadership style of management in which both the management and employees take decisions positively influences the growth of the organization (Karimi, Hosseinzadeh & Azizi, 2011). Similarly, Pirraglia (2018) also held that style of management that is democratic boost employees’ morale since it makes employees feel valued in the organization and this has a great effect on individual and group performance in the organization. Akoma et al. (2014) also found out that democratic management style in SMEs has a positive effect on the overall performance of employees in the organization, and this would definitely enhance the SMEs growth.

This study results indicated that style of management had a positive effect on the growth of an enterprise. The relationship between these two factors was found to be positively significant. These results contradict the observation of Dalton et al. (1980) who through a secondary review found out that empirical literature only established a negative and zero relationship between centralization as a style of management and the performance of the organization. Even though Dalton et al. (1980) noted that the earlier study results could be faulted because they did not consider hard performance criteria in measuring organizational performance, which include sales and gross profit among other indicators.

The findings here also showed that style of management had a positive effect on the growth of number of employees in the organization. Naeem and Azam (2017) noted that management style that is democratic in nature will empower the middle-level managers to provide clients the best services ensuring high levels of satisfaction, a move that will definitely retain the organization’s existing customers and attract more to grow the customer numbers for the enterprise. Similarly, Ukaidi, (2016) in his study of the influence
of leadership styles on organizational performance found out that managers with
democratic management style had more effect on the performance in the organization than
managers who used laissez faire style in their management of the organization. This thus
demonstrates that the style used by a manager to manage his employees and organizational
activities has an effect on the organization.

It has been argued that various leadership styles in the organization could impact
organizational effectiveness or performance, which may be demonstrated in the growth in
sales turnover, number of customers, market share, number of product and services and
employees (Nahavandi, 2002). Similarly, this study has been able to demonstrate evidence
of positive effect of management style on the growth of medium size enterprises in relation
to sales turnover, number of customers, market share, number of product and services and
employees.

5.4 Conclusion

5.4.1 Effect of Structure Established to Implement Strategy on Growth of the
Enterprise

Findings here lead to the conclusion that structures put in place to implement strategy in
medium size enterprises have a positive effect on some of the growth aspect of medium
size enterprises such as growth in sales turn over, growth in number of customers, growth
in market share, growth in number of products and services and growth in number of
employees in the organization. It is further concluded that there is a positive significant
connection between structures established in medium size enterprises to implement strategy
and growth of the medium size enterprises.

5.4.2 Effect of Systems Established to Implement Strategy on Growth of the
Enterprise

This study concludes that systems established to implement strategy in medium size
enterprises have a positive effect on growth in sales turnover, number of customers, market
share, number of products and services and number of employees. Moreover, the study
concludes that systems established to implement strategy have a positive significant
relationship with the growth in medium size enterprises.
5.4.3 Effect of Staff Hired and Deployed to Implement Strategy on Growth of the Enterprise
According to the results herein, this study concludes that staff hired and deployed in medium size enterprises to implement strategy have a positive effect on the growth in sales turnover, number of customers, market share and number of products and services by the medium size enterprises. Further, it is concluded that there is a positive significant relationship between staff hired and deployed in the medium size enterprises to implement strategy and growth of medium size enterprises.

5.4.4 Effect of Style of Management Used by Top-Level Managers to Implement Strategy on Growth of the Enterprise
This study concludes that style of management used by top level managers in medium size enterprises to implement strategy has a positive effect on growth of sales turn over, number of customers, market share, number of products and services and number of employees. Again, it was conclusive enough that there is a positive significant relationship between style of management used by top level managers in the medium size enterprises to implement strategy and growth of medium size enterprises.

5.5 Recommendations
5.5.1 Recommendation for Improvement
5.5.1.1 Effect of Structure Established to Implement Strategy on Growth of the Enterprise
This study recommends that medium size enterprises should establish proper organizational structures that befits its business operations. This will be able to support the medium size enterprises in its growth strategy. The structures in the organization should be flexible enough so that the enterprise can adapt to the dynamic environment. Medium size enterprises should avoid rigid structure that may not allow growth and adaptation or could slow down the growth of the enterprise.

