EFFECTS OF STRATEGIC MANAGEMENT PRACTICES ON BUSINESS GROWTH IN THE CEMENT INDUSTRY

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ABSTRACT
The objective of this study was to determine the effect of strategic management practises on business growth in cement industry. The study was seeking to determine the effect of strategic competition, strategic technology and strategic product differentiation on business growth. The study therefore targeted strategic managers as they would understand how strategic management influenced the growth of their businesses. The knowledge of strategic management would aid them in formulating better plans for their company. The study used descriptive research design; the sample size for this study was 55 employees of Bamburi Cement Limited scientifically derived from a population of 75 employees. Primary data was collected using questionnaires and were administered using drop and pick method. The data collected was analysed using descriptive analysis and regression analysis with the aid of IBM SPSS statistics 23 software. The study found that strategic product differentiation had a positive effect towards business growth ($\beta = 0.652, p = 0.00$). The study also found that strategic competition had a positive effect towards business growth ($\beta = 1.058, p = 0.00$). The study revealed that there was negative effect of strategic technology adoption towards business growth ($\beta = -0.671, p = 0.00$). The study concluded that business growth in cement industries was influenced positively by strategic product differentiation and strategic competition. The study recommended that the management should focus on implementing strategic competitive practises and strategic product differentiation practises. The study recommended to the government of Kenya to discourage import of cement for the mega projects to the country in order to boost and improve the market of the local cement firms so that they can increase their competitiveness and gain the capacity to develop cement products and meet the demand of the mega government and private projects both locally and internationally.

Key Words: Strategic Competition, Strategic Technology, strategic Product, Business Growth, Cement Industry
INTRODUCTION

Caliskan (2010), in his Journal of naval science and engineering observes that economic environment is changing rapidly and this change is characterized by such phenomena as the globalization, changing customer and investor demands, ever-increasing product-market competition. To complete successfully in this environment, organizations continually need to improve their performance by reducing cost, innovating products and processes and improving quality, productivity and speed to market. Strategic management helps organizations adapt to the changing environment. Culp (2012) observes that Strategic management is an ongoing process that evaluates and controls the business and the industries in which the company is involved; assesses it competitors and sets goals and strategies to meet all existing and potential competitors; and then reassesses each strategy annually or quarterly to determine how it has been implemented and whether it has succeeded or needs replacement by a new strategy to meet changed circumstances, new technologies, new competitors, a new economic environment, or a new social, financial or political environment.

Muogbo (2013), notes that strategic management can depend upon the size of an organization, and the proclivity to change of its business environment. Therefore, a global transnational organization may employ a more structured strategic management model, due to its size, scope of operations, and need to encompass stakeholder views and requirement. The way and manner they face strategic issues can affect the overall growth and development of the organization. It goes without saying that the strategic framework must also address fundamental issues such as resource base, infrastructure constrains, appropriate level of technology and raw materials input. In the process of implementing strategic management, an organization must be wary of forces that may legitimately seek to obstruct such changes. It is important then that effectual change management practices are instituted. These encompass: The appointment of a change agent, as an individual who would champion the changes and seek to reassure and allay any fears arising; ascertaining the causes of the resistance to organizational change whether from employees perceived loss of job security and via change agency slowly limiting the negative effects that a change may uncover (Gobanga, 2012)

Statement of the Problem

Cement businesses operate in a constantly changing and competitive environment and to survive in this environment, the organizations have to respond and adjust to social, economic and political environment (Nduati, 2015). Effective strategic planning is very key to the sustainability of business goals in such turbulent times. Balanced score card institute argues that effective strategic management starts with leadership. Leaders look at problems in new ways, create and articulate a vision for the future (Murby et al, 2005). Cania (2014) observes that there is need for achieving agreed goals and objectives, this will give a sense of purpose and direction to the organization, the competition and technological social changes in the society creates the needs for strategy for business sustenance and growth.

