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Kipkorir Mutai & Dr. Felistus Hilda Makhamara PhD

The Strategic JOURNAL of Business & Change MANAGEMENT
ISSN: 2312-9492 www.strategicjournals.com

Vol. 11, Iss.2, pp 294 – 305, April 18, 2024. www.strategicjournals.com, © Strategic Journals

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[1] Kipkorir Mutai & [2] Dr. Felistus Hilda Makhamara PhD

[1] *Student, School of Business, Economics and Tourism, Kenyatta University, Kenya*
[2] *Lecturer, School of Business, Kenyatta University, Kenya*

Accepted: March 28, 2024

DOI: http://dx.doi.org/10.61426/sjbcm.v11i2.2910

ABSTRACT

Workforce reduction Strategy can have a significant impact on employee morale and productivity, particularly when it is executed without proper communication and support. In 2020, Finlay Tea Extract, Kenya underwent a restructuring of its operations, resulting in the elimination of certain roles to ensure sustainability amidst a challenging business environment characterized by low tea prices, decreased demand for various products, and rising external costs. Consequently, the company made the decision to reduce its workforce by 500 employees in Kenya and a 40-year-old tea extract factory as part of cost-cutting measures because the world tea market is so competitive. This research explored the effects of workforce reduction strategies on the performance of Finlays tea extract, Kenya in Kericho County. The study was guided by the balanced scorecard model, diffusion of innovation theory, and transaction cost economic theory. A descriptive research design was employed, targeting Finlays Tea Extract, Kenya, with a total of 66 respondents, including 6 managers and 60 support staff. A census of 66 respondents was conducted, utilizing a structured questionnaire to gather primary data. The questionnaires were pre-tested on 6 respondents within the organization, who were not part of the final study. The reliability of the questionnaire was assessed using Cronbach's alpha coefficient, and its construct, criterion, and content validity were assessed. Qualitative data was narratively presented and thematically analyzed, whereas quantitative data was analyzed using descriptive statistics like mean and standard deviations. Furthermore, inferential statistics were carried out, including regression and correlation analysis. The study found that workforce reduction strategy had a positive significant influence on the performance of Finlays tea extract, Kenya in Kericho County. The study found out that workforce reduction strategies can involve various steps such as conducting a thorough analysis of the current workforce, identifying areas of redundancy or inefficiency, and developing a strategic plan to reduce the number of employees while still maintaining productivity and efficiency. The study recommended that the organization should conduct thorough assessments of current staffing levels, identifying areas where redundancies or inefficiencies exist, and implementing targeted measures to streamline operations.

Key Words: *Workforce Reduction, Strategy Performance*

CITATION: Kipkorir, M., & Makhamara, F. H. (2024). Workforce reduction strategy and performance of Finlays Tea Extract, Kenya in Kericho County Government. *The Strategic Journal of Business & Change Management,* 11 (2), 294 – 305. http://dx.doi.org/10.61426/sjbcm.v11i2.2910

BACKGROUND OF THE STUDY

Organizations have been forced to critically analyze their cost structures, particularly those related to human resources, as a result of pressures from the global competitive landscape and constantly shifting demand conditions (Gandolfi & Hansson, 2019). A percentage of employees may be let go by an organization in response to various changes, such as a slowing economy, a merger or acquisition, the discontinuation of a product or service line, competitors gaining a larger share of the market, distributors pressuring suppliers to lower prices, or a host of other occurrences that negatively affect particular organizations, according to Gandolfi and Hansson (2021). The global market has both integrated and marginalized tea producers in developed nations, according to Subashini and Dinesh (2020). The marginalization of these nations is first seen in the decline in western investment in the tea industry and the volume of tea trade in comparison to capital and machinery imports. Ardi, Yavuz, and Ozturk (2022) also note that the region's tea sector in particular has not received the same level of technological and financial support from developed economies as it should have. The production of tea has faced difficulties as a result of these factors. Restructuring is occurring in the tea industry as a result of factors like rising costs for primary production, declining prices, and globalization, which has facilitated increased trade and enhanced competition between countries that export tea.

