EFFECTS OF OPERATION STRATEGIES ON ORGANIZATIONAL PERFORMANCE IN THE AUTOMOTIVE INDUSTRY IN KENYA: A CASE STUDY OF SCANIA EAST AFRICA LIMITED

Bosire, D., & Owour, D. E.

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

Vol. 5, Iss. 2, pp 171 – 197, April 10, 2018. www.strategicjournals.com, ©strategic Journals

EFFECTS OF OPERATION STRATEGIES ON ORGANIZATIONAL PERFORMANCE IN THE AUTOMOTIVE INDUSTRY IN KENYA: A CASE STUDY OF SCANIA EAST AFRICA LIMITED

Bosire, D.,[*1] & Owour, D. E.[2]

[*1]Jomo Kenyatta University of Agriculture and Technology [JKUAT], Mombasa, Kenya
[2]PhD., Jomo Kenyatta University of Agriculture and Technology [JKUAT], Mombasa, Kenya

Accepted: April 8, 2018

ABSTRACT

The main aim of this study was to establish effects of operation strategies on performance of automotive industry in Kenya. The specific objectives were to determine the effects of customer driven strategies, to establish the influence of product and service development, to determine the effects of developing core competencies and to establish the effects of competitive priorities on performance of Scania East Africa Limited. The study employed the use of descriptive survey research design to study effects of operation strategies on organizational performance in the automotive industry in Kenya. It focused at 97 employees of Scania East Africa Limited. Purposive sampling technique was used in selection of respondents in each department. The data collection instruments used in this study was questionnaires. In order to ascertain validity and reliability of the research instruments, the researcher did pilot study. Descriptive and inferential statistics was used to analyse the data with the aid of the Statistical Package for Social Sciences (SPSS) version 21, which was used in the analysis. Descriptive statistics were percentages, frequencies, mean, and standard deviation. Inferential correlation was used. Data was presented in form of frequency tables, charts, graphs and in written report. The study findings showed positive correlation between customer driven strategies, product development strategies, personnel development strategies, competitive advantages strategies and organization performance. The study concluded that organizations used varies customers driven strategies which attract more new customers hence achieved a wider range of market hence improve performance and loyalty to the organization and increased product flexibility and superior customer value delivery impacts positively towards organizational performance. The researcher recommended that organizations should adopt new customer driven strategies to attract customers that are new as well as retaining the existing customers to achieve a wide range of market for the organization.

Key Terms: *Automotive industry, Competitive priorities, Core competency, Customer-driven strategy, operational strategies, Performance, Product Development*

INTRODUCTION

The idea that strategy supports a firm 's performance has been the focus of several studies (Lechner, & Gudmundsson, 2014). A quality strategy that allows a firm to achieve both high design and conformance quality will lead to the attainment of a higher reputation in the market place, cost reduction, and higher productivity that can translate into higher sales growth and increased market share. A low cost strategy leads to improvements in efficiencies that a firm can use to reduce its price and all things being equal achieve an increase in sales growth and market share. A firm that develops a strategy that allows it to achieve volume and mix flexibility while keeping costs low and quality high will be able to respond faster to market changes and thus achieve higher performance. A firm with reliable and on-time deliveries can expect greater customer satisfaction that can potentially lead to increased sales growth and market share (Lechner, & Gudmundsson, 2014).

One of the organizations' key elements of success is the alignment of their strategies and their tactics (Hsu, Choon Tan, & Laosirihongthong, 2014)). In other words, for an organization's success, the strategic guidelines (or business objectives) should guide program choices (production practices) and these should contribute towards the organization's operational performance. According to (Arnas, & Saltorato, 2013) these objectives are guided by two aspects which are; what needs to be done to satisfy clients and what needs to be done to survive and prosper as a business.

To satisfy the client's needs, there should be operations strategy based on competitive priorities, which translates the clients' needs to be met by the operations management function (Arnas, & Saltorato, 2013). In addition, there are a series of decision areas to support the competitive priorities that include issues related to operations management. According to (Godinho, Barco, & Neto, 2014) there are many programs that propose helping companies remain competitive, for example, lean manufacturing, responsive manufacturing, agile manufacturing, world class manufacturing, mass customization, among others.

In the automotive industry, for companies to remain competitive in the market they need to apply real-time sharing of design, planning, production, logistics and sales information which have served to make the 'global automotive industry' truly global (Wang, Gunasekaran, Ngai, & Papadopoulos, 2016). This globalization has added complexities and costs to capture and maintain market share (Swieki & Gerth, 2015). For examples, in Asian markets, more than 20 new Original equipment manufacturer (OEMs) joint ventures and thousands of suppliers were positioning to capture a piece of the projected 140 million new vehicle owners in China by 2010 (Ambe, & Badenhorst, 2013). In Eastern Europe, lower cost structures and the availability of highly skilled labor enticed OEMs and suppliers to establish new facilities, technology and design centers. Point-to-point technology solutions were used to leverage the ubiquitous, low-cost capabilities of the Internet (Wang, Gunasekaran, Ngai, & Papadopoulos, 2016). First-tier suppliers and OEMs looked to extend demand-driven capabilities to 100% of the supply chain. This shows that in mature markets, automotive firms face stiff competition and demanding customers (Ambe, & Badenhorst, 2013).

Regionally, in South Africa for example, supply chain management (SCM) is one of the important functional areas in the automotive industry and its contribution has been particularly noteworthy (Pires & Neto, 2014). The industry sector's contribution to 7% of South Africa's gross domestic product (GDP) was R3251.4 billion in 2012

(Automotive Industry Export Council, 2013). Because of intensified competition in the global market, the introduction of products with shorter lifecycles and growing customer service, vehicle manufacturers in South Africa have been forced to invest in and direct their attention to the supply chains (Naude & Badenhorst-Weiss, 2013). Preliminary investigation revealed that although the industry is important in South Africa, it poses critical SCM challenges for local manufacturers and it is internationally uncompetitive. The Supply Chain Intelligence report (Havenga, Simpson, & Viljoen, 2014) revealed that the majority of companies in the industry do not only operate with low levels of collaboration, but are also not market-sensitive or reactive to the changing market. The Supply Chain Foresight report (2010) highlighted the fact that the industry supply chain is more vulnerable than ever as a result of vast swings in demand and volumes because of the global recession. (Naude & Badenhorst, 2013) asserted that automotive component manufacturers (ACMs) feel pressure from OEMs to reduce prices and are restrained by excessive inventory, the unreliability of rail transport, rail capacity problems and the high cost of South African ports. Low levels of collaboration and stiff competition among manufacturers challenge the industry (Ambe, & Badenhorst-Weiss, 2014).

Strategy refers to a plan of action designed to achieve a particular goal. In modern economies, global rivalry is an important factor that corporate management does not put in the back burner. This increased level of competition requires that top leadership involve department heads in strategy formulation sessions. As a result, strategy identification and formulation remains a collective effort, making sure that corporate executives hear the feedback of department chiefs, segment heads and business unit leaders (Hill, Jones, & Schilling, 2014).

According to study by Maylor, Turner, & Murray-Webster, (2015) defines operations strategy as the total pattern of decisions which shape the long-term capabilities of any type of operations and their contribution to the overall strategy, through the reconciliation of market requirements with operations resources and also as a tool that helps to define the methods of producing goods or a service offered to the customer, The objective of operations strategy in operations management processes and operations management system is to make fundamental plan for the planning process coordinated by the larger organizational goals.