David (2011) notes that the management process is dynamic and continuous, a change in one of the major components will necessitate a change in all the other components in the model. Firms that compete in complex, rapidly changing environments such as cement industries, tend to be more formal in strategic management. Firms that have many divisions, products, markets and technologies also tend to be more formal in applying strategic management concepts. Greater extent in applying
strategic management concept is usually associated with cost, comprehensiveness, accuracy, and success of planning across all types and sizes of organizations.

Regionally, cement industry survey by the East African Cement Producers Association shows that installed cement production capacity has grown from three to 6.5 MT (million tonnes) between 2007 and 2014. Kenya domestic demand has also increased, albeit more slowly, to 3.8 MT, up from 2.1 MT (Ochieng’, 2014)

Locally, due to the increasing cement demand, the cement industries have in the recent past experienced an influx of competitors that has stirred local competitions; as of December 2015 we had six cement companies in Kenya that are producing cement. This has created the need for efficient service delivery and effective planning and decision making among the cement industry players. The new entrants into the market has caused Bamburi Cement Limited to strategically orient itself to the changing environment and make necessary strategic changes in order to secure its market share and continually improve on its services. This project was seeking to understand the effect of strategic management practises on business growth.

Objectives of the Study
The main objective of this study was to examine the effect of strategic management on business growth of Bamburi Cement Limited. The specific objectives of this study were:

- To examine the effect of strategic competition on business growth in cement industry.
- To examine the effect of strategic technology adoption on business growth in cement industry.
- To examine the effect of strategic product differentiation on business growth in cement industry.

Hypotheses
The hypotheses were stated both in terms of null (HO) and the alternative hypotheses (HA)

Hypothesis One
HO: Application of strategic competition has no effect on business growth at Bamburi Cement Limited.
HA: Application of strategic competition has huge effect on business growth at Bamburi Cement Limited.

Hypothesis two
HO: There is no significant relationship between growth in Bamburi cement and strategic technology adoption.
HA: There is significant relationship between growth in Bamburi cement and strategic technology adoption.

Hypothesis three
HO: There is no significant relationship between growth in Bamburi Cement and strategic product differentiation.
HA: There is significant relationship between growth in Bamburi Cement and strategic product differentiation.

LITERATURE REVIEW
Theoretical Framework
Value Innovation Theory
According to Kipchumba, (2014) value innovation strategy involves organizations focusing on driving buyer value up while simultaneously drying down the company’s costs to benchmark against the competition and current industry standards. In enhancing value innovation that lower organizational costs while driving buyer value up, the four actions framework was developed by Mauborgne et al, (2005). This set of four key questions aids in guiding the development of a new
value curve that is distinct from the current market value proposition. The four key questions consists of determining what factors within the industry should be eliminated, what factors should be reduced, what factors should be raised, and which factors should created in a quest to minimizing costs while simultaneously increasing buyer value.

Pursuing the first two key actions on reduction and elimination, gives the company insight into how to manage its cost elements compared to its rivals. The last two questions on creation and raising certain industry factors that new sources of value for buyers and new demand is enhanced (Mauborgne et al., 2005)

Resource-based Theory
The resource based theory is an approach to achieving competitive advantage that emerged in 1980s and 1990s, the supporters of this view argue that the organizations should look inside the company to find the sources of competitive advantage instead of looking at the competitive environment for it. There are two types of resources: Tangible and Intangible resources. Tangible resources are physical things: Land, building, machinery, equipment and capital. Intangible assets are everything else that has no physical presence but can still be owned by the company: Brand reputation, trademarks and intellectual property (Tokuda, 2005).

The resource-based theory which stems from the principle that the source of firms competitive advantage lies in their internal resources, as opposed to their positioning in the external environment. That is rather than simply evaluating environmental opportunities and threats in conducting business, competitive advantage depends on the unique resources and capabilities that a firm possesses. The resource-based view of the firm predicts that certain types of resources owned and controlled by firms have the potential and promise to generate competitive advantage and eventually superior firm performance (Ismadi et al., 2012).

Dunford et al, (2001) noted that the resource based theory understanding has assisted in achieving some consensus on the areas within the management of human resource architecture in which sustainable competitive advantage might be achieved.

