

Effect of Deployment of Strategic Leadership on Organizational Performance: A Case Study of Selected Dairy Processing Firms in Nairobi City County, Kenya

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Received January 19, 2024; Revised February 20, 2024; Accepted February 28, 2024

Abstract The serious issue in the Kenyan dairy processing firms is poor strategic leadership in the midst of the fierce competition as organizations compete to achieve competitive advantage and market reach through enhanced performance. The general objective of the study was to investigate the influence of strategic leadership on the performance of dairy processing firms in Nairobi City County, Kenya. The specific objectives included determining the effect of organizational core competences, organizational culture, organizational processes and networking on the performance of dairy processing firms in Nairobi City County, Kenya. This study was anchored on dynamic capability theory, goal setting theory and resource-based view theory. The study adopted a descriptive research design. The respondents for the study were 350 staff members. The study used a semi-structured questionnaire as the data collection instrument. Primary data was analysed using statistical package for social sciences based on the questionnaires. From the study findings, it established that core competences has a significant and direct relationship with core competences and performance of dairy processing firms. The study established that there is a direct relationship between organization culture and performance of dairy processing firms. The study findings indicated that there is significant relationship between organizational process and performance of dairy processing firms and lastly, majority of the respondents agreed that networking impacts performance of dairy processing firms. The management of the dairy processing firms should include core competencies in its strategic plans to ensure continued high performance. Organizational culture should be enhanced since it enhances performance and the dairy processing firms must encourage a culture in which employees are allowed to understand how the organization operates. The organizational process must be carefully worked out and applied process in the entire organizations. This process involves determining what work is needed to accomplish the goal and assigning those tasks to individuals. This should result in a work environment where all team members are aware of their responsibilities. The dairy processing firms should focus on ways of maximizing the utilization of relational trust by cultivating trust amongst staff and interactions in open forums, and encouraging information sharing amongst their networks in order to boost performance. In addition, these dairy processing firms should create strategic networks and partnerships that are unique and inimitable by other organizations to enable them acquire innovations, resources, skills and competencies, thus improving performance. There is need to focus on a different geographical area to establish whether the results will be similar to the findings of the current study. The study should also cover different variables not used in the current study such as strategic thinking, competitive advantage and organizational resources.

Keywords: *strategic leadership, firm performance, brand promotion, competitive advantage, work life balance, organization culture, organizational core competencies, organizational process*

Cite This Article: Lucy Kiende, and Janet Kavengi Muthimi, "Effect of Deployment of Strategic Leadership on Organizational Performance: A Case Study of Selected Dairy Processing Firms in Nairobi City County, Kenya." *Journal of Business and Management Sciences*, vol. 12, no. 1 (2024): 46-59. doi: 10.12691/jbms-12-1-5.

1. Introduction

According to Matarishi [1], strategic leadership is the ability to impact other people in making decisions that foster organizational prospects of long-term success voluntarily with a keen focus on maintaining a short-term organizational stability. Strategic leadership body has the

responsibility of building and executing capability among the employees enhancing organizational core competencies. In this process, strategic leadership is operationalized as the body that identifies organizational resources, enhances the resources, allocates the resources to foster product quality and also engages in innovation with a view to fortify product quality. Muthimi and Kilika [2] are of the view that an organizational leadership strategy coupled with key behavioural focus will result to

a positive organizational performance. This supports the need for this study which focused on the deployment of strategic leadership on the performance of dairy processing firms in Nairobi City County, Kenya.

Key strategic leadership actions that characterize strategic leadership entail determination of strategic direction, growth of human capital and, exploiting of core competencies. Palladan, Abdulkadir and Wen indicate that the main components of strategic leadership in an organization include strategic direction, strategic thinking and management of change. In addition, Strategic leadership components include organization direction, change management and emphasis on skills development. According to Hadrawi [3], strategic leadership encompasses vision and mission creation, strategic thinking, management of change, staff skill development. The application of these strategic leadership actions leads to efficiency in service delivery, reduces cost of service delivery and improves customer satisfaction. Kadzo and Muthimi [2] have stressed on the importance of strategic leadership emphasizing that organizations should stick to top-down approach of leadership in enhancing accountability which is also applicable in any organization.

According to Bratianu organizational performance is the ability of an organization to reach its goals and optimize results through application of different strategies. In today's workforce, organizational performance can be defined as a company's ability to achieve goals in a state of constant change. Organizational performance is measured for different levels of hierarchy and can be assessed for individuals, groups, and the entire organization as a whole. When assessing the organization's performance as a whole, a cohort of measures need to be adopted so that all components can be monitored and evaluated comprehensively. In fact, there is a conscious call to move towards a broader definition of organizational performance, one which recognizes and addresses sustainability of work processes and outcomes.

1.1. Statement of the Problem

The serious issue in the Kenyan dairy processing firms is poor strategic leadership in the midst of the fierce competition as organizations compete to achieve competitive advantage and market reach at through enhance performance (Bii and Kimuge, 2016). Furthermore, the dairy handling industry in Kenya is less cutthroat around the world and inside provincial business sectors hence causing the focus to be fixated on the neighborhood market with Nairobi City County being the focal point of this market because of its high population.