Performance outcomes result from success or market position achieved (Grissemann, Plank, & Brunner-Sperdin, 2013). Performance can be determined in various ways. It might stand for financial performance, market performance, customer performance or overall performance, the term business performance is mainly used as a general performance measure. Financial performance literally refers to financial measures, such as profit margin and return on investment (ROI). Market performance includes e.g. Measures of market share and sales volume. Additionally, superior performance in this study refers to performance that exceeds that of its closest competitors (Brito, & Hashiba, 2014). Specially, superior market performance probably, but not necessarily, results in superior financial performance (Grissemann, Plank, & Brunner-Sperdin, 2013).

There are several points of departure that can be used to assess performance of a business. These include, among others, accounting perspective (assessment of financial measures of performance), marketing perspective (assessment of marketing inputs, too) and operations perspective (assessment of effectiveness and efficiency) (Mensah, Diyuoh, & Oppong, 2014). Apart from purely accounting-based

assessment, all the assessment systems are increasingly using non-financial indicators as to help analyses. Especially concept of Balanced Scorecard (BS), introduced by Gai, & Steenkamp, (2014) has been lately applied (situation-sensitively) more than ever.

Examination with a standard BS includes four dimensions: financial, customer, internal business process, and learning and growth. In a way, BS integrates all the distinct points of departure discussed above. In general, performance assessment systems can be viewed as processes with four basic steps: setting a desired performance standard, collecting and communicating information relating to actual performance, comparing this information with the performance standard, and taking corrective action where necessary (Jarvinen, & Karjaluoto, 2015). Austin, & Gittell, (2012) further argue that performance should be clearly defined and accurately measured. They however report examples where business performance is high even though these principles are not fulfilled, leading to a conclusion that the theory they provide does not apply to all companies and business environments. Again, luck sometimes creates success.

Although the concept of business performance is easily thought to be simple and unequivocal, this view is not supported by several researchers (Abdi, 2012). On the contrary, business performance is not just something one observes and measures. It is a relative concept defined in terms of some referent employing a complex set of time-based and causality-based indicators bearing on future realizations. Above all, performance is about the capability to generate future results (Abdi, 2012). Always this has not been considered adequately, however. In these occasions, results typically assume that history repeats itself and for example, changing business environment and needs to modify the performance assessment protocol are ignored.

The Automotive industry in Kenya is primarily involved in the retail and distribution of motor vehicles. There are a number of motor vehicle dealers operating in the country, with the most established being Toyota (East Africa), Cooper Motor Corporation, General Motors East Africa, Simba Colt (now Simba Corporation) and DT Dobie. There are also three vehicle assembly plants in the country, which concentrate on the assembly of pick-ups and heavy commercial vehicles. The established dealers face intense competition from imported second-hand vehicles, mainly from Japan and United Arab Emirates. These imports now account for about 70% of the market (KMI Reports, 2000-2006). The last decade witnessed a significant decline in the number of new vehicles sold in the country. There has been a steady recovery in the last four years, but the numbers achieved still fall far short of the numbers recorded a decade ago.

In 2004, the leading motor vehicle assemblers recorded sales of 9,979 units (Ogolla, 2013). The Kenya Motor Industry Association (KMI), the representative body of the corporate participants in the motor industry, has been lobbying hard to reverse this trend. Some of these measures have helped the industry recover from its lowest point in 2000, when only 5,869 units were sold. On their part, the companies themselves have become more innovative in responding to customer needs. Some of the measures that KMI has been advocating include implementation of strict criteria on importation of second hand vehicles, incentives to promote local assembling of commercial vehicles and export incentives aimed at encouraging car manufacturers to expand operations in the region (Magara, Oloko, & Nyangau, 2014).

An effective operation strategy must take into account the distinctive competencies of the

industry that will give it a competitive advantage over its competitors (Armstrong, & Taylor, 2014). The performance of automotive industry in Kenya has not been in stable conditions over years. Due the decline in world heavy commercial motor industry which grossly affected motor industry sales and posed a threat to motor industry operators because Kenyan motor industry largely depend on the International heavy commercial motor industry market (Becker, Beutel, Soo-Lee, & Chang 2011). In addition, automotive industry in Kenya has been facing stiff competition from global market. Therefore, for motor organizations to gain and maintain competitiveness they should pursue the right strategies, which include, high quality, low cost, time/speed, innovativeness and flexibility

Research Hypothesis

H_{O1}: There are no significant effects of customer driven strategies on performance of Scania East Africa Limited

H_{02}: there is no significant relationship between product development strategies and performance of Scania East Africa Limited

H_{03}: there are no significant effects of Personnel development strategies on performance of Scania East Africa Limited

H_{04}: there are no significant effects of competitive advantages strategies on performance of Scania East Africa Limited

LITERATURE REVIEW

Theoretical Framework

The Systems Theory

The systems theory was published by Kuhn, (1974) and states that a system is characterized by the interactions of its components and the nonlinearity of those interactions. It was adopted by Holland et al (1990) and indicated that Systems theory is the interdisciplinary study of systems in general, with the goal of elucidating principles that can be applied to all types of systems at all nesting of an organization. This means that in a given organization, there exist models, principles, and laws that apply to generalized systems or their subclasses, irrespective of their particular kind, the nature of their component elements, and the relationships between themselves.

Systems theory is a concept that originated from biology, economics, and engineering, which explores principles and laws that can be generalized across various systems. A system is a set of two or more elements where: the behavior of each element has an effect on the behavior of the whole; the behavior of the elements and their effects on the whole are interdependent; and while subgroups of the elements all have an effect on the behavior of the whole, none has an independent effect on it. In other words, a system comprises of subsystems whose inter relationships and interdependence move toward equilibrium within the larger system. ST is primarily concerned with how systems operate, and integrates a broad range of systems by naming and identifying patterns and processes common to all of them. By use of such an overarching terminology, ST tries to explain the origin, stability, and evolution of all systems. An important aspect of ST is the distinction between open and closed systems. All conventional models

and theories of organizations typically embraced the closed systems approach to the study of organizations by assuming that the main features of an organization are its internal elements. While closed systems approach, consider the external environment and the organization's interaction with it, to be for the most part inconsequential, open systems approach views the organizations' interaction with the external environment as vital for organizational survival and success. In open systems, any change in any elements of the system causes changes in other elements. The lack of coordination between the organization and its external environment in closed systems inhibit the organization's capacity to import sufficient energy from its environment for sustenance.

Robert Kuhn collaboratively viewed organizations as comprising of patterns of behavioral events. These patterns are interdependent, cyclical, and consistent over time, and must be understood in terms of their interaction with each other, and with the external environment. Systems theory's most significant concepts can be found in the classification related characteristics of Bounding's hierarchical approach. First, since systems can be classified according to their common properties, this means that by knowing the class (e.g., organizations) to which a system belongs; one can know many of the system's properties (e.g. relatively stable distributions of hierarchical authority) without having to observe the system itself. Second, systems of any class possess not only the common properties of other systems at their level, but they also possess the properties of their component, lower-level systems, except as the properties of the components are modified through their relations with the whole. Consequently, if something belongs to a particular system, such as the organization level, it has all the properties of organizations, and also, all the properties of lower-level systems.