Competitive advantage Theory
Ling, (2014) observes that when a firm sustains profits that exceed the average for its industry, the firm is said to possess a competitive advantage over its rivals. The goal of much of business strategy is to achieve a sustainable competitive advantage. Michael Porter identified two basic types of competitive advantage: cost advantage and differentiation advantage. A competitive advantage exists when the firm is able to deliver the same benefits as competitors but at a lower cost (cost advantage), or deliver benefits that exceed those of competing products (differentiation advantage). Thus, a competitive advantage enables the firm to create superior value for its customers and superior profits for itself. Cost and differentiation advantages are known as positional advantages since they describe the firm's position in the industry as a leader (Wen-Cheng et al., 2011)

Nduati, (2015) notes that in cost focus a firm seeks a cost advantage in its target segment while in differentiation focus, a firm seeks differentiation in its target segment. Both variants of the focus strategy rest on differences between a focuser's target segment and other segments in the industry. The target segments must either have buyers with unusual needs or else the production and delivery system that best serves the target segment must differ from that of other industry segments. By adopting a generic competitive strategy, firms will translate the underlying intent of the strategy into
various operational performance measures. These include quality, innovation, service, brand, flexibility, and price. This study focused on quality as a strategic performance as a reflection of a competitive strategy of the firms. In this study, the resource-based theory or (RBV) of the firm’s competitive advantage in particular will be the underlying theoretical foundation applied and fundamental basis of the variables and their ensuring relationships that are being studied. (Raduan et al, 2009). This is because of the nature of organization that exposes all firms to high cost of doing business in terms of internal power generation and high level corruption. As a result of this, this study focused especially on the internal attributes (i.e. resources, capabilities and systems) of the organization towards attaining competitive advantage (Ismadi et al, 2011).

**Review of Variables**

**Strategic Competition**

Strategic competition refers to focusing on the needs of a customer; an organization needs to be a strong competitor to match the high competitive level of the markets in which they operate in order to not only grow but also survive. According to Eibe, (2008) competition orientation is to provide a solid basis of intelligence pertaining the present and potential competitors for executive actions. Competitors are defined as firms offering products or services that are close substitutes, in the sense that they serve the same customer needs. Taleghani et al, (2013) competitor oriented firm is a firm that regulates practices and activities used to influence the actions and reactions of competitors. In such situations, company competitor orientation spend their time on more important issues of movements of competitors and the market and trying t find policies that can apply against them. Sometimes companies based on their strengths and weaknesses relative to competitors and analysis of competing strategies are planned. When a business has a business has a competitor orientation, the management constantly re-evaluates the strengths and weaknesses of their competitors. The performance evaluation could include manufacturing productivity, pricing, delivery time, customer satisfaction, innovation, and employee’s retention and market share.

According to Nduati, (2015) firms need to compare their business with that of their competitors in terms of resources, cost positions, and financial performance. Such comparisons yield helpful insights for firms to understand their relative standing in the market, which enables them to anticipate and respond quickly to competitors’ actions. Hence, competitor-oriented firms can quickly match the marketing initiatives of competitors and, consequently, achieve superior performance.
Strategic Technology Adoption
Technology is the collection of techniques, methods or processes used in the production of goods and services or in the accomplishments of objectives. Technology can be embedded in machines, computers, devices and factories which can be operated by individuals without detailed knowledge of the working of such things (Cascio, 2016). Bamburi cement has heavily invested in up to date technologically advanced equipment’s that has improved operations efficiency, customer service and other aspects of production.

Internet technology has provided organizations with vast opportunities to operate beyond their traditional physical boundaries Oluoch (2015). In 2001 on of the major advocates of internet-based business strategies, Michael Porter, professed that if firms were intent on remaining competitive they would have to adapt their business models to accommodate more effective and efficient internet based business approaches. Organizations that have managed to develop an organization-wide internet based strategy; the adaptations to business process can lead to increased efficiencies within and between the firms. Slater et al, (2007) notes that a company should be able to use its technical knowledge to create a new technical solution in order to address the needs of its customers, this includes substantial investment in research and development, use of sophisticated technologies in new product development, rapid integration of new technologies, and to pro-active acquisition of new technologies and generation of new product ideas.