According to Bonilla et al., [4] A lack of appropriate strategies to manage most firms led to shortcomings which created openings for small and medium processors and a large informal sector which deals in raw milk. this situation has led to stiff competition in the industry, and constraints that inhibit growth such as low prices for raw milk, post-harvest milk losses, and lack of competitiveness. Consequently, some firms like Ilara Dairy, Spin Knit Dairy, Buzeki Dairy Ltd., and Delamere Dairies have been bought off by Brookside Dairies.

Mugo (2023) further cases that the issue develops significantly greater when territorial business sectors are

opened. With Kenya being an individual from African business sectors, for example, COMESA and EAC, the degree of rivalry has expanded (Tura et al., 2023).

Furthermore, inner changes including administrative changes have required change of how tasks in handling firms are made due. Accordingly, these associations have created and carried out cutthroat systems in a bid to stay above water in the serious climate. Kang'ethe et al., [5] asserts that the current business world has experienced rapid changes due to the ever changing political, environmental, sociological and political changes that have resulted to provision of innovative products in the market and ever-changing customers' needs. This has led to increased competition in the different sectors that has resulted to the closure of many firms that have not been fast in adapting to the versatile environment. In order to survive, firms must constantly improve their performance by reducing costs, enhancing quality and differentiating their products and this can be achieved by laying long term strategies.

Mtimet and Karugia [6] fight that a portion of the essential initiative plans have yielded huge development with a specific spotlight on the execution of Brookside. Other vital initiative methodologies have had troubling impact of the associations. As an outcome, serious differences are manifest in the exhibition of various dairy handling firms in Nairobi. This study analyzed by assuming that essential authority is the answer for the issues confronting dairy handling firms in Nairobi County.

Different studies have tended to the idea of strategic leadership and execution yet have left basic holes that will be filled by the ongoing review. Van Dorssen-Boog et al. [7] asserts that self-leadership intervention facilitates healthcare workers to develop self-determination and autonomous motivation, which will positively impact their work engagement, health, and performance. Participation in the self-leadership intervention needs to be based on volition as this will contribute to the intrinsic motivation for actual self-leadership development through training.

Fitza, (2017) endeavored to address the part of initiative capability however like Quigley and Graffin, (2017) just centered around the impact of the Chiefs on hierarchical execution. These examinations forget about on the component of staggered impact of key initiative subsequently leaving a hole.

Kitonga (2017) endeavored to explore the staggered impact of key administration however doesn't utilize different relapses to examine the information subsequently leaving a hole in the discoveries. As Gekonge [8] notices, most investigations did about essential administration have been prevalently worried about the issues of well thought out courses of action and execution instead of zeroing in on the immediate and aberrant impact the essential authority. Restricted writing on the relationship between essential initiative and execution implies that this is a region that isn't grasped [9]. As such, a literature gap exists and needs to be filled both for the sake of the organization and formation of a foundation on which future studies will be carried out. In this light, this study filled the knowledge gap through investigating the influence of strategic leadership on performance of dairy processing firms in Nairobi City County, Kenya.

1.2. Objectives of the Study

- i. To determine the effect of organizational culture on the performance of dairy processing firms in Nairobi City County, Kenya.
- ii. To establish the effect of organizational core competences on the performance of dairy processing firms in Nairobi City County.
- iii. To examine the effect of organizational process on the performance of dairy processing firms in Nairobi City County, Kenya.
- iv. To determine the role of networks on the performance of dairy processing firms in Nairobi City County.

2. Literature Review

This section dealt with the theoretical review and the empirical review of literature in relation to specific objectives.

2.1. Theoretical Literature Review

Different theories have been put forward to facilitate understanding of strategic leadership concept and the influence it has on organizational concept. This study was anchored on resource-based view theory, dynamic capability view and the goal setting theory.

2.1.1. Resource Based View Theory

The Resource Based View (RBV) theory was advanced by Penrose [10]. This is a managerial framework used to determine the strategic resources a firm can exploit to achieve sustainable competitive advantage. RBV focuses attention on an organization's internal resources as a means of organizing processes and obtaining a competitive advantage. Barney stated that for resources to hold potential as sources of sustainable competitive advantage, they should be valuable, rare, imperfectly imitable and not substitutable. The resource-based view suggests that organizations must develop unique, firm-specific core competencies that will allow them to outperform competitors by doing things differently (Barney, 1991).

According to the RBV theory, the resources enable the organization to improve performance by practicing operational efficacy by increasing differentiation and decreasing the cost of production. Rareness create perfect competition since resources will be possessed by fewer organizations. Leaders develop strategies that opponents are not able copy. Immobility of intangible resources like operation process, brand equity, intellectual property helps organizations to enact barriers to imitate their resources. In doing this competitor will be unable to understand what causes organization superior performance. Consequently, strategic leaders are concerned with unique aspects of resource management to perform better than competitors. Therefore, strategic leaders should be able to link resources to capabilities (Barney, 1991).

The only setback for this theory is that the theory cannot be tested. The adopted methodology is complex thus complicates the theory (Barney, Ketchen and Wright,

2011). Another setback of this theory is that the intangible resources proposed by theory cannot be measured. A strategy is the match an organization makes between the internal resources and skills and opportunities and risks created by its external environment (Mahoney and Pandian, 1992). The resourced view theory is connected to this study, it will assist the senior managers with upgrading the assets for strategy implementation.