In relation to the study, this theory applies in that Automotive Industry is system that is composed of various elements and stakeholders and their interaction affects the outcome, which is the performance of the organization. Therefore, when managing the automotive firm, there is need to know the roles played by every element and their impact on the overall performance of the firm. There is no element that operates in singularity implying they all have and affect the overall performance of the firm. Every strategy that the firm employs has a significant role to play in contributing towards the performance. The application of it can either enhance the performance or contribute negatively to the performance.

The Theory of Constraints

The theory of Constraints was introduced by Goldratt (1984) and states that every system is subject to at least one constraint, which prevents the system from achieving infinitely high levels of performance (Balderstone, & Mabin, 2012). For the system that is a corporation, the often-unidentified constraint prevents it from achieving infinite profits, just as a chain's weakest link limits the chain's capacity to transmit force.

This theory describes the need to ensemble activities aimed at elevating the outcomes of any system, especially a business system, with respect to its goal by eliminating its constraints one by one and by not working on non-constraints. The underlying premise of the theory of constraints is that organizations can be measured and control variations on three measures: throughput, operational expense, and inventory. Throughput is the rate at which the system generates money through sales. Inventory is all the money that the system has invested in purchasing things, which it intends to sell. Operational expense is all the money

the system spends in order to turn inventory into throughput.

Before the goal itself can be reached, necessary conditions must first be met. This typically includes safety and legal obligations. For most businesses, the goal itself is to make money. However, for many organizations and non-profit businesses, making money is a necessary condition for pursuing the goal. Whether it is the goal or a necessary condition, understanding how to make sound financial decisions based on throughput, inventory, and operating expense is a critical requirement including buffers. Buffers are used throughout the theory of constraints. They often result as part of the exploit and subordinate steps of the five focusing steps. Buffers are placed before the governing constraint, thus ensuring that the constraint is never starved. Buffers are also placed behind the constraint to prevent downstream failure from blocking the constraint's output. Buffers used in this way protect the constraint from variations in the rest of the system and should allow for normal variation of processing time and the occasional upset before and behind the constraint.

In relation to the study on the influence of operational strategies on automotive industry performance this theory can be applied to mean that automotive industry performance is subject to at least one or more than one challenge which prevents attaining its target performance. Given the often-unidentified challenges in automotive industry, systems should be tackled. Automotive industry should therefore identify strategies that they can use to ensure that they are able to deal with the constraints that face their operations and push them to better performance by addressing the constraint.

Conceptual Framework

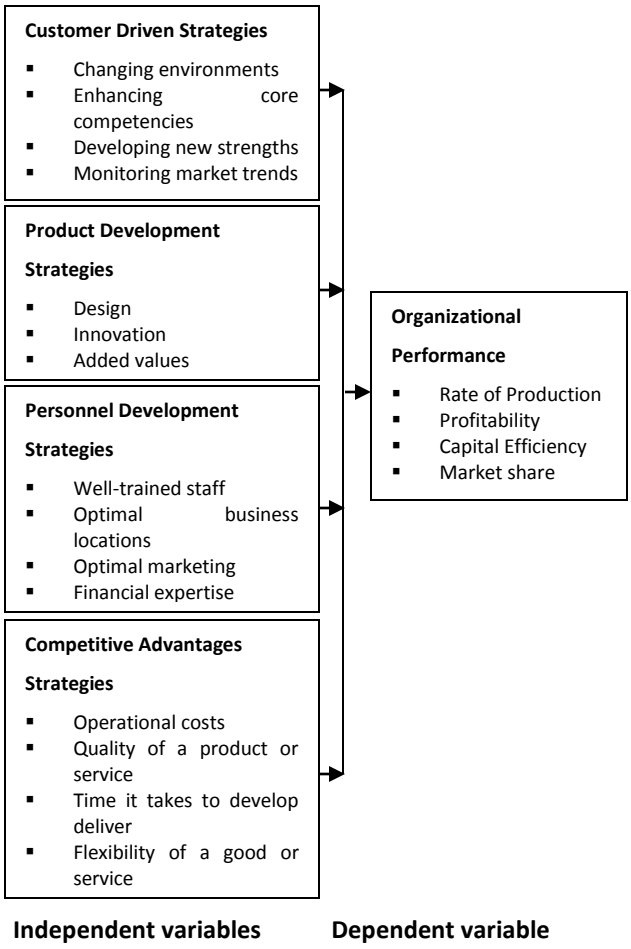

Figure 1: Conceptual Framework

Customer Driven Strategies

Customer driven strategies are series of organization's initiatives for converting strangers or potential customers into acquaintances or identified customers by initiating a relationship with them. To accomplish this purpose, a company may explore proper customers, analyze the customers' potential value, offer dynamic prices according to the potential value of customers, and advertise to acquire customers' interests and/or provide special sales or marketing events to acquire new customers. The effects of customer driven strategies on organizational performance are enhancing by customer perceptions to business

outcomes, customer satisfaction and loyalty. The customer's perceptions of a company might lead its profitability and growth directly. Although satisfaction is a necessary step in loyalty formation, there is a disparity between the pursuit of satisfaction and loyalty, and the correlation between the two is neither linear nor consistent. In order for organization to enhance customer driven strategies they should consider changing environments, enhancing core competencies, developing new strengths and monitoring market trends.

Product Development Strategies

Product and service development focuses on the needs of the current customers and the wider customer markets. In product and service development, a firm remains in its present markets but develops new products for these markets. The view that new products are helpful to the financial health of firms. Innovative new products when first introduced face limited direct competition and, as a result, allow relatively high profits to firms. Over time, these high profits are likely to disappear because of imitation and competition, but firms that keep on introducing innovative new products may be able to have high profitability for a sustained period. Performance in a development project and services is determined by a firm's product strategy and by its capabilities in overall process and organization.

Personnel Development Strategies

Core competencies are the combination of pooled knowledge and technical capacities that allow a business to be competitive in the marketplace. It should allow the company to expand into new end markets as well as provide the significant benefit to banking customers. Core competencies are functions of several forces from both the supply and demand side. A core competency is a unique skill that creates a unique customer value. Core competencies are valuable capabilities that are collective and unique in their characteristics, as well as strategically flexible contributing towards the success of potential business. An organizational core competency is an organization's strategic strength. Organizational core competencies, the unique resources of an organization, affect many products and services and provide a competitive advantage in the market place. Organizations use their unique resources, which include their capabilities and competencies to be ahead of their competition. Once an organization identifies its unique area of excellence, its management requires coming up with strategic plan, how to utilize its competencies to achieve great competitive advantage. Core competence is primary factor for strategy formulation as it is an important source of profitability.

Competitive Advantages Strategies

Competitive priorities act as strategic capabilities and which can help firms to create, develop and maintain competitive advantage. Competitive priorities are dimensions that a firm's production system must possess to support the demands of the markets in which the firm wishes to compete. Competitive priorities can be indicated by quality, cost, delivery, flexibility, customer focus and expertise.