According to Samanga and Sachitra (2021), rising processing costs and stagnating black tea prices are to blame for the current decline in performance in Sri Lanka's factory-level tea processing sector. Concurrently, certain factories outperform others in their respective performances. Perera (2022) claims that by providing different concessions, the Sri Lankan government has been encouraging value addition among tea exporters over time. Nevertheless, a number of obstacles stand in the way of the growth of tea bag and retail pack exports. These include tariff and non-tariff barriers on tea bag and packet imports, as well as competition from well-established traders, particularly multinational corporations with substantial marketing budgets. Major changes have also occurred in the industry due to the proliferation of smallholdings and the privatization of plantations. One of the main products that drives the Indonesian economy is tea. Despite an increase in tea production, Indonesia's tea plantation area has been decreasing since 2000; by 2020, there were only 112,307 hectares left (Yuliando, Erma, Cahyo & Supartono, 2021). According to Nugrahaningrum, Zakaria, and Fahma (2022), the production of tea has decreased recently because oil palm offers lucrative business opportunities. While some tea plantations have stopped producing in order to concentrate on more lucrative agricultural products like vegetables, other tea plantations have converted to oil palm plantations. As a result, the government must directly intervene through policy in all relevant areas and institutions to reform the Indonesian tea industry in order to address the numerous issues it faces.

According to Khumalo and Chasomeris (2021), a number of factors, since 2000, a number of factors have contributed to the decline of the South African tea industry, notably the removal of tariffs, unfavorable tea prices around the world, heightened competition from African tea-producing countries, and noticeable rises in production costs as a result of labor market regulation. This led to the forced closure of the majority of tea estates, leaving a small number in precarious financial situations and operating on tight budgets mainly supported by government grants. Bokwe (2022) claims that as a result of Ntingwe Tea Estate's poor performance in South Africa, the factory has focused on producing specialty quality tea, creating a distinctive originality brand, expanding a small-scale industry, introducing cost-saving technology, and forming alliances with well-established tea producing companies. Despite an increase in per capita consumption and a doubling of global tea production over the past 30 years, supply has outpaced demand, leading to low tea prices. Despite the important role that the tea industry plays, Malawi faces fierce competition from its neighbors in East Africa. The industry has also been threatened by constantly rising production costs, including those related to labor and energy. In addition, the industry is subject to high taxes (Taulo, 2021). According to Chisulo (2022), the tea industry's low profits in Malawi's Mulanje Region have put the industry's projected leadership position in tea-related employment creation, income generation, and foreign exchange earnings in jeopardy. This is in line with Vision 2030. In order to change the course of events, it is necessary to identify important strategic approaches for the management of the entire tea industry. Kenya's economy grows substantially as a result of its tea industry, which is a significant export. However, Mburugu and Gikonyo (2019) observe that despite the tea industry's significant contribution to Kenya's economic development—including the creation of jobs, income, foreign exchange earnings, and the country's reputation as a high-quality tea producer worldwide—there has been a noted decline in tea income due to low profit margins in the global market. Anyona, Matanda, and Maina (2023) note that although Kenya was once ranked third in the world, behind Sri Lanka and India, the country's tea price has decreased on the global market. Due to this phenomenon, some farmers have uprooted their tea plants and replaced them with alternative uses for the land, while others have resorted to selling their tea to large corporations.

Organizational performance can be defined as the act of comparing anticipated outcomes with the actual results, or evaluating the achievement of an organization's goals and objectives (Kanter & Brinkerhoff, 2020). Organizational performance, according to Seashore and Yuchtman (2022), is the difference between an organization's intended and actual outputs in terms of goals and objectives. Therefore, in order to manage organizational performance effectively, management needs to be aware that the goals of organizational improvement are centered around shareholder value, financial performance, and product market performance. One useful indicator of a company's size and competitiveness in a given industry is its market share. The market share of a company can greatly influences its business activities, including share performance, scalability, and prices it can charge for its goods or services (Adefulu, 2018). According to Buzzell, Gale, and Sultan (2021), as a company's market share grows, its profitability may also rise. This is because companies that expand in size are also able to scale, which enables them to lower their prices and impede the growth of their competitors. Thus, a company can grow its market share by providing cutting-edge technology to its clients, fostering client loyalty, employing skilled workers, and purchasing rival companies.