5.5.1.2 Effect of Systems Established to Implement Strategy on Growth of the Enterprise
This study recommends that medium size enterprises should put in place proper systems in line with the business operations. The systems should be able to support business operations and enhance them to ensure that there is growth. Caution should be taken not to establish systems that may not be compatible with organization operations and in the end hinder
growth in the business. Moreover, modern systems that utilizes information technology should be sought as this will also enable the organization save on cost of operations and channel its resources to business investments and thus boosting growth of the business.

5.5.1.3 Effect of Staff Hired and Deployed To Implement Strategy on Growth of the Enterprise
Staff are considered one of the most critical components in the organization. medium size enterprises should thus take great care in their recruitment and hiring process to ensure the appropriate staff are hired and deployed to implement strategy. The staff should be highly qualified with enough experience to help the organization grow its market share, customer base, sales turnover and its product and services. Incompetent employees should also be dismissed from the organization to give room for suitable staff to be recruited and ensure the business has an effective workforce.

5.5.1.4 Effect of Style of Management Used by Top-Level Managers to Implement Strategy on Growth of the Enterprise
This study recommends that medium size enterprises should adopt a management style that allows some degree of freedom for employees. This will help boost their morale and improve their effectiveness and consequently boost the organization’s performance and growth. The work environment in the organization should also be open and flexible to allow creativity among employees and new ideas from staff should be supported. The management should be easy to approach with suggestions and proposals that would drive growth in the organization.

5.5.2 Recommendation for Further Research
This study has focused on the effect of strategy implementation on growth of medium size enterprises. Further studies can also be done among micro-enterprises which were overlooked in this study. Again, other factors that influence growth in organizations such as financial resources may be examined, with particular emphasis on effect on the growth of medium size enterprises. This study took a broad perspective of medium size enterprises in different industries; thus, the research may be replicated in industry-specific studies.
REFERENCES


Khumalo, L. (2015). *The Impact of Leadership Styles on Organizational Commitment.* South Africa: University of South Africa


UNESCO. (2013). Adult and Youth Literacy. Montreal, Canada: UNESCO


APPENDICES

Appendix 1: Introductory Letter
William Juma Arogo,
United States International University-Africa,
P.O. Box 14634 - 00800, Nairobi, Kenya

Dear Respondent,

RE: REQUEST FOR YOUR PARTICIPATION IN MY RESEARCH PROPOSAL

My name is William Juma Arogo, currently pursuing a course towards completion of Master of Business Administration (MBA) from United States International University – Africa. I am conducting a study on The Influence of Strategy Implementation on the growth of Top 100 Mid-Size Enterprises in Kenya, which is in partial fulfilment of the requirements of the award of the degree.

You have been selected to participate in this study by filling in the attached questionnaire. Your company and other Top 100 Mid-size companies will benefit from the study by learning how different organizational structures, systems, staffing, and managerial styles affect implementation of strategy. The findings of the study will also help the government of Kenya and policy makers better appreciate how mid-size enterprises operate, their challenges, and benefits they bring to the economy, thereby helping to shape favourable policy. The study will give researchers and academicians carrying out research on mid-size enterprises insights on how strategy implementation affects growth of businesses, highlighting any gaps that need further research.

The information you provide will be treated as confidential and will only be used for academic purpose of this research. Kindly spare a few minutes of your time to fill in the questionnaire to the best of your knowledge. For further questions you are free to contact me on +254 (0) 733 601150. Thank you for your time.

Yours faithfully,

William Juma Arogo
Appendix 2: Questionnaire

Dear Respondent,

My name is Juma Arogo a Master of Business Administration (MBA) student at United States University (USIU), Nairobi, Kenya. I am carrying out a research on “THE INFLUENCE OF STRATEGY IMPLEMENTATION ON THE GROWTH OF THE TOP 100 MID-SIZE ENTERPRISES IN KENYA.” which is a requirement for my Master’s Degree in Business Administration. I would like your assistance in responding to this questionnaire.

Your response will remain anonymous and the information given will be taken with confidentiality.

Thank you in advance for your valued support.