METHODOLOGY

This study employed the use of descriptive survey research design to study effects of operation strategies on organizational performance in the automotive industry in Kenya. The researcher obtained sample size using Yamane formulae (1967).

$$n = \frac{N}{1 + N(e)^2}$$

Where n is the sample size required

N is the population size =97

e is the level of precision =0.05

$n = \frac{97}{1+97(0.05)^2}$

n =78

FINDINGS

Customer Driven Strategies

First, the study sought to determine the reliability of variables used for customer driven strategies. The study used Cronbach's alpha method to determine the internal consistency of the Variables. The results of the reliability tests were as shown in the (Table 1);

Table 1: Reliability Test

Cronbach's Alpha	N of Items
.792	4

The Cronbach's Alpha was above 0.7 implying that the data used were reliable to be used for this objective. Further, the study sought to establish the customer driven strategies on organization performance in the automotive industry. The findings were analyzed as shown in the (Table 2);

Table 2: Customer Driven Strategies

Customer Driven Strategies		SD	D	UD	A	SA	Total	Mean	% Mean	Sd
The strategy of changing environments such as flexible opening hours, working at customer's premises has attracted more customers, thus enhancing performance of the organization.	F	0	0	3	27	41	75	4.40	88.0	.81
	%	0.0	0.0	4.0	36.0	54.7	100			
Manufacturing and marketing of products tailored to suit customers' needs have explicitly contributed to the growth of the organization.	F	4	0	0	42	29	75	4.23	84.6	.91
	%	5.3	0.0	0.0	56.0	38.7	100			
The organization is continuously monitoring the market trends in order to supply the customers according to the current market demand to enhance customer sustainability and profitability.	F	0	0	0	47	28	75	4.37	87.4	.49
	%	0.0	0.0	0.0	62.7	37.3	100			

There exists a shared understanding of marketing and manufacturing approach within the organization.	F	0	4	37	34	75	4.35	87.0	.74
	%	0.0	5.3	49.3	45.3	100			

The study results (Table 2) revealed that 88.0% (mean=4.4) of the respondents were of the view that the strategy of changing environments such as flexible opening hours, working at customer's premises had attracted more customers, thus enhancing performance of the organization. Eighty-four point six percent (mean=4.23) of the respondents were of the opinion that manufacturing and marketing of products tailored to suit customers' needs have explicitly contributed to the growth of the organization. 87.4% (mean=4.37) of the respondents were of the opinion that the organization is continuously monitoring the market trends in order to supply the customers according to the current market demand to enhance customer sustainability and profitability and 87.0% (mean=4.35) of the respondents were of the view that There exists a shared understanding of marketing and manufacturing approach within the organization.

The study results revealed that majority (88.0%) of the respondents were of the opinion the strategy of changing environments such as flexible opening hours, working at customer's premises has attracted more customers, thus enhancing performance of the organization. This implied for organization to improve their performance they should adopt new strategies, which will attract customers that are more new as well as retaining the existing customers. For this study it was seen that the organization used varies customers driven strategies which attract more new customers hence achieved more sales market hence improve performance.

The study findings agreed with study done by Kangogo, Musiega & Manyasi (2013) on effect of customer satisfaction in hotel industry. The research findings showed, hotels strive to meet the expectations of the hotel customers through provision of excellent services in pursuit of customer satisfaction, and the customers appreciate this by becoming not only regular, but also loyal clients', hence good performance of the hotel. These research findings suggested some appropriate hotel strategies that may enhance customer satisfaction.

In addition, the study findings concurred with study done by Desbordes (2011) on the effect of the customer relationship marketing on performance in the banking industry, with a case study of selected Barclays bank branches in Kumasi. The study revealed that customers generally do not like to follow the complaints processes as a result of the experiences of previous ones not resolved by the bank. The customers of the bank from the study showed that investment advices on their accounts are not regular. It is recommended that good promotions be run on the new products by the bank.

Table 3: Correlation between customer driven strategies and organizational performance

		Customer Driven Strategies	**Organizational Performance**
Customer Driven Strategies	Pearson Correlation	1	.750**
	Sig. (2-tailed)		.000

	N	75	75
Organizational Performance	Pearson Correlation	.750**	1
	Sig. (2-tailed)	.000	
	N	75	75

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

From the study findings (Table 3) on correlation revealed that Pearson correlation coefficient, *r*, was 0.750, and that it was statistically significant (p = 0.018). A Pearson product-moment correlation was run to determine the relationship between Customer Driven Strategies and Organizational Performance. There was a strongly positive correlation between Customer Driven Strategies and Organizational Performance, which was statistically significant (r = 0.750, n = 75, p = .000).

Product Development Strategies

First, the study sought to determine the reliability of variables used for product development strategies. The study used Cronbach's alpha method to determine the internal consistency of the Variables. The results of the reliability tests were as shown in the table below;

Table 4: Reliability Test

Cronbach's Alpha	N of Items
.757	4

This implied that the data used were reliable to be used for this objective because the Cronbach's alpha was above 0.7 values.

Further, the study sought to investigate the product development strategies on organization performance. The results were analyzed in the (Table 4);

Table 5: Product Development Strategies

Statements		SD	D	UD	A	SA	Total	Mean	% Mean	Sd
Designing of new products coupled with new and appropriate technology has absorbed the organization from the threat of new competitors	F	0	0	0	31	44	75	4.59	91.8	.49
	%	0.0	0.0	0.0	41.3	58.7	100.0			
Innovation is more effective	F	0	0	0	47	28	75	4.37	87.4	.48

than a copying strategy. An organization that uses an effective knowledge management method to establish new product	%	0.0	0.0	0.0	62.7	37.3	100.0			
Different new product development strategies taken by the organization leads to variations in organizational performance	F	0	4	5	34	32	75	4.25	85.0	.81
	%	0.0	5.3	6.7	45.3	42.7	100.0			
A new product development strategy is an important activity that helps organizations to survive and make continuous improvements.	F	0	0	0	29	46	75	4.61	92.2	.49
	%	0.0	0.0	0.0	38.7	61.3	100.0			

The study results (table 5) revealed that 91.8% (mean=4.59) of the responses were of the opinion that designing of new products coupled with new and appropriate technology has absorbed the organization from the threat of new competitors, 87.4% (mean=4.37) of the respondents were of the view that Innovation is more effective than a copying strategy. An organization that use an effective knowledge management method to establish new product development will have success, 85.0% (mean=4.25) were of the opinion that different new product development strategies taken by the organization leads to variations in organizational performance, 92.2% (mean=4.61) of the responses were of the opinion that a new product development strategy is an important activity that helps organizations to survive and make continuous improvements.

The findings of the study revealed that majority of the respondents agree that product development strategies affect organization performance. These strategies include designing of new products coupled with new and appropriate technology which absorbed the organization from the threat of new competitors, using innovation in effective knowledge management method to establish new product development, different new product development strategies taken by the organization leads to variations in organizational performance and new product development which helps organizations to survive and make continuous improvements. This implies with the use of product development strategy organization can develop new product which is unique in the market and will attract customers. In addition, this strategy helps to develop a product, which will compete well in the market.

The study findings agreed with study done by Magugu, (2012) on influence of new product development on performance of Safaricom phone service provider, Kisumu, Kenya. The findings of the study indicated that innovation had most significant influence on performance of Safaricom. Based on these findings, the study concluded that product development had the greatest influence on performance of Safaricom. The study recommended that innovation, branding and placement should be undertaken cautiously by the organizations while

they emphasis is put on promotion and pricing for organization performance.

Also the study findings agreed with study done by Gurhan, Gunduz, Kemal & Lutfihak (2013) on effects of innovation types on Organization Performance. The results revealed that there is positive effects of innovations on firm performance in manufacturing industries.