According to Sheaffer, Carmeli, Steiner-Revivo, and Zionit (2019), a workforce reduction strategy might be implemented when an employer fires a significant portion of their workforce in an attempt to cut costs. The workforce reduction strategy, according to Greenhalgh, Lawrence, and Sutton (2021), is typically applied reactively as a cost-cutting measure and acts as a temporary fix for diminishing profits. It focuses primarily on headcount elimination and reducing the total number of employees. Therefore, when a company wants to cut expenses and increase efficiency, it frequently employs a workforce reduction strategy.

Kenya's Finlays Tea Extracts is a top producer and supplier of tea extracts to the international market. Finlays is in a prime position to assist in realizing the high-growth potential of natural and functional beverages as a reputable leader in premium tea extracts with 60 years of experience in tea extraction innovation. Kenyan company Finlays Tea Extracts uses only aqueous extraction of the leaves to create extracts from high-altitude tea that have a naturally higher polyphenol content, are sourced sustainably, can be harvested and extracted from fresh leaves the same day, and permit clean labeling claims. Finlays is a top producer and distributor of tea, coffee, botanical solutions, and extracts for business-to-business trade. The business has operations in numerous regions with a wide range of cultures, languages, and geographical areas. Leading worldwide supplier of tea, coffee, and botanical ingredients and solutions, Finlays, has agreed to sell all of James Finlay Kenya Ltd.'s assets, with the exception of the Saosa tea extraction facility, to Browns Investments PLC in 2023. Saosa is still owned by Finlays, and the company continues to purchase wood, leaf tea, and other services directly from James Finlay Kenya, guaranteeing that current clients will receive their services as usual.

Statement of the Problem

Kenya's overall social and economic development is closely linked to the expansion and advancement of the agricultural industry. Being a major cash crop, tea has significantly boosted the national economy. 2019 saw a nearly 30% increase in tea exports, totaling 441 tonnes valued at USD 1.3 billion. Nevertheless, if quick action is not taken, the tea industry will face numerous obstacles that could endanger its existence. The major consuming nations experienced a disruption in demand due to the Covid-19 pandemic, which started around March 2020. As a result, the average price of tea realized by KTDA-managed tea factory companies decreased from an average of USD 2.57 to USD 2.38 in 2021. The Group's annual profit for the year was Shs 1.78 billion, down from Shs 2.07 billion the previous year. The primary causes of the 14% decline are the Shs 87 million provision for expected credit losses on financial assets and the Shs 133 million increase in costs as a result of staff rationalization and inflation.

Objective: Workforce Reduction strategies and performance of Finlays tea extract, Kenya in Kericho County.

Significance of the Study: The management and employees of Finlays Tea Extract in Kenya would find the study helpful in determining how downsizing tactics affect their productivity. Other Kenyan tea companies would find the study's conclusions useful in understanding the challenges management faces when implementing downsizing plans in an attempt to improve performance. The study's findings would be of great interest to policy makers and the national government useful in formulating policies for companies that are restructuring or attempting to improve Kenya's tea industry's performance through downsizing. By shedding light on the impact of downsizing strategies on organizational performance and promoting more research in this area, the study would also close a gap in the literature.

Scope of the Study: The research was carried out in Kenya's Kericho County, using Finlays tea extract.

LITERATURE REVIEW

Theoretical Review

This study was guided by balance scorecard model, diffusion of innovation theory and transaction cost economic theory. These are presented as follows;

Balance Scorecard Model: The Balanced Scorecard framework, as expressed by Kaplan and Norton (1996), is a framework for performance management that establishes a connection between strategy and day-to-day operations. It offers a comprehensive perspective of the enterprise based on its business objectives. According to the theory behind the Balanced Scorecard, this approach is a potent tool for translating a corporation's vision and strategy into actionable steps communicate strategic intent and move performance closer to predetermined strategic goals. Organizations can use the Balanced Scorecard model as a management tool to help them define their goals and strategies and then turn those into workable plans.