Strategic Product Differentiation
Kirimo, (2015) explains product differentiation as when a firm outperforms its competitor by adding features on its products and services in such a way that the competitors’ product looses face sensitivity to the customers. Nduati, (2015) observes that strategic Product orientation is when management is more concerned with product quality. Managers are often obsessed with their products when a product orientation exists. Managers typically believe their products are unique and offer distinct benefits. They focus on consistent improvement of the product with the belief that an ideal product will effectively sell itself. Garbeli, (2005) defines product differentiation as the activity that is undertaken by a firm to have its products look unique through addition of unique elements and features that can easily be perceived by the customer. Differentiation is done by the firm in order to achieve competitive advantage positioning and therefore enhance their organization performance as compared to the competitors.

Product differentiation has been considered the over-time as a tool for achieving competitive advantage. Shammot, (2011) notes that achieving individual customer satisfaction and product quality, are among the major factors of differentiation. Sumutka (2011) argued that the major feature of industrial economy was the internal quality execution and not price and therefore quality is viewed as a market differentiator and therefore the need of the organization improving on their processes and adopting total quality management.

Koter and Keller, (2011) notes that a well-designed product offer both aesthetic benefits and functional benefits to the customer. Therefore, constant innovation is important to ensure introduction of new and similar things in the organization. Prajogo and Sohal, (2006) indicates that top quality management has been found to have positive significant relations with the differentiation strategy hence competitive positioning of the organization. Product quality is predicted by differentiation and through an improved product quality the organization is able to gain competitive positioning. It can therefore be agrees that there is a
relationship between manufacturing strategy and firms performance which is competitive positioning of the firm in its industry.

**Business Growth**

According to Odongo (2015) most business firms desire growth in order to prosper and not just to survive. Business growth means different things to different organizations. There are many parameters that a company can select to measure its growth. The most meaningful yardstick is one that shows progress with respect to an organization’s stated goals. The ultimate goal of most companies is profit, so net profit, revenue and other financial data are often utilized as “bottom-line” indicators of growth. Other business owners may use sales figures, numbers of employees, physical expansion, or other criteria to judge business growth. Crosby, (2009) observes that the business growth will be measured by how well a business does relative to the goals it has set for itself. Deloitte (2015) notes that financial growth can also be achieved by improving efficiency, financial control and an increasing turnover. Businesses look into other areas of activity in the value chain in order to enhance their growth. Firm’s growth could be measured on the basis of assets, corporate turnover, share prices, sales revenue, volume of output and share of market profit.

Crosby (2009) observes that as business grows, the complexity of various organizational tasks simultaneously increases, control become more complex due to large number and volume that the organization is dealing with. Caplow, (2009) observes growth can be challenging to the employers and employees. This calls for the change in normal and routine procedures that employees and employers have to deal with. Maintaining effective methods of communication with and between employees and departments, for example, become ever more important as the firm grows. Establishing and improving standard practices is key element of organizational growth. Therefore, large business that undergoes a significant burst of growth will find its operations transformed in a number of ways.

**Empirical Review**

Strategic management is an important aspect of management that elicits research interest among scholars and practitioners. This can be attributed to the universal application of this aspect of management discipline. (Muogbo, 2013) observed that adoption of strategic management approach in ensuring capital market efficiency following the perceived pivotal role of the capital market in the economic development. Businesses often operate in a changing environment. To survive in such environment, the businesses have to understand and adapt to such changes. Business adaptation can be regarded as the effort by the organization to fit in the environment (Sidi, 2014).

Gichunge (2010) examined the effect of formal strategic management on organizational performance of microfinance institutions in Nairobi, Kenya. It examined the extent to which formal strategic management is adopted by medium sized microfinance institutions in Kenya and investigated the effect of various administrative/legal factors on the extent to which formal strategic management are adopted. It also determined the relationship between level of competition and adoption of formal strategic management and investigated the effect of administrative/legal factors on organizational performance. Finally the study assessed the relationship between adoption of formal strategic management and organizational performance. The data was analysed statistically using the SPSS package through tabulation, proportions and logic analysis. Results showed that the MIs have not adopted any formal strategic management. It is consistent with past studies that
administrative/legal factors affect both adoption of formal strategic management and organizational performance. Competition also influences adoption of formal strategic management. Organizations with formal strategic management perform better than those without formal strategic management.