Table 6: Correlation between product development strategies and organizational performance

		Product Development Strategies	Organizational Performance
Product Development Strategies	Pearson Correlation	1	.475**
	Sig. (2-tailed)		.000
	N	75	75
Organizational Performance	Pearson Correlation	.475**	1
	Sig. (2-tailed)	.000	
	N	75	75

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

From the study findings (table 6) on correlation revealed that Pearson correlation coefficient, *r*, was 0.475, and that it was statistically significant (p = 0.000). A Pearson product-moment correlation was run to determine the relationship between Product Development Strategies and Organizational Performance. There was a moderate, positive correlation between Product Development Strategies and Organizational Performance, which was statistically significant (r = 0.475, n = 75, p = .000).

Personnel development Strategies

First, the study sought to determine the reliability of variables used for personnel development strategies. The study used Cronbach's alpha method to determine the internal consistency of the Variables. The results of the reliability tests were as shown in the table below;

Table 7: Reliability Test

Cronbach's Alpha	N of Items
.739	4

The Cronbach's alpha was above 0.7, this implies that the data used were reliable to be used for this objective. Further, the study sought to establish the effect of personnel development strategies on organization performance. The results were analyzed in the (table 8);

Table 8: Personnel development strategies

Personnel development strategies	SD	D	UD	A	SA	Total	Mean	% Mean	Sd

There is a rich pool of well-trained staff with distinct core competencies tasked with work and production of quality output for the market.	F	0	7	0	24	47	75	4.52	90.4	.76
	%	0.0	6.4	0.0	32.0	62.7	100.0			
The existence of a leadership development program, has bridged the human and social capital in the organization.	F	0	4	0	47	24	75	4.21	84.2	.70
	%	0.0	5.3	0.0	62.7	32.0	100.0			
Specific practices such as mentoring, job assignments, networking and executive coaching have contributed to increased organizational performance	F	0	0	0	28	47	75	4.63	92.6	.49
	%	0.0	0.0	0.0	37.3	62.7	100.0			
Financial expertise in the organization have identified unique areas of excellence and developed strategic plans on how to utilize its competencies to achieve great competitive advantages.	F	0	0	0	39	36	75	4.48	89.6	.50
	%	0.0	0.0	0.0	52.0	48.0	100.0			

The study findings on personnel development strategies (Table 8) revealed that 90.4% (mean=4.52) of the responses were of the opinion that the there is a rich pool of well trained staff with distinct core competencies tasked with work and production of quality output for the market, 84.2% (mean=4.21) of the responses were of the opinion the existence of a leadership development program, has bridged the human and social capital in the organization, 92.6% (mean=4.63) of the responses were of the opinion that specific practices such as mentoring, job assignments, networking and executive coaching have contributed to increased organizational performance, 89.6% (mean=4.48) of the responses were of the opinion that financial expertise in the organization have identified unique areas of excellence and developed strategic plans on how to utilize its competencies to achieve great competitive advantages.

The results of the study revealed that majority of the respondents agreed that personnel development strategies adopted by organization would improve its performance. The personnel strategy which affects organization performance the most are specific practices such as mentoring, job assignments, networking and executive coaching which contributed to increased organizational performance. The existence of a leadership development program, had bridged the human and social capital in the organization, followed by availability of well-trained staff with distinct core competencies tasked with work and production of quality output for the market. Another strategy adopted is financial expertise in the organization have identified unique areas of excellence and developed strategic plans on how to utilize its competencies to achieve great competitive advantages. This gave an implication that when the organization adopted strategies such

as mentoring, job assignments, networking and executive coaching they can improve their performance.

Our study findings were in agreement with study done by Sabah, Laith & Manar (2012) on the relationship between core competence, competitive advantage and organizational performance. Core competence was measured through three dimensions: shared vision, cooperation and empowerment. Finding indicates that, while core competence has a strong and positive impact on competitive advantage and organizational performance, competitive advantage has also significant impact on organizational performance. Results confirm the varying importance of core competence dimensions on competitive advantage and organizational performance. It has also been found that flexibility have higher impact on organizational performance than responsiveness. To remain competitive and obtain competitive advantages, managers can try to increase organizational performance by managing each dimension of core competence i.e. shared vision; cooperation and empowerment.

The study findings were also in line with study done Nada & Ibrahim (2014) on impact of core competences on organizational performance as a critical issue in Iraqi private banking sector. The result shows that there is a significant correlation among core competences and organizational performance. The study recommended that organization management to develop core competences for human resource as a strategic tool to enhance organizational performance.

Table 9: Correlation between personnel development strategies and organizational performance

		Personnel development Strategies	**Organizational Performance**
Personnel development Strategies	Pearson Correlation	1	.762**
	Sig. (2-tailed)		.000
	N	75	75
Organizational Performance	Pearson Correlation	.762**	1
	Sig. (2-tailed)	.000	
	N	75	75

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

From the study findings (Table 9) on correlation revealed that Pearson correlation coefficient, *r*, was 0.762, and that it was statistically significant (p = 0.000). This implied that there was a strong positive correlation between Personnel development strategies and organizational performance, which was not statistically significant (r = 0.762, n = 75, p = .000).

Competitive Advantages Strategies

First, the study sought to determine the reliability of variables used for competitive advantages strategies. The study used Cronbach's alpha method to determine the internal consistency of the variables. The results of the reliability tests were as shown in the table below;

Table 10: Reliability Test

Cronbach's Alpha	N of Items
.782	4

The Cronbach's alpha was above 0.7, this implies that the data used were reliable to be used for this objective. Further, the study sought to establish the competitive advantages strategies and organization performance. The results were analyzed in the (Table 11);

Table 11: Competitive Advantages Strategies

Statements		SD	D	UD	A	SA	Total	Mean	% Mean	Sd
There is significant reduction on operational costs and profits maximization within the organization	F	0	0	0	23	52	75	4.69	93.8	.46
	%	0.0	0.0	0.0	30.7	69.3	100.0			
Improved product quality has led to increased customer satisfaction and attracted more.	F	0	0	0	37	38	75	4.51	90.2	.50
	%	0.0	0.0	0.0	49.3	50.7	100.0			
There are increased lead-times on product development and delivery to customers thus fostering increased satisfaction and loyalty to the organization.	F	0	0	0	35	40	75	4.53	90.6	.50
	%	0.0	0.0	0.0	46.7	53.3	100.0			
Increased product flexibility and superior customer value delivery impacts positively towards organizational performance.	F	0	0	0	47	28	75	4.37	87.4	.48
	%	0.0	0.0	0.0	62.7	37.3	100.0			

The study findings (Table 11), revealed that 93.8% (mean=4.69) of the responses were of the opinion that there is significant reduction on operational costs and profits maximization within the organization, 90.2% (mean=4.51) of the responses were of the opinion that improved product quality has led to increased customer satisfaction and attracted more, 90.6% (mean=4.53) of the responses were of the view that there are increased lead-times on product development and delivery to customers thus fostering increased satisfaction and loyalty to the organization, 87.4% (mean=4.37) of the responses were of the view that Increased product flexibility and superior customer value delivery impacts positively towards organizational performance.