Juma Arogo
0733601150

Introduction:

The purpose of this study is to investigate the influence of strategy implementation on the growth of the top 100 mid-size enterprises in Kenya. Kindly complete the questions as accurately as you can, by ticking the appropriate response or writing in the spaces provided. Your responses are greatly appreciated.

SECTION 1: GENERAL INFORMATION

1. Gender:  
   i. Male [ ]  
   ii. Female [ ]

2. Age:  
   i. Below 25 years [ ]  
   ii. 26-34 years [ ]  
   iii. 35-44 years [ ]  
   iv. Above 45 years [ ]

3. What is your management position?  
   i. Top Level [ ]  
   ii. Middle Level [ ]  
   iii. Lower Level [ ]

4. Your Highest Level of Education:  
   i. None [ ]  
   ii. Primary [ ]  
   iii. Secondary [ ]  
   iv. Diploma [ ]  
   v. Undergraduate Degree [ ]  
   vi. Graduate (Masters and above) [ ]

5. Number of Years the Enterprise has been in existence:  
   i. Below 5 years [ ]  
   ii. 6-10 years [ ]  
   iii. 11-15 years [ ]  
   iv. 16-20 years [ ]  
   v. Above 20 years [ ]
6. Business sector
i. Construction [ ]  ii. Real estate [ ]  iii. Hospitality/Tourism [ ]
iv. Information technology [ ]  v. Manufacturing [ ]
vi. Motor Vehicle [ ]
Others (specify)……………………………………………………………………..

SECTION 2: EFFECT OF STRUCTURES PUT IN PLACE TO IMPLEMENT STRATEGY ON GROWTH OF THE ENTERPRISE

Introduction: Structure refers to how the organization is organized, who reports to who and how decisions are made. Competitive advantage and overall growth of an organization can be achieved by designing structures that are in line with a strategy to ensure the smooth and successful implementation of the strategy.

Please indicate by ticking/marking the appropriate cell which closely reflects the extent to which structures put in place by your organization to implement strategy have affected the growth of your business

Use a scale of 1-5 where: 1 = Strong Positive Effect (SPE); 2 = Positive Effect (PE), 3 = Neutral (N), 4 = Negative Effect (NE) and 5 = Strong Negative Effect (SNE).

<table>
<thead>
<tr>
<th>Effect of Structures put in place to implement strategy on growth of the enterprise</th>
<th>Strong positive effect</th>
<th>Positive Effect</th>
<th>Neutral Effect</th>
<th>Negative Effect</th>
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<td></td>
<td>Extent to which structures put in place to implement strategy have affected growth in Market Share</td>
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</table>

| Extent to which structures put in place to implement strategy have affected growth in number of Products and Services |
|---|---|---|---|
|4| | | | |

| Extent to which structures put in place to implement strategy have affected growth in number of Employees |
|---|---|---|---|
|5| | | | |

SECTION 3: EFFECT OF SYSTEMS PUT IN PLACE TO IMPLEMENT STRATEGY ON GROWTH OF THE ENTERPRISE

Introduction: Organizations put in place systems to implement strategy and ensure the smooth running of the business. These could be information systems (IT), finance systems, marketing, innovation, etc.

Please indicate by ticking/marking the appropriate cell which closely reflects the extent to which systems put in place by your organization to implement strategy have affected the growth of your business.

Use a scale of 1-5 where: 1 = Strong Positive Effect (SPE); 2 = Positive Effect (PE), 3 = Neutral (N), 4 = Negative Effect (NE) and 5 = Strong Negative Effect (SNE).
### SECTION 4: EFFECT OF STAFF HIRED AND DEPLOYED TO IMPLEMENT STRATEGY ON GROWTH OF THE ENTERPRISE

**Introduction:** Staffing is a critical function of an organization that involves acquiring, deploying, and retaining workforce that will help the organization achieve its goals and objectives. Effective implementation of strategy is greatly aided by hiring and retaining appropriate skilled staff.