2.1.2. Dynamic Capability Theory

This theory was proposed by David in the late 1990s [11]. It is concerned with organizational aptitude to form and coordinate organizational resources. It is worried about authoritative fitness to frame, coordinate and design inside and outer assets to address tenaciously evolving conditions. The hypothesis underscores that for an association to answer successfully to outer changes, it requires various capabilities. As Lessard, Teece and Leih (2016) note, dynamic capacities involve the course of unmistakably recognizing exact and legitimate skills that license the association to develop and execute regard sources that drive hierarchical reason.

Liu [11] outlines three tenets of dynamic capabilities theory. Initial, an association can achieve vital abilities through detecting. This implies that the association can involve inward assets to recognize valuable open doors in the external climate. The hypothesis features the part of vital design of assets of milk handling firms in a reliably changing business climate that Nairobi City District is. Further, the hypothesis reveals insight into how key authority works with recognizable proof of new open doors to achieve target authoritative execution.

Furthermore, dynamic abilities hypothesis centers around holding onto limit of the association. As per Teece (2018), the holding onto skill of an association involves preparation of hierarchical inward assets to achieve the worth of recognizable open doors. In this light, an association that can decisively activate assets through essential administration acknowledges hierarchical objectives and target execution. Thirdly, dynamic capacities viewpoint centers around the component of change. The authoritative ability to oversee proceeded with reestablishment of approaches in order to upgrade hierarchical execution is basic (Williamson, 2016). This component of the hypothesis directed the review to lay out authoritative influential positions, for example, essential business configuration approaches in accomplishing hierarchical execution objectives.

The three fundamentals of dynamic ability hypothesis to be specific detecting, holding onto authoritative limit and the part of change will reveal insight into the signs of vital initiative. The marks of center abilities, hierarchical culture, authoritative cycles, and systems administration will be enlightened by the points of view of dynamic capacity hypothesis. The interrelationship between these pointers and vital initiative will be enlightened so as to upgrade assessment of the impact they have on hierarchical execution.

2.1.3. Goal Setting Theory

Locke and Latham [12] are the significant advocates of objective setting hypothesis. The hypothesis suggests that the speculation of essential objective and goal described

by definition of irksome objectives touch off better execution of vital authority objectives than when pioneers simply work on courageous assurance. Defenders of the hypothesis give that goals execution influence what individuals are driven hence meaning for the whole association. In this light, people can be instructed to focus on unambiguously, endure when there are hardships, and form new ways to deal with contain complex provokes to accomplish put forth objectives and helping the hierarchical presentation.

As per Young (2017), beneficent prizes, development of pay from a singular's work, advancement and acknowledgment are acknowledged when an association has set testing targets. These objectives are set with the arrangement of ideal test and lucidity of objectives. Van der Hoek, Groeneveld and Kuipers [13] contrast the execution of testing objectives with that of short-sighted objectives and lay out that while testing objectives are executed suitably, they understand more noteworthy outcomes than straightforward objectives. These objectives can zero in on the best way to impact individuals in the association to acknowledge execution objectives. Further, irksome objectives offer course to the pioneers which lead to achievement of the advancement being looked for [14].

This hypothesis will give significant pointers on the levels to which milk handling associations utilize various angles in essential administration to achieve put forth targets and execution objectives in Nairobi City Area. This will enlighten the associations' set targets and clarify how vital authority execute its capacities to accomplish key objectives (Youthful, 2017). The thought made by the hypothesis that defining key objectives impact execution of individuals and execution of key execution objectives will be tried in the concentrate through the foundation of the impact it has on execution of the organizations concentrated on through examination of the pointers proposed in the review.

2.2. Empirical Literature Review

Related literature was discussed in relation with studies done globally, regionally and locally in Kenya.

2.2.1. Effect of Organizational Culture on Performance

Quigley and Graffin (2017) did research which focused on the role of CEOs on organizational performance. The review utilized staggered demonstrating which encourages a preferable investigation strategy over ANOVA Examination and a longitudinal research design. External factors and strategic leadership were essential for the factors utilized in the research. The research laid out that executives essentially affect the organizational performance especially on offering direction to all employees to organizational culture. The investigation further established that when the initiative is focused on the making of a qualities and impacting staff members to focus on the course, better performance among the staff is recorded. The research also showed that the appropriately assessed CEOs impact, "is somewhere in the range of 3.9 and 5.0 percent". The study didn't address the impact of the strategic leadership particularly concerning founders other than CEOs who likewise fundamentally affect

impacting the authoritative culture and ultimately the organizations performance.

Knies et al, (2016) study focused on the influence of strategic leadership on the performance of public organizations. In the study, 46 individuals from senior management, 112 individuals from middle level management and 156 individuals from lower-level administration consequently a sum of 314 respondents. Defined arbitrary examining method was embraced and 157 respondents were distinguished for the review. Essential information was utilized as gathered through the survey. The review laid out that associations that drew in extraordinary and conditional authority approaches enrolled a basic impact on the exhibition of the association with difference in the spans of the singular associations. The review didn't recognize what impact these methodologies of vital authority have on the devotees regarding vision, inspiration and adherence to ethos practically speaking. It additionally focused on open associations.