The study findings revealed that majority of the respondents agreed that competitive advantages strategies had an influence in performance of organization. With adoption competitive advantages strategies the organization might experience reduction on operational costs and profits maximization within the organization, they can improve product quality which lead to increased customer satisfaction and attracted more, there will be increased lead-times on product development and delivery to customers thus fostering increased satisfaction and loyalty to the organization and increased product flexibility and superior customer value delivery impacts positively towards organizational performance. This implied that by adopting competitive advantage strategies in the organization there were benefits coming with it especially reduce in operational cost as profits is maximized.

Our study findings concurred with the study done by Díaz, Martín, María & López (2015) on impact of the Operations Strategy on Performance. The more important findings are that if firms design an operations strategy based on a greater number of structural and infrastructural practices, they will be able to improve their competitive advantages in operations. The results also show that competitive priorities in operations can have a direct, positive effect on Organization Performance.

Further the study findings agreed with study findings by Ting (2015) that due to competitive strategies there is an increasingly turbulent business environment, high performers emphasized differentiation strategy through higher quality, better delivery performance, and greater flexibility than cost reduction. In contrast, low performers prioritized low cost while quality and flexibility were given certain weights. The lack of clear focus on strategies could result in a relatively lower performance. While the process of government-led industrial upgrading continues, forward-looking firms have proactively shifted their strategic focus from solely or mainly cost reduction to a variety of differentiating factors, which bring in benefit and are less imitable by competitors.

Table 12: Correlation between Competitive Advantages Strategies and Organization Performance

		Competitive Advantages Strategies	**Organization Performance**
Competitive Advantages Strategies	Pearson Correlation	1	-.039
	Sig. (2-tailed)		.739
	N	75	75
Organization Performance	Pearson Correlation	-.039	1
	Sig. (2-tailed)	.739	
	N	75	75

From the study findings (Table 12) on correlation revealed that Pearson correlation coefficient, *r*, was -.039, and that it was not statistically significant (p = 0.739). This implied that there was a very weak negatively correlation between competitive advantages strategies and organization performance, which was not statistically significant (r = -.039, n = 75, p = .739).

Organizational Performance

First, the study sought to determine the reliability of variables used for Organizational Performance. The study used Cronbach's alpha method to determine the internal consistency of the Variables. The results of the reliability tests were as shown in the table below;

Table 13: Reliability Test

Cronbach's Alpha	N of Items
.739	4

The Cronbach's alpha was above 0.7, this implies that the data used were reliable to be used for this objective. Further, the study sought to find out organizational performance. The results were analyzed in the (Table 14);

Table 14: Organizational Performance

Organizational Performance		SD	D	UD	A	SA	Total	Mean	% Mean	Sd
There is a significance increase in the rate of production in the organization by using operational strategies.	F	0	0	8	18	49	75	4.55	90.0	.68
	%	0.0	0.0	10.7	24.0	65.3	100.0			
There is a notable increase in profit margins in the organization in the last two years.	F	0	4	0	33	38	75	4.40	88.0	.75
	%	0.0	5.3	0.0	44.0	50.7	100.0			
Organizational performance is ensured by the capital efficiency of the operational strategies employed.	F	0	4	5	48	18	75	4.01	80.2	.72
	%	0.0	5.3	6.7	64.0	24.0	100.0			
The organizations business and its branches are strategically located hence significant and superior market share	F	0	0	0	37	38	75	4.51	90.2	.50
	%	0.0	0.0	0.0	49.3	50.7	100.0			

The study results from (Table 14), revealed that 90.0% (mean=4.55) of the responses were of the opinion that there was a significance increase in the rate of production in the organization by using operational strategies, 88.0% (mean=4.4) of the responses were of the opinion that there was a notable increase in profit margins in the organization in the last two years, 80.2% (mean=4.01) of the responses were of the opinion that organizational performance was ensured by the capital efficiency of the operational strategies employed, 90.2% (mean=4.51) of the responses

were of the opinion that the organizations business and its branches were strategically located hence significant and superior market share.

The study results revealed that majority of the respondents agreed that operation strategies had an influence on the performance or organization. The performance of the organization was influenced because adopted operational strategies increase the rate of production in the organization, increase in profit margins in the organization, the capital efficiency of organization depending on the operational strategies employed and location of organizations business and its branches, which influence superior market share.

The study findings agreed with the study findings done by Neill and Rose (2006) who suggested that strategically complex organizations may engage in more improvisation and consideration of multiple perspectives than strategically simple organizations and may therefore be expected to achieve higher levels of performance. They tested these propositions using data from a sample of wholesale distributors in three industries providing a range of product types, technical complexity and customer type. Their findings confirmed that strategically complex organizations consider multiple perspectives in formulating strategy and produce superior customer-based performance.

Inferential Findings and Discussions

Table 15: Correlation Table

Correlations

		Customer Driven Strategies	Product Development Strategies	Personnel Development Strategies	Competitive Advantages Strategies	Organizational Performance
Customer Driven Strategies	Pearson Correlation	1	.621**	.677**	.046	.499**
	Sig. (2-tailed)		.000	.000	.694	.000
	N	75	75	75	75	75
Product Development Strategies	Pearson Correlation	.621**	1	.470**	-.410**	.475**
	Sig. (2-tailed)	.000		.000	.000	.000
	N	75	75	75	75	75
Personnel Development Strategies	Pearson Correlation	.677**	.470**	1	-.044	.731**
	Sig. (2-tailed)	.000	.000		.710	.000
	N	75	75	75	75	75

Competitive Advantages Strategies	Pearson Correlation	.046	-.410**	-.044	1	.051
	Sig. (2-tailed)	.694	.000	.710		.049
	N	75	75	75	75	75
Organizational Performance	Pearson Correlation	.499**	.475**	.731**	.051	1
	Sig. (2-tailed)	.000	.000	.000	.664	
	N	75	75	75	75	75

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

From Pearson Correlation the study results in (table 15) indicated that customer driven strategies, product development strategies, personnel development strategies and competitive advantages strategies were positively correlated with organizational performance (r = 0.499, 0.475, 0.731, 0.051; p < 0.000, 0.000, 0.000, 0,049) respectively. This means that the more the efficient the customer driven strategies, product development strategies, personnel development strategies and competitive advantages strategies the more organizational performance. This implies that the organization should adopt efficient strategies in order to improve their performance.

Table 16: Multiple Regression Model Summary

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.779[a]	.607	.584	.28460

a. Predictors: (Constant), F4, F3, F2, F1

As shown in Table 16, Findings indicated that 60.7% of research success could be accounted for by the independent variable (R^2 = 0.236). However, the typical error when the model is used to predict research success was 0.284

Table 17: Testing the Multiple Regression Model

ANOVA						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	8.750	4	2.188	27.008	.000
	Residual	5.670	70	.081		
	Total	14.420	74			

a. Dependent Variable: F5

b. Predictors: (Constant), F4, F3, F2, F1

As indicated in Table 17, ANOVA for the regression indicated that the results computed using the regression model were significant (F= 27.008, p<0.000) meaning that the regression model was

significant implying at least one of the independent variables used in the study was a significant predictor of the dependent variable.

Table 18: Regression Analysis

Coefficients						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-1.310	.705		-1.859	.067
	F1	.190	.095	.250	2.000	.049
	F2	.480	.141	.393	3.408	.001
	F3	.790	.111	.727	7.094	.000
	F4	.195	.069	.255	2.813	.006

The results from the coefficients, illustrate that the coefficient were all-significant to be used for multiple correlation as shown below:

Organizational performance = -1.310 + 0.250(customer driven strategies) + 0.393 (product development strategies) + 0.727(personnel development strategies) + 0.255(competitive advantages strategies)

These results were interpreted to mean that customer driven strategies positively contributed 25.0% to organizational performance, product development strategies positively contributed 39.3%, personnel development strategies positively contributed 72.7% and competitive advantages strategies positively contributed 25.5% to organizational performance.