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<th>Extent to which systems put in place to implement strategy have affected growth in Sales Turnover</th>
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<td>2</td>
<td>Extent to which systems put in place to implement strategy have affected growth in customer numbers</td>
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<tr>
<td>3</td>
<td>Extent to which systems put in place to implement strategy have affected growth in Market Share</td>
</tr>
<tr>
<td>4</td>
<td>Extent to which systems put in place to implement strategy have affected growth in number of Products and Services</td>
</tr>
<tr>
<td>5</td>
<td>Extent to which systems put in place to implement strategy have affected growth in number of Employees</td>
</tr>
</tbody>
</table>
Please indicate by ticking/marking the appropriate cell which closely reflects the extent to which staff hired and deployed by your organization to implement strategy have affected the growth of your business.

Use a scale of 1-5 where: 1 = Strong Positive Effect (SPE); 2 = Positive Effect (PE), 3 = Neutral (N), 4 = Negative Effect (NE) and 5 = Strong Negative Effect (SNE).

<table>
<thead>
<tr>
<th>Effect of staff hired and deployed to implement strategy on growth of the enterprise</th>
<th>Strong positive effect</th>
<th>Positive Effect</th>
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<td>1 Extent to which staff hired and deployed to implement strategy have affected growth in Sales Turnover</td>
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<tr>
<td>2 Extent to which staff hired and deployed to implement strategy have affected growth in customer numbers</td>
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<tr>
<td>3 Extent to which staff hired and deployed to implement strategy have affected growth in Market Share</td>
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<tr>
<td>4 Extent to which staff hired and deployed to implement strategy have affected growth in number of Products and Services</td>
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</table>
SECTION 5: EFFECT OF STYLE OF MANAGEMENT USED BY TOP-LEVEL MANAGERS TO IMPLEMENT STRATEGY ON GROWTH OF THE ENTERPRISE.

Introduction: Management style is how top-level managers communicate and get things done in an organization. It can range from completely democratic to completely autocratic, with the style frequently depending on the situation at hand and what needs to be done.

Please indicate by ticking/marking the appropriate cell which closely reflects the extent to which style of management used by top-level managers to implement strategy has affected the growth of your business.

Use a scale of 1-5 where: 1 = Strong Positive Effect (SPE); 2 = Positive Effect (PE), 3 = Neutral (N), 4 = Negative Effect (NE) and 5 = Strong Negative Effect (SNE).

<table>
<thead>
<tr>
<th>Effect of Style of management used by top-level managers to implement strategy on growth of the enterprise</th>
<th>Strong positive effect</th>
<th>Positive Effect</th>
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<td>Extent to which style of management used by top-level managers to implement strategy has affected growth in Sales Turnover</td>
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<tr>
<td>2</td>
<td>Extent to which style of management used by top-level</td>
<td></td>
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</tbody>
</table>
managers to implement strategy has affected growth in customer numbers

3 Extent to which style of management used by top-level managers to implement strategy has affected growth in Market Share.

4 Extent to which style of management used by top-level managers to implement strategy has affected growth in number of Products and Services.

5 Extent to which style of management used by top-level managers to implement strategy has affected growth in number of Employees.

SECTION 6: MEDIUM-SIZED ENTERPRISES GROWTH.

Introduction: Growth of an enterprise can imply physical expansion of an enterprise, annual revenue, and value addition. Growth can also be seen in aspects such as the organization’s market position and quality of a product. Growth is a critical gauge of a thriving enterprise.

Please indicate by ticking/marking the appropriate cell the level of your agreement on the following statements regarding the growth of your enterprises. Tick your choice in the appropriate answer box. Where: 1 = Strongly Agree, 2 = Agree, 3 = Neutral, 4 = Disagree, 5 = Strongly Disagree
<table>
<thead>
<tr>
<th>MEDIUM-SIZED ENTERPRISES GROWTH.</th>
<th>Strongly Agree</th>
<th>Agree</th>
<th>Neutral</th>
<th>Disagree</th>
<th>Strongly Disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 There is growth in sales in our enterprise</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>2 Our business keeps on expanding</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>3 There is high customer retention</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>4 There is growth in our stock</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>5 We have reduced wastage in the business</td>
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<td>2</td>
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<td>4</td>
<td>5</td>
</tr>
<tr>
<td>6 We have reduced our business budget</td>
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</tbody>
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THANK YOU!