Kiptoo (2014) observes that businesses operate in a turbulent environment and therefore they have to align themselves appropriately for long term survival by ensuring that they are not over ambitious but should focus more on efficiency. Strategic management is the link of the organization to the environment, the choice of the most suitable strategy for a given organization is very fundamental. Various factors influence the choice of strategies which include structure, top management team characteristics, board characteristics, organization culture and resources.

RESEARCH METHODOLOGY
The research design was a descriptive design. The study population for this study was Bamburi Cement Mombasa that had a population of 75 employees; out of this population, 20 were at management level, 26 were at supervisory level and 29 at shop floor level. The data collection method used was of structured questionnaires because questionnaires were flexible and were used to gather information concerning almost any topic from a small or large number of populations (Chebet, 2015). The questions are specifically designed to accomplish the objectives of the study.

The Statistical Package for the Social Sciences (SPSS) computer software was used to analyse the cleaned data by use of descriptive analysis.

RESEARCH FINDINGS AND DISCUSSION
The study targeted 55 respondents who included Senior managers, Senior supervisors and shop floor supervisors. A total of 34 questionnaires were completely and successfully filled in time for data analysis giving a response rate of 62%. A total of 21 questionnaires were not returned accounting to 38% of the total questionnaires. Population under study was composed of 76% Male and 24% Female. This indicated that the researcher was gender sensitive by ensuring that there was equal gender representation in the population. On work experience of the respondents, the results showed that 15% had worked for less than 2 years, 29% for 2 – 5 years, 21% for 6 – 10 years, and 35% for over 10 years.

Strategic Product Differentiation

Table 1 shows the descriptive results on strategic product differentiation. The results showed that Bamburi cement was of higher quality (M = 4.324, SD = 0.843). Most of the interviewee disagreed with the opinion that Bamburi cement package its product in a unique way (M = 1.882, SD = 1.25) and there was continuous change in the cement packaging design (M = 1.912, SD = 0.90). Bamburi cement continuously monitored brand loyalty (M = 2.382, SD = 1.182) and improved value of the product (M = 3.176, SD = 1.058)
Table 1: Strategic Product Differentiation

<table>
<thead>
<tr>
<th></th>
<th>Mean</th>
<th>SD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quality of cement from Bamburi is of higher quality than that of competitors</td>
<td>4.324</td>
<td>0.843</td>
</tr>
<tr>
<td>Bamburi is able to package product in a unique way as compared to the competitors</td>
<td>1.882</td>
<td>1.25</td>
</tr>
<tr>
<td>There’s continuous change in the cement packaging design</td>
<td>1.912</td>
<td>0.9</td>
</tr>
<tr>
<td>Bamburi cement constantly monitors customer brand loyalty</td>
<td>2.382</td>
<td>1.181</td>
</tr>
<tr>
<td>Bamburi cement continuously monitors and improves value of the product</td>
<td>3.176</td>
<td>1.058</td>
</tr>
</tbody>
</table>

Table 2: Strategic Competition

Table 2 shows the descriptive results for strategic competition. The results showed disagreement with the opinion of Bamburi constantly looking for opportunities for gaining advantage over its competitors (M = 1.853, SD = 1.234). There was agreement with the opinion of Bamburi Cement regularly measured customer satisfaction (M = 4.147, SD = 1.329), Bamburi Cement provided easy access of information to its clients (M = 3.265, SD = 0.864), Bamburi Cement invested heavily in ensuring customers were served within a short time (M = 4.294, SD = 0.676) and Bamburi Cement strived to ensure quality products were available to its customers (M = 4.294, SD = 0.799).