Hypotheses Testing

Hypothesis was tested at 5% alpha level of significance.

Table 19: Hypothesis Table

Hypotheses	**Results**	**Decision rule(accept/reject)**
H_{O1}: There is no significant effects of customer driven strategies on performance of Scania East Africa Limited	There was a statistical significant effect between customer driven strategies on performance of Scania East Africa Limited (p=0.049)	Rejected the null hypothesis
H_{02}: There is no significant relationship between product development strategies and performance of Scania East Africa Limited	There was a statistical significant effect of product development strategies on performance of Scania East Africa Limited (p=0.001)	Rejected the null hypothesis

H_{03}: There is no significant effects of Personnel development strategies on performance of Scania East Africa Limited	There was a statistical significant effect between personnel development strategies and performance of Scania East Africa Limited (p=0.000)	Rejected the null hypothesis
H_{04}: there is no significant effects of competitive advantages strategies on performance of Scania East Africa Limited	There was a statistical significant effect between competitive advantages strategies on performance of Scania East Africa Limited (p=0.006)	Rejected the null hypothesis

CONCLUSION

The study concluded that the organizations should use varies customers driven strategies which attract new customers hence achieved a nation wider range of market hence improve their performance. In addition, the study concluded that by the use of product development strategy organizations can develop new product, which is unique in the market and will attract customers. Also this strategy helps to develop a product, which would compete well in the market.

Further the study concluded that the personnel strategy which affects organization performance the most are specific practices such as mentoring, job assignments, networking and executive coaching which contributed to increased organizational performance. The existence of a leadership development program has bridged the human and social capital in the organization.

Furthermore the study concluded that with adoption competitive advantages strategies the organization might experience reduction on operational costs and profits maximization within the organization, they can improve product quality which lead to increased customer satisfaction and attracted more, there will be increased lead-times on product development and delivery to customers thus fostering increased satisfaction and loyalty to the organization and increased product flexibility and superior customer value delivery impacts positively towards organizational performance.

Lately the study concluded that operation strategies have an influence on the performance or organization. The performance of the organization is influenced because adopted operational strategies increase the rate of production in the organization, increase in profit margins in the organization, the capital efficiency of organization depending on the operational strategies employed and location of organizations business and its branches, which influence superior market share.

RECOMMENDATIONS

The researcher recommends that:

- Automotive organizations should adopt new customer driven strategies, which will attract more customers that are new as well as retaining the existing customers hence achieving a wide range of market for the organization.
- Automotive organizations should implement product development strategy to develop a new product, which is unique in the market, which will attract new customers as well as improving the product quality.

- Automotive organizations should adopt strategies such as mentoring, job assignments, networking and executive coaching they can improve their performance.
- Automotive organizations should apply competitive advantages strategies, which will improve product quality hence increasing customer satisfaction and loyalty to the organization and increased product flexibility and superior customer value delivery impacts positively towards organizational performance.

Suggestions for Further Research

The researcher recommended for a similar study to be done at other automotive companies in Kenya. This would enable the researchers to consider the problems from a broad perspective, which would benefit the industry in Kenyan. The study also recommended further researchers to research on other strategies, which affects performance automotive industry apart from operation strategy.

REFERENCES

Abbasi, M., & Kaviani, M. A. (2014). Analyzing the operations strategies of manufacturing firms using a hybrid Grey DEA approach–A case of Fars Cement Companies in Iran. *International Journal of Supply and Operations Management*, *1*(3), 371-391

Abdi, I. M. (2012). *Brand rejuvenation strategies and organization performance: a case study of new Kenya Cooperative Creameries Limited* (Doctoral dissertation, School of Business, University of Nairobi).

Agha, S., Alrubaiee, L., & Jamhour, M. (2011). Effect of core competence on competitive advantage and organizational performance. *International Journal of Business and management*, *7*(1), 192.

Ambe, I. M., & Badenhorst-Weiss, J. A. (2014). South African automotive industry: Trends and challenges in the supply chain. *Journal of contemporary management*, *8*(1), 337-362

Ambe, I. M., & Badenhorst-Wess, J. A. (2013). Challenges of locally manufactured vehicle supply chains in South Africa. *Journal of Transport and Supply Chain Management*, *7*(1), 1-8.

Armstrong, M., & Taylor, S. (2014). *Armstrong's handbook of human resource management practice*. Kogan Page Publishers.

Arnas, E. R., de Sousa Jabbour, A. B. L., & Saltorato, P. (2013). Relationships between operations strategy and lean manufacturing: An exploratory study. *African Journal of Business Management*, *7*(5), 344.

Austin, R., & Gittell, J. H. (2012). *When it should not work but does: Anomalies of high performance* (pp. 80-106). Cambridge University Press: Cambridge.

Balderstone, S. J., & Mabin, V. J. (2012). A Review of Goldratt's Theory of Constraints (TOC)–lessons from the international literature. In *Annual Conference of the Operational Research Society of New Zealand* (pp. 19-30).

Brentani, U. (2013). Innovative versus incremental new business services: different keys for achieving success. *Journal of Product Innovation Management*, *18*(3), 169-187.

Brito, L. A. L., Brito, E. P. Z., & Hashiba, L. H. (2014). What type of cooperation with suppliers and customers leads to superior performance? *Journal of Business Research*, *67*(5), 952- 959.

Churchill and Brown (2004). *Statistical design and the analysis of gene expression microarray data. Genet Res. 2001, 77: 123-128*

Creswell, J. W., & Miller, D. L. (2000). Determining validity in qualitative inquiry. *Theory into practice*, *39*(3), 124-130.

De Brentani, U., Kleinschmidt, E. J., & Salomo, S. (2012). Success in global new product development: Impact of strategy and the behavioral environment of the firm. *Journal of Product Innovation Management*, *27*(2), 143-160.

Desbordes, W. (2011). *Effect of Customer Relationship Marketing on Performance in the Banking Industry in Ghana: A Case Study of Some Selected Barclays Bank Branches in Kumasi* (Doctoral dissertation, institute of distance learning, Kwame Nkrumah university of science and Technology-Kumasi).

Diaz, Martin, Maria & Lopez (2015). World-class manufacturing versus strategic trade-offs. *International Journal of Operations & Production Management*, *12*(4), 19-31.

Frankel, E. N. (1993). In search of better methods to evaluate natural antioxidants and oxidative stability in food lipids. *Trends in Food Science & Technology*, *4*(7), 220-225.

Gai, K., & Steenkamp, A. (2014). A feasibility study of Platform-as-a-Service using cloud computing for a global service organization. *Journal of Information Systems Applied Research*, *7*(3), 28.

Godinho Filho, M., Barco, C. F., & Neto, R. F. T. (2014). Using Genetic Algorithms to solve scheduling problems on flexible manufacturing systems (FMS): a literature survey, classification and analysis. *Flexible Services and Manufacturing Journal*, *26*(3), 408-431.

Gokkaya, O. (2015). Linking Core Competence, Innovation and Organization Performance. *Journal of Business research Turk*, *7*(1), 90-102.