Ezeanyim and Ezeanolue (2021) in their study focused on business ethics and organizational performance in South Eastern of Nigeria. The survey design was adopted and a population of one thousand three hundred (1300) small and medium-sized businesses that are managed by the owners were covered. A sample size of 297 owner managers were drawn from the population. The systematic sampling technique was used in this study. Data were collected using copies of questionnaires. The hypotheses were tested using the Spearman Rank Order Correlation Coefficient. The study found that there is a significant relationship between the dimensions of workplace ethics (integrity and trustworthiness) and the measures of organizational performance (corporate reputation and profitability). It was concluded that workplace ethics in terms of integrity and trustworthiness help in boosting the total performance of owner managers businesses in Rivers State. The study recommended that the owner managers of business organizations should ensure they act with high level of integrity as such will help enhance the firm's reputation.

Kitonga (2017) study went into deeper details of strategic leadership beyond just CEOs and investigated what influence strategic leadership has on not-for-profit organizations in Nairobi City County. A survey assessing strategic leadership practice and organizational performance was completed by managers representing 328 not-for-profit organizations in Nairobi County in Kenya. The study established a significant positive relationship between strategic leadership variables and organizational performance. The results found R value of 0.730 and R 2 value of 0.532 that is 53.2% of corresponding change in the Organizational Performance of NFPs for every change explained by predictor variables. The findings demonstrate that if not-for-profit leaders use well the strategic leadership they are likely to improve their organizational performance significantly. This paper examined the practice of strategic leadership in not-for-profit organizations in Nairobi County in Kenya. Future research that seeks to replicate these findings is warranted. This paper proposes the study of strategic leadership as a way of enhancing not-for-profit organizational performance.

2.2.2. Effect of Organizational Core Competences on Performance

Sultan and Srivastava (2018) conducting a study to assess the role that marketing competence plays in competitiveness of firms. The study was done on agro-processing SMEs in India – 24 Jammu and Kashmir areas. The study used composite score index method in measuring the variables and findings show a positive relationship. The expansion and growth of the SMEs is dependent on managerial and policy applied, and development of the marketing competencies of the marketing team members. Critically, the study does not share its sources for the data and how it was analyzed to obtain the above results. Contextually, the study was done in India and conceptually, the study considers the relationship between marketing capability competence and competitiveness with no mention of performance. The current study will seek to collect information to prove how strategic leadership enhances organizational resources for the development of a good working condition and influence the performance of an organization.

Musibau, Choi and Oluyinka [15] researched on the impact of sales promotion and product branding on company performance. The study sampled 60 employees. Data was collected using survey questionnaires. Data was analyzed using chi-square (χ^2). It was revealed that product branding and sales promotion affect organizational growth. Kalemb [16] researched on Contribution of branding in enhancing performance of tourism sector in Rwanda. Findings revealed that there was a relationship between branding and tourism performance in Rwanda. Wed [17] conducted a research on the impact of brand identity on customer loyalty and sales performance in local companies it was revealed that brand identity has an influence on the customers' loyalty and the sales performance.

Oloko et al. (2014) examined the marketing strategies that Safaricom Ltd has utilized to spur its remarkable growth in terms of the market share as well as its unprecedented strong super profit within the telecommunication industry in both Kenya and the entire East Africa region. The study found out that various marketing mix and techniques were employed by Safaricom, which included auditory marketing, new product creation, animation, pricing, place, content localization and the techniques were found to enhance the uptake of Safaricom's products hence, resulting to increased revenue leading to profitability. Kimani [18] explored the effectiveness of the various marketing strategies, which are undertaken at the Kenya Revenue Authority, the success and impact of marketing on the operations of the Authority. The study found that that marketing has greatly affected the amount of revenue collected by KRA.

Njoroge, Muathe and Bula [19] investigation was done on human capital resource and its effect on performance in the Kenyan mobile phone companies. The study used explanatory. The target population was 381 respondents and the sample size was 170 respondents from the four mobile phone companies in Kenya. The research adopted stratified random sampling technique. The study used mainly primary data which was collected using self-administered questionnaires. Data was analyzed using inferential statistics. The analysis used stata statistical package version 11.0 to aid data analysis. The results were

presented using tables. The findings indicated that human capital had a positive significant effect on performance of mobile phone companies. The study recommends that human capital is a key player in establishing performance therefore; managers should introduce more training to improve human capital skills. The current study will broadly investigate how strategic leadership uses enhancement of core competences to influence the performance of dairy processing firms.

Kaleli [20] on management competence and its impact on the company performance for firms listed at the NSE and targeted all the 64 firms that are listed in the NSE and collected data from human resource managers. The study targeted human resource managers of each of the 64 firms listed on the Nairobi Securities Exchange as at December, 2014, and 34 of them responded. The study adopted the positivist research philosophy and a descriptive survey design. Statistical Package for Social Sciences (SPSS) Version 21 was used to analyze data using regression analysis. Research findings from the test of hypothesis established that management competence has positive and significant effect on firm performance. The study finding supports the Resource-Based View and Knowledge Space Theory which underscore the crucial role of management competence in company performance. The study recommends further investigation of the study variables in non-governmental organizations, small and medium sized enterprises and faith-based organizations.