<table>
<thead>
<tr>
<th></th>
<th>Mean</th>
<th>SD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bamburi cement regularly measure customers satisfaction</td>
<td>4.147</td>
<td>1.329</td>
</tr>
<tr>
<td>Bamburi Cement provides easy access of information to its clients</td>
<td>3.265</td>
<td>0.864</td>
</tr>
<tr>
<td>Bamburi cement spends a great deal of effort trying to ensure customers are served within a short time</td>
<td>4.294</td>
<td>0.676</td>
</tr>
<tr>
<td>Bamburi cement strives to ensure quality products are available to its customers</td>
<td>4.294</td>
<td>0.799</td>
</tr>
<tr>
<td>Bamburi cement is constantly looking for opportunities for gaining advantage over its competitors</td>
<td>1.853</td>
<td>1.234</td>
</tr>
</tbody>
</table>

Table 3: Strategic Technology Adoption

Table 3 shows the descriptive analysis results for strategic Technology Adoption. The results showed that Bamburi cement used sophisticated technology for product development (M = 3.471, SD = 0.861), empowered employees to use technology for quick decision making (M = 2.382, SD = 0.954), encouraged personal and cross functional innovativeness (M = 4.059, SD = 0.814) and there was disagreement with the opinion of Bamburi cement having a clear communicated policy for technology used (M = 1.971, SD = 1.058) and use of research for product development (M = 1.971, SD = 1.058).
Table 3: Strategic Technology Adoption

<table>
<thead>
<tr>
<th></th>
<th>Mean</th>
<th>SD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bamburi cement uses sophisticated technologies for product development</td>
<td>3.471</td>
<td>0.861</td>
</tr>
<tr>
<td>Bamburi cement has empowered employees to use technology for quick decision making</td>
<td>2.382</td>
<td>0.954</td>
</tr>
<tr>
<td>Bamburi cement encourages personal and cross functional innovativeness</td>
<td>4.059</td>
<td>0.814</td>
</tr>
<tr>
<td>Bamburi Cement encourages use of research and development in product development</td>
<td>1.971</td>
<td>1.058</td>
</tr>
<tr>
<td>Bamburi cement has a clear communicated policy for technology usage</td>
<td>3.971</td>
<td>1.029</td>
</tr>
</tbody>
</table>

Business Growth

Table 4 shows the descriptive analysis results for business growth. The results showed that Bamburi cement management was keen on raising the business turnover (M = 3.917, SD = 0.289), the revenues were gradually on the rise over the years (M = 2.455, SD = 1.128), and it was keen on participating in strategic alliances (M = 4.167, SD = 0.389) and there was disagreement with the opinion of Bamburi cement market share being gradually on the rise (M = 1.818, SD = 0.982) and the management was keen on growing returns to the shareholders (M = 2.182, SD = 0.751)

Table 4: Business Growth

<table>
<thead>
<tr>
<th></th>
<th>Mean</th>
<th>SD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bamburi cement management is keen on raising the business turnover</td>
<td>3.917</td>
<td>0.289</td>
</tr>
<tr>
<td>Bamburi cement Market share is gradually on the rise over the years</td>
<td>1.818</td>
<td>0.982</td>
</tr>
<tr>
<td>Bamburi cement revenue is gradually on the rise over the years</td>
<td>2.455</td>
<td>1.128</td>
</tr>
<tr>
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<td>4.167</td>
<td>0.389</td>
</tr>
<tr>
<td>Bamburi cement is keen on growing returns to shareholders</td>
<td>2.182</td>
<td>0.751</td>
</tr>
</tbody>
</table>

Correlation Results

The correlation analysis was conducted to assess the interrelationship between variables in order to understand how correlation existed between the predictor variables. As shown in the table 5 below, there was a strong positive correlation of 0.609 between Strategic competition and business growth. The correlation between strategic technology adoption and strategic completion was positive and moderate at 0.567. There was weak positive correlation or near no linear relation of 0.020 between strategic technology adoption and business growth. The correlation between strategic technology adoption and strategic product differentiation was also positive and weak at 0.086. There was a weak negative correlation between strategic competition and strategic product differentiation at -0.08.
Table 5: Correlation Matrix