Grissemann, U., Plank, A., & Brunner-Sperdin, A. (2013). Enhancing business performance of hotels: The role of innovation and customer orientation. *International Journal of Hospitality Management*, *33*, 347-356.

Gunday, G., Ulusoy, G., Kilic, K., & Alpkan, L. (2013). Effects of innovation types on firm performance. *International Journal of production economics*, *133*(2), 662-676.

Havenga, J. H., Simpson, Z. P., De Bod, A., & Viljoen, N. M. (2014). South Africa's rising logistics costs: an uncertain future. *Journal of Transport and Supply Chain Management*, *8* (1), 1- 7.

Hill, C. W., Jones, G. R., & Schilling, M. A. (2014). *Strategic management: theory: an integrated approach*. Cengage Learning.

Hsu, C. C., Choon Tan, K., & Laosirihongthong, T. (2014). Antecedents of SCM practices in ASEAN automotive industry: Corporate entrepreneurship, social capital, and resource- based perspectives. *The International Journal of Logistics Management*, *25*(2), 334-357.

Jaakkola, M. (2016). Strategic marketing and its effect on business performance: Moderating effect of country-specific factors. *Published MSC Thesis, Helsinki University of Technology*.

Jabbouri, N. I., & Zahari, I. (2014). The role of core competencies on organizationa performance: an empirical Study in the Iraqi Private Banking Sector. *European Scientific Journal, ESJ*, *10*(10).

Jarvinen, J., & Karjaluoto, H. (2015). The use of Web analytics for digital marketing performance measurement. *Industrial Marketing Management*, *50*, 117-127.

John H. Holland, Murray Gell-Mann, W. Brian Arthur, (1990). Complex adaptive systems

Kangogo, E. J., Musiega, D. J. M., & Kakamega, K. (2013). Effect of Customer Satisfaction on Performance of the Hotel Industry in the Western Tourism Circuit of Kenya. *European Journal of Business and Management*, *5*(14), 87-100.

Katawneh, A. I. (2014). The impact of Core Competencies in improving the Organization commitment of employees in Mutah University in Jordan. *International Journal of Academic Research in Business and Social Sciences*, *4*(8), 376.

Kim, W. C., & Mauborgne, R. A. (2014). *Blue ocean strategy, expanded edition: How to create uncontested market space and make the competition irrelevant*. Harvard business review Press.

Kombo, D. K., & Tromp, D. L. (2006). A (2006). project *and thesis writing*.

Kothari, C. R. (2009). Research methodology: An introduction. *New Age International Publishers New Delhi*.

Krajewski, L. J., Ritzman, L. P., & Malhotra, M. K. (2013). *Operations management*. Singapore: Addison-Wesley.

Kroes, J. R., & Ghosh, S. (2013). Outsourcing congruence with competitive priorities: Impact on supply chain and Organization Performance. *Journal of operations management*, *28*(2), 124-143.

Kuhn, (1974). General system theory. *New York*, *41973*(1968), 40.

Lechner, C., & Gudmundsson, S. V. (2014). Entrepreneurial orientation, firm strategy and small Organization Performance. *International Small Business Journal*, *32*(1), 36-60.

Li, Y., Zhao, Y., Tan, J., & Liu, Y. (2015). Moderating effects of entrepreneurial orientation on market orientation-performance linkage: Evidence from Chinese small firms. *Journal of small business management*, *46*(1), 113-133.

Lin, M. J. J., Hung, S. C., & Hung, S. W. (2014). Competitive priorities and Organization Performance: a mediating effect of alliance type. *International Journal of Management and Enterprise Development*, *13*(2), 147-163.

Luke, B., & Chu, V. (2013). Social enterprise versus social entrepreneurship: An examination of the 'why'and 'how'in pursuing social change. *International Small Business Journal*, *31*(7), 764-784.

Magugu, E., Oloko, M., & Nyangau, A. (2014). influence of new product development on perfomance of safaricom phone service provider, Kisumu, Kenya. *Journal of Supply Chain Management Systems*, *3*(3).

Makena, M. L. (2014). Rebranding strategy and performance of savings and credit co-operatives in meru county, kenya. *MBA Project, University of Nairobi, Nairobi*.

Maylor, H., Turner, N., & Murray-Webster, R. (2015). "It worked for manufacturing…!": Operations strategy in project-based operations. *International Journal of Project Management*, *33*(1), 103-115.

Mensah, C., Diyuoh, D., & Oppong, D. (2014). Assessment of supply chain management practices and its effects on the performance of Kasapreko company limited in Ghana. *European Journal of Logistics Purchasing and Supply Chain Management*, *2*(1), 1-16.

Mukami, N. S. (2012). *Response strategies adopted by handicraft traders in Kenya to challenges of exporting* (Doctoral dissertation, UNIVERSITY OF NAIROBI).

Naude, M. J., & Badenhorst-Weiss, J. A. (2013). Supply chain management problems at South African automotive component manufacturers. *Southern African Business Review*, *15*(1).

Nave, D. (2002). How to compare six sigmas, lean and the theory of constraints. *Quality Progress*, *35*(3), 73.

Neill, S., & Rose, G. M. (2014). The effect of strategic complexity on marketing strategy and organizational performance. *Journal of Business Research*, *59*(1), 1-10.

Nganga, S. I., & Mwachofi, M. M. (2013). Technology Adoption and the Banking Agency in Rural Kenya. *Journal of Sociological Research*, *4*(1), 249-266.

Ngaruiya, B., Bosire, M., & Kamau, S. (2014). Effect of mobile money transactions on financial performance of small and medium enterprises in Nakuru Central Business District. *Research Journal of Finance and Accounting, 5 (12): 53*, *58*.

O'Regan, N., & Ghobadian, A. (2004). The importance of capabilities for strategic direction and performance. *Management Decision*, *42*(2), 292-313.

Ogolla, N. O. (2013). *Operations Strategy and Performance Among Motor Vehicle Assemblers In Kenya* (Doctoral dissertation, University of Nairobi).

Orodho, (2003). Essentials of educational and social sciences research methods: Qualitative and

Pires & Neto, (2014). Difficulty to overcome supply chain challenges faced by vehicle manufacturers in South Africa. *Journal of Applied Business Research*, *30*(5), 1539.

Quantitative Approaches. Nairobi Acts press

Swiecki, B., & Gerth, R. J. (2015). Collaboration in the Automotive Supply Chain-Realizing the Full Potential of a Powerful Tool. *Ann Arbor*, *1001*, 48108.

Wang, G., Gunasekaran, A., Ngai, E. W., & Papadopoulos, T. (2016). Big data analytics in logistics and supply chain management: Certain investigations for research and applications. *International Journal of Production Economics*, *176*, 98-110.

Wood Jr, D. R., Gilbreath, G. H., Rutherford, M. W., & O'Boyle, E. H. (2014). Competitive operations priorities and Organization Performance in small community banks: A test of trade- offs. *Journal of Applied Management and Entrepreneurship*, *19*(4), 82.

Zaim, H., Yaşar, M. F., & Ünal, Ö. F. (2013). Analyzing The Effect of Individual Competencies of Performance: A Field Study in Services Industries in Turkey. *Journal of Global Strategic Management*, *14*(2).

Zwick, T. (2002). Employee resistance against innovations. *International journal of Manpower*, *23*(6), 542-552.