Mwithi [21] thought about capabilities of pioneers and impact on execution for the state enterprises in Kenya. 187 state enterprises were designated and 131 were remembered for the review and surveys were utilized to gather essential information. The outcomes uncovered that initiative capabilities prompted monetary execution of these state companies and the ideas of administration abilities included perspectives like self and social mindfulness and magnificent social and the board abilities. Simultaneously initiative capability like mindfulness and the general discoveries show a positive connection between these factors. The association size as the directing impact had prompted tremendous impact between administration capabilities and execution. The review covers the pioneers and not thinks about impact of the representatives on execution and furthermore considers just state enterprises in Kenya which are non-benefit making associations, consequently as far as setting there is need to grow writing to cover different associations in various areas of the economy.

2.2.3. Effect of Organizational Processes on Performance

Alzoubi (2015) in his study focused on the impact of business process management on business performance superiority. The study adopted the approach of business processes management life cycle as a basis for detecting the idea of superiority. The sample included (89) managers, and their opinions and responses were used to describe (process identification and design, process modeling and documentation, process monitoring and controlling, and process optimization, in addition to describe the dimensions of business performance superiority, operational and competitive. Multiple regression analysis method was used to test the idea of the

study model, to highlight the contribution of business process management to interpretation of organization's business performance superiority. Sustained superiority requires organization managers to support business processes orientation financially and morally within the business entrepreneurship window, under uncertainty environment, characterized by risk and changeable as future perspective of the value of organization's business performance superiority.

A study conducted by Nyaguthii (2022) which focused on the relationship between organizational processes and employees' performance in County Governments in Kenya. The review laid out that hierarchical cycles give a helpful, middle degree of examination of the hierarchical limit. The review technique was utilized to assist with deciding the connection between limit expanding on representatives' presentation in region state run administrations in Kenya. Delineated examining likelihood and basic irregular testing procedures were used in drawing a delegate test from a populace of 47 provinces for the review. The reaction rate was in the level of polls returned. 300 and 81 polls were circulated to the respondents and 300 and 36 were returned hence accomplishing a reaction pace of 88.19 %. Organized polls were managed as the principal information assortment instrument. The concentrate additionally utilized optional information from reading material, diaries, hierarchical manuals and the web. Primary condition demonstrating and multivariate factual apparatuses were utilized to investigate the information. Relapse was utilized to examine the relationship of limit expanding on the workers' exhibition. The speculations were examined utilizing chi and Z-test. The outcomes were introduced in unmistakable information like tables, frequencies, outlines and rates. The finding was that hierarchical cycles emphatically impact worker execution. The scientist encouraged the district government HR expert to plan on the most proficient method to further develop work processes since they affect representatives' exhibition.

Pooja [22] focused on the influence of business process management on organizational performance. Business processes have turned into the most fundamental administration worldview in the new thousand years' serious worldwide market. Longitudinal exploration configuration was used in the study. The targeted population was 216 employees. The effects of business process to the managers on organizational performance were examined in this study. Talking with supervisors and recognizing their points of view and practices for the year 2018-2020 was used to carry out descriptive research design on a sample of 145 organizations. The impacts of business process management (BPM) on organizational performance are investigated in this research. Interviewing managers and identifying their perspectives and practices for the year 2018-2020 was used to perform empirical research on a sample of 145 businesses. The findings of the study show that BPM features have a favorable impact on the efficiency of business operations. The findings are particularly valuable for managers because they highlight the importance of applying the business process

management concept more consistently in day-to-day company operations in order to make better decisions.

Mutuku, Muathe and James (2019) examined how e-commerce capability and performance related among Kenyan commercial banks as mediated by competitive advantage. They argued that the banking industry was very competitive thus requiring competitive advantage as well performing banks were of interest to many parties. The study adopted explanatory research design and surveyed all the 43 commercial banks in operations in Kenya as at 31 December 2016. It used secondary data from banks' websites as well as financial statements and supervision reports on the banks. It found out that competitive advantage was a partial mediator. The study adopted a narrow lens of viewing firm performance by using financial measures only. The current study measured performance broadly.

Wanjiru, Muathe and Kinyua - Njuguna, [23] examined how competitive advantage mediated the interaction between corporate strategies and firm performance. They used descriptive and explanatory survey designs allowing triangulation of findings thus raising validity of results. It targeted 189 large manufacturing firms in Nairobi City with data collected through semi-structured questionnaires. Analysis was both descriptive and inferential with findings showing that competitive advantage was a mediator in the relationship. The study's explanatory variable was corporate strategies hence focused on whom firms competed with rather than how they competed. The current study's explanatory variable was cost leadership strategy hence addressed cost related performance challenges. The current study will examine influence of strategic leadership on innovation and creativity in the organization.