<table>
<thead>
<tr>
<th></th>
<th>Strategic product differentiation</th>
<th>Strategic competition</th>
<th>Strategic technology adoption</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strategic product differentiation</td>
<td>0.503</td>
<td>-0.080</td>
<td>0.020</td>
</tr>
<tr>
<td>Strategic competition</td>
<td>0.609</td>
<td></td>
<td>0.086</td>
</tr>
</tbody>
</table>
| Strategic technology adoption | 0.020                            | 0.086                  | 0.567                         | 1

Regression Results

Table 6 below shows the regression summary, and indicated an overall p-value of 0.00 which was less than the 0.05 (5%). This showed that the overall regression model was significant at the calculated 95% level of significance. It further implied that the studied independent variables had significant effect on business growth in cement industry. As the results showed, there was a strong positive relationship (R = 0.957) between the predictor variables and business growth. R squared value which was 0.917 meant that the model accounted for 91.7% of the variance in business growth.

Table 6 Model Summary

<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>
<th>Change Statistics</th>
<th>Durbin-Watson</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>.957a</td>
<td>.917</td>
<td>.908</td>
<td>.29415</td>
<td>.917</td>
<td>110.08</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Strategic Technology Adoption, Strategic Product Differentiation, Strategic Competition
b. Dependent Variable: Business growth

ANOVA

The study used ANOVA to establish the significance of the regression model. In testing the significance level, this registered a significant value of less than 0.05. Statistically, this significant value predicts how the independent variables affect dependent variable.

Table 7 showed the ANOVA results from the regression analysis. As the results show, the F-statistic was 110.078 and the sig value was <0.001 (less than 0.05), the model was therefore fit to explain the relationships between variables and business growth.

Basing the significance level at 95% the analysis indicated high reliability of the results obtained. The overall ANOVA results indicates that the model was significant at F = 110.078, p = 0.000.
Table 7: ANOVA

ANOVA

<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>28.574</td>
<td>3</td>
<td>9.525</td>
<td>110.078</td>
</tr>
<tr>
<td></td>
<td>Residual</td>
<td>2.596</td>
<td>30</td>
<td>.087</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>31.170</td>
<td>33</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>


a. Dependent Variable: Business growth

b. Predictors: (Constant), Strategic technology adoption, Strategic product differentiation, Strategic competition

Multiple regression Analysis

In order to determine the relationship between business growth and strategic product differentiation, strategic competition and strategic technology adoption investigated in this study, the researcher conducted a multiple regression analysis as shown in table 8 below.

Table 8 shows the multiple regression coefficients

<table>
<thead>
<tr>
<th>Unstandardized coefficients</th>
<th>Standardized coefficients</th>
</tr>
</thead>
<tbody>
<tr>
<td>β</td>
<td>Std. Error</td>
</tr>
<tr>
<td>Constant</td>
<td>-0.804</td>
</tr>
<tr>
<td>Strategic product differentiation</td>
<td>0.652</td>
</tr>
<tr>
<td>Strategic Competition</td>
<td>1.058</td>
</tr>
<tr>
<td>Strategic Technology adoption</td>
<td>-0.671</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Business growth

b. Predictors: Strategic product differentiation, strategic competition and strategic technology adoption

The regression equation was;

\[ Y = -0.804 + 1.058X_1 - 0.671X_2 + 0.652X_3 \]

Where;

\[ Y = \text{Dependent Variable (Business growth)} \]
\[ X_1 = \text{Strategic completion} \]
\[ X_2 = \text{Strategic technology Adoption} \]
\[ X_3 = \text{Strategic product differentiation} \]

The regression equation above indicated that taking all factors into account that the business growth as a result of strategic competition, strategic technology adoption and strategic product differentiation, and the constant at zero, the business growth was at -0.804.

On the other hand, the study showed that there was a statistically significant relationship between business growth and strategic product differentiation \((p = 0.00 < 0.05)\), strategic competition \((p = 0.00 < 0.05)\) and strategic technology adoption. This implied that strategic product differentiation, strategic competition and strategic technology adoption were significant strategies for Bamburi Cement.
Hypothesis One

**HO:** Application of strategic competition has no effect on business growth at Bamburi Cement Limited.

$\beta \neq 0$

**HA:** Application of strategic competition has huge effect on business growth at Bamburi Cement Limited.

$\beta = 0$

The study found that strategic competition had a positive effect on business growth. This relationship was significant since a unit increase in strategic product differentiation ($\beta = 1.058$) leads to 1.058 increase in business growth.