Critics argue that the Balanced Scorecard theory is flawed as it presents managers with a scorecard that lacks a single-valued measure of their performance (Dror, 2018). Consequently, managers evaluated using such a system lack the means to make principled or purposeful decisions. Nevertheless, despite the existence of a significant body of scholarship critiquing or expressing skepticism regarding the definitive relationship between the Balanced Scorecard and business performance, the widespread adoption of the Balanced Scorecard suggests that it offers some perceived or real benefits to the numerous organizations that have implemented it (Madsen & Stenheim, 2021). As a result, the Balanced Scorecard holds different advantages for organizations depending on the purpose of its implementation. This model holds relevance to the study as it focuses on how organizations can ensure a return on investment and effectively manage key business risks. Additionally, It looks at how businesses add value for their clients and determines how satisfied clients are with the goods and services they receive. The model additionally underscores the metrics and goals that have the potential to augment the efficacy of business operations. Furthermore, the scorecard aids in evaluating the organization's products or services to determine their alignment with customer expectations, while emphasizing the significance of organizational capacity in optimizing goals and objectives to yield favorable outcomes. Ultimately, this model elucidates the variable of organizational performance.

Transaction Cost Economic Theory: Theory: According to the theory put forth by Williamson (2002), a comprehensive cost-benefit analysis can be used to determine the ideal stock dimensions. Ordering and carrying costs are included in the costs associated with keeping stock. Ordering costs are related to the purchase of stock; they include costs for creating an order structure or purchase order, as well as costs for receiving, examining, and recording the goods. However, depending on the type of business the organization conducts, a number of factors affect the amount of inventory maintained. (Emery and Marques, 2011). In order to remain pertinent, organizations must strive to reduce their expenses, which can be accomplished by controlling their stock levels within acceptable parameters (Reinhart, Sack & Heaton, 2000). Williamson and Ouchi (2018) observe that Transaction Cost Economic Theory is based on a number of basic presumptions about environmental factors and human behavior. These hypotheses provide insight into the reasons why firms may incur greater costs when participating in market-based transactions as well as the reasons why they may be more efficient than the market at arranging transactions. Consequently, the firm selects the most cost-effective and economical strategy from a range of options available in the organizational framework, with the aim of minimizing transaction and productivity costs. Therefore, to enhance their market influence according to the theory, firms may consider reducing their assets that are thought to be expensive, in order to break even as well as make money in the cutthroat market.

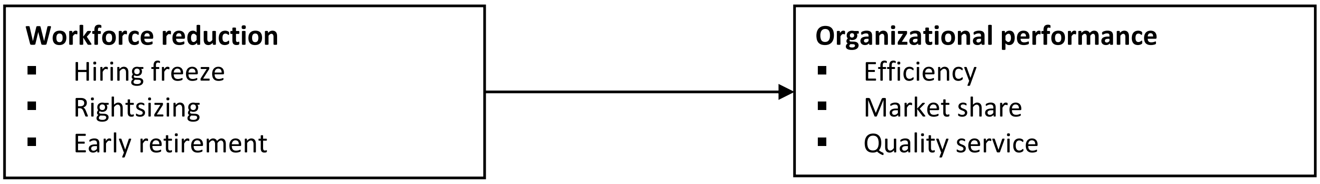
EMPIRICAL LITERATURE REVIEW

Workforce Reduction Strategy and Organizational Performance

In Ghana, Sikayena, Amoah, and Ankomah (2017) looked into how downsizing affected employee and organizational performance. Analyses of the collected data were descriptive in nature. The study findings indicated a significant inverse correlation between downsizing and the performance of both the organization and its employees. Furthermore, the research revealed that early retirement, attrition, and both voluntary and compulsory termination are among the tactics utilized during downsizing. These tactics can be linked to various factors, including decreased expenses, improved productivity, and heightened organizational competitiveness. Furthermore, the study found that employees are often disregarded during the decision-making process of downsizing, leading to emotional and behavioral consequences for both those who were downsized and the remaining employees. However, it should be noted that the study relied on secondary data, thereby creating a methodological gap.

Mengo and Obere (2023) analyzed the performance of Sameer Africa in Nairobi City County, Kenya, after the introduction of a strategy to downsize the workforce. Using a proportionate stratified sampling technique, samples from various target population subsets were chosen. Using a straightforward random sample selection method, the 245 responders' sample size was established. The study found that Sameer Africa's performance in Nairobi City County, Kenya, was positively and significantly impacted by the retrenchment strategy. The study's exclusive focus on Sameer Africa in Nairobi City County, Kenya, should be mentioned, though, as this creates a contextual gap.