Bolo, Lorika and Obonyo [24] investigated the effects of value chain strategies among milk processing industries in Kenya. The participants in the study were the top management of milk processors and focused on 67 managers. Questionnaires were the data collection instruments used in the study. The questionnaire was administered using the drop and pick method. The collected data was analyzed by use of SPSS. This empirical investigation used quantitative and qualitative analysis and found that Small Scale Milk Vendors (SSMVs) in Kiambu, County, Kenya, had added value to milk at varying degrees though most of the milk was still sold in raw form and had adopted various methods to influence customer uptake of the dairy products. Access to markets for diversified products had a positive linear relationship on dairy enterprise performance. The study recommends that the government of Kenya and key actors in the dairy sector in an effort to boost the economy and create employment have a major role to play in helping the SSMVs find markets for their value-added dairy products. The study proposes that an intervention for SSMVs in the dairy sector in Kenya based on innovative models anchored on establishing informal and formal networks should be explored as an option to increasing market access for their value-added dairy products. This will help in disposal of seasonal surpluses; reduce losses along the dairy chain and increase productivity and incomes of the SSMVs and the government.

Mbaya, Maina and Namusonge [25] study investigated strategic Thinking and Performance of Dairy SMEs in Kenya. The study was anchored on the Leidtka Model. Positivism research philosophy was adopted. Descriptive and explanatory research designs were used. A census survey was conducted on all the small and medium-sized dairy processing firms in Kenya and primary data was collected. Descriptive statistics such as mean and standard deviation were used to explain data characteristics, while multiple regression was used to test the effect of the study variables on firm performance. The results showed that strategic thinking has a positive significant effect on the performance of small and medium-sized dairy processing firms in Kenya, thus it was perceived that strategic thinking aids creation of a path for what the firm wants to become through focusing on their intent, systems, timely thinking, intelligent opportunism and hypothesis-driven research. The study contributes to the body of knowledge by filling contextual, empirical, and conceptual gaps identified earlier in literature and establishing a nexus of strategic thinking and performance of small and medium-sized dairy processing firms in Kenya. The study recommends that strategic thinking should be enhanced particularly by using research to inform their decision-making and practice quick decision-making to mitigate or exploit opportunities while thinking of possible solutions to unexpected challenges.

Mwasiaji (2020) study investigated the influence of providing resources to discovery of new and improved products in dairy processing organizations. The target population used in the study was 23 small and medium enterprises and registered by Kenya Dairy Board. The target population comprised of the CEO, finance heads, advertising manager and the innovation and business development manager. The primary data was collected by use of self-administered semi-structured questionnaire. Data analysis was done by use of descriptive statistics such as frequencies, percentages, mean scores and standard deviation with the aid of SPSS and presented through tables, charts, graphs, frequencies and percentages. The study established that new product design, distribution chains and mergers and acquisitions are all outstanding business entry strategies. The study also established that dairy firms that had focused on their expansion plans anchored on innovation and technology and better results.

2.2.4. Effect of Networking on Performance

Beatrice (2020) in her research focused on the importance of Intra-Organizational Networking for Generation Z and Millennials. The data was gathered with the assistance of 10 expert understudies in the vital HRM instructive program. The target population was 374 respondents. The participants' typical age was 47. Around 55.88% of the respondents were more youthful than 40 years of age. Sixty six percent of the participants had an extremely durable agreement, 60.16% of the respondents worked parttime. A self-report questionnaire was distributed among a sample of employees working in a range of different types of organizations ($n = 374$). It was concluded that employability fully mediates the relationship between intra-organizational networking and individual task performance. However, this mediation

effect did not vary between younger and older employees. This study extends past research by applying a human capital perspective (in particular, social capital) and life-span development frameworks for explaining employability and task performance enhancement across one's working life. It provides useful insights for stimulating career development and individual performance growth, by means of social capital, herewith increasing the individual employee's chance to survive in nowadays' labor markets. This suggests that functioning organizations should be persistently worried about the manageability of their staff employability to protect their presentation across their vocation.

Saula [26] examined the effect of networking on organizational performance in the banking industry in Nigeria. The purpose was to determine how networking capability influences organizational performance of deposit money banks in Nigeria. The design of the study was a survey and the population was 2,413 low, medium, and senior-level managers of five selected deposit money banks in Nigeria licensed by Central Bank of Nigeria (CBN) for commercial banking. The sample was 463 determined using Krejcie and Morgan (1970) formula in addition to an attrition rate of 40%. The study used the stratified proportionate random sampling technique. Primary data were collected using the structured validated questionnaire from the specified units of measurement with instruments assessed for reliability using the Cronbach alpha coefficient. Results demonstrated all constructs to be highly reliable, Cronbach's alpha coefficients for the constructs ranged from 0.783 to 0.842. The response rate was 86.9%. Data collected were analyzed using multiple linear regression analysis. The finding revealed that networking through ATMs, branches, phones, and the Internet as introduced by Nigerian deposit money banks improved organizational performance ($\beta = 0.139$, $t = 3.281$, $p < 0.05$). The study recommended that executive management should spend more on current technology and financial innovation. This will improve bank efficiency and cut expenses. Through financial innovations, the bank may expand its products and services, improving sales and bank performance.