Hypothesis two

**HO:** There is no significant relationship between growth in Bamburi cement and strategic product differentiation implementation.

$\beta \neq 0$

**HA:** There is significant relationship between growth in Bamburi cement and strategic product differentiation implementation.

$\beta = 0$

The study found that strategic product differentiation had a positive effect on business growth. This means that business growth was influenced positively by the level of practise of strategic product orientation. Thus, a unit increase in strategic product differentiation practise leads to a 0.652 increase in business ($\beta = 0.652, p = 0.00$).

The study also found that strategic technology adoption had a negative effect on business growth. This shows that business growth was negatively influenced by the level of practice of strategic technology adoption ($\beta = -0.671$). Thus, a unit increase in strategic technology adoption practise leads to -0.671 decline in business growth.

SUMMARY, CONCLUSION AND RECOMMENDATIONS

The study found that strategic product differentiation as a strategic management practise had a positive effect towards business growth. This means that business growth was influenced positively by the level of practise of strategic product orientation. Thus, a unit increase in strategic product differentiation leads to a 0.652 increase in business ($\beta = 0.652, p = 0.00$).

The study found that strategic competition as a strategic management practise had a positive effect towards business growth. This means that business growth was influenced positively by the level of practise of strategic competition. Thus, a unit increase in strategic competition practise leads to a 1.058 increase in business ($\beta = 1.058, p = 0.00$).

The study found out that there was a negative effect of -0.671 between strategic technology adoption and business growth. This means that business growth was negatively influenced by the level of practise of strategic technology adoption ($\beta = -0.671, p = 0.00$).

Conclusion

The study concluded that strategic product differentiation as a strategic management practise had a positive effect towards business growth; this meant that if a company uphold products differentiation measures such as higher quality product, monitor customer brand loyalty, packaging
of product in a unique way and continuously changing the packaging design, significant levels of business growth would be achieved.

The study concluded that strategic competition as a strategic management practise had a positive effect towards business growth. This meant that the company should focus on implementing strategically competitive practices such as providing information to customers, serving customers within a short time, providing consistent quality products and ensuring there was no market starvation, this would results in growth of the business.

The study concluded that business growth would be influenced negatively by adoption of strategic technology as a strategic management practise. This meant that business was unlikely to grow if the firm focused on adoption of strategic technology measure alone. However, from the research findings, there were technological adoption practices that management should adopt to positively influence growth, use of technology in decision making and in encouraging cross functional innovativeness.

**Recommendations based on findings**

Based on the research findings, it is recommended that the senior management should not only focus on implementing strategic technology in solitude as a strategic management practise as a focus on the same will have no major impact on the growth of the business. However, from the research findings, the management should focus on investing in technology that encourages personal and cross functional innovativeness and assists the management in making quick business decision.

From the research findings, the study recommends to the management to ensure superior quality products are availed to the customers within a short time. The study recommends to the management to focus more on developing distinctive packaging in order to stand out among other companies offering the same product and services. The management should develop a tracking tool to monitor the customer brand loyalty and continuously improve the quality and value of its product.

From the research findings, the study recommends to the company to invest more in disseminating valuable product information to the customer and obtain strategic market information by having more agents on the ground. The agents will be obtaining the necessary market information and disseminate information to the end user customers in order to ensure that more product remain competitive and is more preferred by the end user. The company should closely monitor usage of its products by the small and medium scale customers since this is an area open to stiff competition. By ensuring there is ease of access of information about the company products to the potential customers, the management will succeed in winning the potential customers and hence increase in business revenue.

**Suggestion for further studies**

This study focused on the effects of strategic management practises on business growth in cement industry, a similar research should be done in other organization’s using similar variables and the results compared so as to ascertain whether there’s similarity between the different business sectors.

**REFERENCES**


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