Nyasha (2019) looked into how redundancy affected the efficiency of organizations. Out of a total population of 60 employees, a sample of 44 employees were used in the case study methodology. A combination of purposive and random sampling techniques was utilized to choose participants from a pool of 55 general employees and 5 managers. Information from the selected sample was collected through interviews and questionnaires, employing a triangulation approach. The data collected for the study was analyzed, and the results indicated that redundancy negatively affects business performance. Thus, companies need to think about alternatives to layoffs like workforce planning, repurposing, lending out, and salary reductions. However, the study presents a methodological gap due to the use of purposive sampling procedure in selecting respondents.



Independent Variable **Dependent Variable**

Figure 1: Conceptual Framework

METHODOLOGY

Research Design: The investigation utilized a descriptive research design for its purpose. A descriptive research design denotes a technique of accumulating data from a subset of individuals through means of interviews or the administration of a questionnaire (Saunders Lewis & Thornhill, 2009. It mitigates any inherent biases in the study by constraining the researcher's ability to manipulate the variables. Consequently, the study was guided by the principles of descriptive research design through the procurement of data from the respondents and its subsequent analysis from their respective standpoint.

Target Population: In this particular instance, the research concentrated on Finlays Tea Extract, Kenya, and the total count of participants amounted to 66, comprising 6 administrators and 60 auxiliary personnel who are actively engaged in devising and executing the organization's strategies.

Sampling Design and Sample Size: Given the relatively small population size, it is deemed appropriate to conduct a census involving 66 respondents.

Data Collection Instrument: To improve participant responses, the study employed a well-structured survey with both closed- and open-ended questions, enabling them to articulate their viewpoints on various aspects of the study's variables. The closed-ended questions were formulated using the Likert scale, giving participants the chance to indicate how much they agree with each statement that describes a particular variable.

Pilot Study, validity and reliability of research instruments: The questionnaires were subjected to a pilot test involving six individuals from within the organization, even though the final study was not included these participants. The pilot study's results benefited the researcher in minimizing uncertainty in the research instrument. On validity of research Instruments, the validation testing involved examining whether the data collection instrument will yield information relevant to the primary goal of the research (Orodho. Content, construct and criterion validity types were used. Reliability of research instruments was also established whereby the Cronbach's alpha coefficient at a threshold of 0.7 was employed.

Data Analysis and Presentation: The qualitative data analysis involved identifying key themes and patterns within the responses provided in the questionnaires. The combination of thematic analysis and descriptive statistics provided a rich and detailed exploration of the research topic, while inferential statistics helped to establish relationships and associations between the variables. Overall, the rigorous data analysis process ensured the reliability and validity of the study findings, and the presentation of results in tables and figures facilitated a clear and concise interpretation of the data. The use of SPSS software also enhanced the efficiency and accuracy of the data analysis process, enabling researchers to draw meaningful conclusions and implications from the study results.

FINDINGS

The findings of this section are substantiated by data collected from the field through the use of questionnaires. The results of the descriptive and inferential analysis conducted on the data are presented in tables and figures.

Response Rate: Table below presents the results of the response rate.

Table 1: Response Rate

Category	Number of questionnaires	Percentage
Response	65	98.5
Non response	1	1.5
Total	**66**	**100**

Source: Research Data (2024)

Based on the data outlined in Table above it is clear that the overall response rate attained was 98.5% because out of the 66 questionnaires distributed, 65 were received from the field. This response rate is deemed satisfactory for drawing conclusions and generalizing the sample measures as Mugenda and Mugenda (2003) suggest that an analysis should have a response rate of 50% or more, a threshold that has been exceeded in this particular instance.

Descriptive Statistics

Workforce Reduction Strategy

The respondents were provided with a list of statements detailing the impact of the workforce reduction strategy on Finlays tea extract, Kenya's performance in Kericho County, and were asked to express their level of agreement on a 5-point Likert scale.