Acquaah [27] focused on the Impact of Managerial Networking Relationships on Organizational Performance in Sub-Saharan Africa: Evidence from Ghana. The information for this study were gathered from senior leader's CEOs/overseeing chiefs and their representatives, and tops of the money/bookkeeping capability) of assembling and administration firms working in Ghana. The example comprised of the 200 biggest organizations chose from the Ghana Professional listing and the enrolment index of the Relationship of Ghana Businesses. Likelihood examining was not utilized in choosing the companies; nonetheless, every one of the huge organizations in Ghana were remembered for the review. After a few visits to the organizations' reactions were gotten from 115 firms. Every one of the polls were usable, with the exception of nine for a reaction pace of 53%. The reaction pace of 53% contrasts well and comparative examinations directed in comparative conditions. The findings provide strong support that managerial networking relationships developed with top managers of other firms, government bureaucratic officials, community

leaders, and leaders of employee unions and representatives enhance organizational performance. However, managerial networking relationships developed with politicians at different levels of government are either not related to performance or impede performance. Empirically, the findings confirm that managerial networking relationships may have beneficial as well as detrimental effects on organizations.

Mutia [28] in Kenya focused on the role of strategic leadership on the development of faith-based organizations in Kenya. The study population comprised of one hundred and twenty-six (126) Bishops and four thousand, six hundred and sixty-seven (4667) clergy serving with the five major Christian denominations in Kenya, namely, the Roman Catholic Church (R.C.C), the Anglican Church of Kenya (ACK), the Presbyterian Church of East Africa (PCEA), the African Inland Church and the Methodist Church in Kenya (MCK). A Stratified random sampling technique was used to choose a sample size of 95 bishops and 368 clergy drawn from the five churches. The data collection tool used was a self-administered structured questionnaire. Descriptive statistics were presented in the form of frequency distributions, means and pie charts, while factor analysis, correlations, chi-square, Analysis of Variance (ANOVA) and regressions were used to present inferential statistics. Regression was used to test the hypothesis. The data was analyzed using the statistical program for social sciences (SPSS) as a tool. A regression analysis which was done to determine the relationship between setting the strategic direction and the church's infrastructural growth had a strong correlation. In the model summary, R^2 is 0.673 which indicates that the setting of the church's strategic direction causes a 67% variation in the infrastructural growth of the church. On the other hand, the ANOVA tests showed a regression of less than 0.05, which was significant and which established that the setting of the church's strategic direction has a significant influence on the infrastructural growth of the church. The study concluded that the determination of the church's strategic direction positively influences its infrastructural growth and recommends further studies to determine the different leadership styles that are key in ensuring sustainable growth of the church and faith-based organizations in general.

King'oo et al., (2020) studied the effects of networking capability on performance of private universities in Kenya. The study was anchored on the Resource Based View theory. It was founded on positivist research philosophy and adopted a cross-sectional descriptive survey research design. Primary data collected from faculty deans, registrars' administrations and finance, human resource managers and ICT managers was used in the study. Data analysis was carried out using descriptive statistics; means, frequencies and standard deviations and inferential statistics (correlation and regression analysis). The study established that private universities adopted networking capability only to a moderate extent (mean=3.39). There was a significant effect of relational trust ($\beta=0.194$; $P=0.001$), relational capability ($\beta=0.079$; $P=0.000$), relational strength ($\beta=0.103$; $P=0.017$), coordination within networks ($\beta=0.106$; $P=0.010$), and information sharing ($\beta=0.278$; $P=0.000$) on performance of private universities. Initiation of business relationships ($\beta=0.053$;

$P=0.412$), and learning for success ($\beta=0.007$; $P=0.926$) had no significant effect on university performance. Overall, the study concluded that networking capability has a significant effect on performance of private universities in Kenya. Based on this conclusion, the study recommended that that private universities in Kenya should focus on ways of creating, maintaining, and maximizing avenues for information sharing, trust amongst stakeholders, inter-university relations, strengthen relations, and improve coordination within their networks. The study contributes to the body of knowledge by proposing a strategic capability model for private universities (and to a great extent public universities) for improving their performance by redirecting their focus to networking capability.

3. Research Methodology

The study adopted a descriptive research design. Descriptive design aims to describe or define a subject or phenomenon. It is basically the plan and structure of investigation. It's designed to establish factors associated with certain occurrences, outcomes, conditions or type of behaviour. It is carefully designed to ensure a complete description of the situation, making sure that there is minimum bias in collecting the data and to reduce errors in interpreting data to be collected (Kim, Sefcik and Bradway, 2016). More specifically, it helps answer the what, when, where, and how questions regarding the research problem, rather than the why. Further, Baillie [29] contends that descriptive research design also facilitates investigation of organizational abilities, knowledge, opinions, beliefs and behavior of groups and individuals. In this study, the opinions of organizational leaders, their beliefs, knowledge and values were instrumental in understanding the concept of strategic leadership and the influence it has on organizational performance in dairy processing firms. Further, the descriptive research design was suitable because it fosters collection of data that enables understanding of relationships between two types of variables [2,30]. In this light, it allows collection of diverse data within a short period of time. This trait of the design enabled the researcher to collect credible data that was useful in drawing conclusions about the phenomenon under study.

The study focused on strategic leadership and performance of dairy processing firms in Nairobi City County, Kenya. A Multiple regression model was utilized for the purpose of guiding the statistical analysis. In this case, strategic leadership was regressed on performance as shown in the model. Multiple regression models were:

$Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + \epsilon$. This is translated as below.

Performance = $\beta_1 + \beta_1$ Strategic Leadership + ϵ
The population of this study comprised of employees working in the six dairy processing firms in Nairobi city County namely New Kenya Cooperative Creameries Limited, Kulan Food Ltd, Milele New, Eldoville Dairies, Daima Africa and Bio Foods Ltd. The target population for the study was 350 employees.