Table 2: Workforce Reduction Strategy

Statement	M	SD
The company has been able to reduce the number of non-essential positions it has created or filled thanks to the hiring freeze.	3.98	1.02
The organization has been able to streamline procedures and concentrate on enhancing current operations thanks to a hiring freeze.	4.67	0.33
The organization has been able to eliminate staff and resources that are impeding its expansion thanks to rightsizing.	4.22	0.78
Rightsizing has led to better organizational hiring decisions	3.75	1.25
The company maintained staff morale while achieving its workforce reduction goals.	4.75	0.25
Management can assess which jobs are potentially disposable or which company policies may not be working through downsizing.	3.58	1.42
Aggregate mean and standard deviation score	**4.16**	**0.84**

Source: Research Data (2024)

Based on the aggregate mean and standard deviation of 4.16 and 0.84, respectively, as presented in Table above it can be concluded that the respondents were in consensus that the workforce reduction strategy has an impact on Finlays tea extract, Kenya's performance in Kericho County. The finding agrees with Mengo and Obere (2023) who looked at how Sameer Africa performed in Nairobi City County, Kenya, after implementing a retrenchment plan. The research revealed that the downsizing plan had a notable impact on Sameer Africa's operations within Nairobi City County in Kenya.

The company has maintained staff morale while achieving its workforce reduction goals (M=4.75, SD=0.25) and the organization has been able to streamline procedures and concentrate on enhancing current operations thanks to a hiring freeze (M=4.67, SD=0.33). The finding concurs with Sheaffer, Carmeli, Steiner-Revivo, and Zionit (2019) who observe that a workforce reduction strategy might be implemented when an employer fires a significant portion of their workforce in an attempt to cut costs.

The organization has been able to eliminate staff and resources that are impeding its expansion thanks to rightsizing (M=4.22, SD=0.78), the company has been able to reduce the number of non-essential positions it has created or filled thanks to the hiring freeze (M=3.98, SD=1.02), rightsizing has led to better organizational hiring decisions (M=3.75, SD=1.25) and management can assess which jobs are potentially disposable or which company policies may not be working through downsizing (M=3.58, SD=1.42). The finding concur with Greenhalgh, Lawrence, and Sutton (2021) who indicate that the workforce reduction strategy is typically applied reactively as a cost-cutting measure and acts as a temporary fix for diminishing profits. It focuses primarily on headcount elimination and reducing the total number of employees. Therefore, when a company wants to cut expenses and increase efficiency, it frequently employs a workforce reduction strategy.

Organizational Performance

A list of statements detailing the Finlays tea extract and Kenya's performance in Kericho County was provided to the respondents, participants were requested to indicate their level of agreement using a 5-point Likert scale.

Table 3: Organizational Performance

Statement	M	SD
The company is now more efficient.	4.44	0.56
The company's market share has increased.	4.01	0.99
The company provides its clients with high-quality services.	3.97	1.03

Source: Research Data (2024)

According to Table 3 results, the respondents concurred with the assertion that; the company is now more efficient (M=4.44, SD=0.56), the company's market share has increased (M=4.01, SD=0.99) and the company provides its clients with high-quality services (M=3.97, SD=1.03). According to Staw, McKechnie, and Puffer (2018), evaluating organizational performance is an essential component of strategic management, and organizational management needs to know how well their organizations are operating in order to determine what, if any, strategic adjustments need to be made.

Results of Inferential Statistics

The study performed inferential statistics to compare variables and identify relationships between them so as determine whether differences or associations observed in the sample were statistically significant or simply due to chance as recommended by Marshall and Jonker (2021). Multiple linear regression analysis and correlation analysis were used in the inferential statistics. The results are shown in the following manner.

Correlation Analysis

Correlation analysis is a statistical technique used to ascertain the magnitude and direction of the association between two variables (Trafimow & MacDonald, 2017). Correlation analysis, according to Gogtay and Thatte (2017), entails figuring out the correlation coefficient, a value within the range of -1 to 1. If both variables increase together, a correlation coefficient of 1 signifies a perfect positive relationship. Conversely, if one variable increase while the other decreases, a correlation coefficient of -1 indicates a perfect negative relationship. The study utilized correlation analysis to identify connections between the variables

Table 4: Correlation Analysis

		Technology adoption	Job redesign	Workforce reduction strategy	Systemic strategy	Organizational performance
Workforce reduction strategy	Pearson Correlation	0.783	.337**	1		
	Sig. (2-tailed)	.414	.406			
	N	65	65	65		
Organizational performance	Pearson Correlation	.801**	.659**	.779**	.783**	1
	Sig. (2-tailed)	.000	.002	.000	.001	
	N	65	65	65	65	65

Source: Research Data (2024)

The data presented in Table above indicates that the correlation coefficients obtained for workforce reduction strategy and performance were 0.801and 0.783 respectively. This finding indicates a perfect positive relationship, whereby workforce reduction strategy increases, the performance of Finlays tea extract in Kericho County, Kenya also increases. Therefore, it can be inferred that the independent variable exhibited a strong correlation with the dependent variable.

Table 5: Analysis of Variance

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	210.521	1	52.630	79.928	.001
	Residual	40.009	60	0.667		
	Total	250.530	64			

Source: Research Data (2024)

The results in Table above indicate that F-statistic is 79.928 which is higher than the mean square statistic (52.630). This indicates that the regression model holds significance and that the independent variable are influential (workforce reduction strategy) studied had a significant effect on the dependent variable (organizational performance).

Table 6: Coefficients

Model		Unstandardized Coefficients B	Unstandardized Coefficients Std. Error	Standardized Coefficients Beta	t	Sig.
1	(Constant)	0.708	0.115		6.157	.000
	Workforce reduction strategy	0.771	0.228	0.675	3.382	.001

Source: Research Data (2024)

The results indicated in Table above show that 0.708 represent a change in the dependent variable (organizational performance) holding the independent variables (workforce reduction strategy) constant. The study obtained positive coefficients of the independent variable which indicate that as the independent variable rises, the dependent variable also experiences an increase. The resulting regression equation is illustrated as follows:

Organizational performance = 0.708+0.771 (workforce reduction strategy)

Workforce Reduction Strategy

The study found that one-unit change in the workforce reduction strategy variable, holding technology adoption, job redesign and systemic strategy variables constant The performance of Finlays tea extract in Kericho County, Kenya would be enhanced by a factor of 0.771. The workforce reduction strategy had a noteworthy and favorable impact on the performance of Finlays tea extract in Kericho County, Kenya. (β=0.675, p=0.001). The finding is in line with Nyasha (2019) who looked into how redundancy affected the efficiency of organizations. The data collected for the study was analyzed, and the results indicated that redundancy negatively affects business performance. Thus, companies need to think about alternatives to layoffs like workforce planning, repurposing, lending out, and salary reductions.

CONCLUSIONS AND RECOMMENDATIONS

The purpose of the study was to determine how the Finlays tea extract in Kenya's Kericho County performed in relation to the workforce reduction strategy. The study found that the Finlays tea extract, Kenya in Kericho County, performed significantly better when the workforce reduction strategy was implemented. The company has maintained staff morale while achieving its workforce reduction goals, the organization has been able to streamline procedures and concentrate on enhancing current operations thanks to a hiring freeze and the organization has been able to eliminate staff and resources that are impeding its expansion thanks to rightsizing

The study concludes that workforce reduction strategies can involve various steps such as conducting a thorough analysis of the current workforce, identifying areas of redundancy or inefficiency, and developing a strategic plan to lower staff levels without sacrificing effectiveness and productivity. This may include offering voluntary retirement packages, implementing layoffs, or restructuring departments to streamline operations. By carefully planning and executing a workforce reduction strategy, organizations can improve their overall performance, cut expenses and maintain competitiveness in a market for businesses that is changing quickly. Additionally, effective communication and support for employees affected by the workforce reduction can help minimize negative impacts on morale and maintain a positive company culture

The company should conduct thorough assessments of current staffing levels, identifying areas where redundancies or inefficiencies exist, and implementing targeted measures to streamline operations. It should proactively address staffing needs and aligning resources with strategic priorities, organizations can position themselves for long-term success and sustainability. This can minimize the negative impact on employee morale and productivity, while also ensuring that the remaining staff are equipped to handle the workload effectively and hence improved organizational performance in terms of increased efficiency, cost savings, and overall competitiveness in the market.

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