The research adopted Slovin [31] guideline in coming up with the sample that was used in this study. In this way,

utilization of Slovin's formula, the review sample size was 187 respondents out of 350. This was 53.4% of the whole population. Stratified random sampling method was utilized to select the sample size. This method was utilized on the grounds that the sample was drawn from staff from various dairy processing firms. As Malmqvist et al., (2019) noted, the use of stratified random sampling method improves the representation of the strata within the target population. This guarantees that the selected sample was a true representative of the entire selected population.

In the research, primary and secondary sources of data were used. In the case of primary data, it was collected using a questionnaire which facilitated the collection of quantitative data. The questionnaire had two major sections for general information about the respondents and specific information regarding the objectives of the study. Secondary data for this study was collected through document review from published records. The researcher ensured that a pilot study was carried out on the data collection tool. To enhance face validity, the questionnaires was examined to establish how well they cover the concepts targeted in the study. In order to attain this, the data collection instrument was sent to seasoned researchers for vetting. The experts constituted of researchers in the field of strategic leadership and well versed in using descriptive study design. Expected comments from the expert were on the ability of the instrument to collect target data, if the questions in the questionnaire are meaningful in collecting target details and whether there was anything that could be done to the instrument to collect target data.

To ensure reliability, Leung (2015) suggested that in order to realize consistency in qualitative research, the methodology used and the epistemological logistics ought to yield similar data ontologically. In order to achieve this, constant data comparison, use of tables and inclusion of the deviant views were used to foster reliability of the data collected in the study. The measuring instrument's reliability was established when determining the association between the scores obtained through unique administrations of the tool. The Cronbach's Alpha is one the most reliable information that is currently available. The study relied on the Cronbach's Alpha to measure internal consistency where the reliability cycle was determined through the use of more than one question in the questionnaire. The Cronbach's coefficient reliability ranges from 0 to 1. Therefore, high level of internal consistency is determined by the proximity of the alpha coefficient to 1. Conversely, the level that is not acceptable is above 0.7. An alpha of more than 0.7 means that the data gives reliable results. The researcher administered the questionnaire using an online platform. The completed questionnaires were later submitted to the researcher through the same online platform.

4. Findings and Discussion

4.1. Introduction

In this study, 187 questionnaires were given to the staff

of the six dairy processing firms in Nairobi City County. Of those, 122 were filled out completely and returned by the respondents. This translated to 65 percent of those who responded and 35 percent did not respond. This is in research is considered adequate for the study to go on. According to Orodho (2009), 60% of responses are acceptable for a time period, and any response above 70% is ideal for the investigation.

4.2. Sample Measures

The sample measures that were considered relevant to the objective of this study were sample mean, sample standard deviation and coefficient of variation. These statistical measures were used for summarizing, describing and comparing the characteristics of the sample with respect to the research variables of interest.

4.3. Response Rate

In this study, 187 questionnaires were given to the staff of the six dairy processing firms in Nairobi City County. Of those, 122 were filled out completely and returned by the respondents as indicated in Figure 1. This translated to 65 percent of those who responded and 35 percent did not respond. This is in research is considered adequate for the study to go on. According to Orodho (2009), 60% of responses are acceptable for a time period, and any response above 70% is ideal for the investigation.

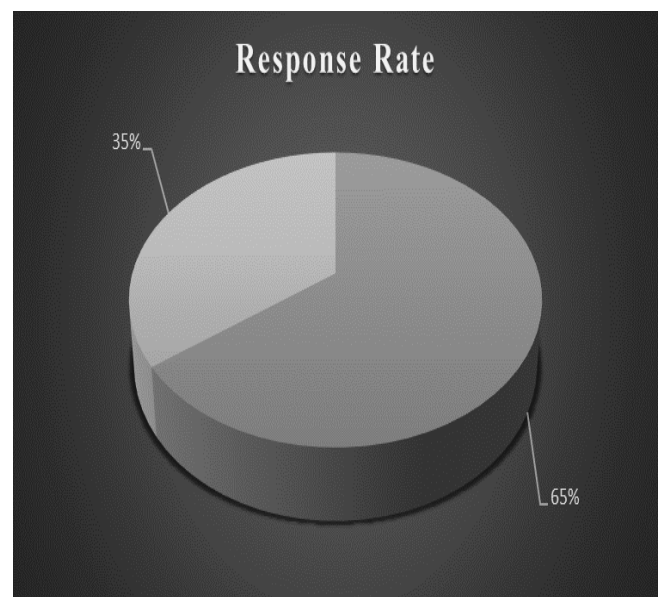


Figure 1. Response Rate

4.3. Respondent's General and Demographic Information

Under the demographic information, the respondents were asked about their general information regarding their gender, position held in the organization, number of years worked, age of the firm, number of employees and lastly the litres of milk produced. The research findings are indicated in Table 1.

Table 1 Demographic Information of Respondents

Gender	Frequency	Percent
Male	79	65
Female	43	35
Total	122	100
Years worked		
Less than 1 Year	14	11
1-5 Years	22	18
Between 6 - 10 Years	65	54
Over 10 Years	21	17
Total	122	100.0
Number of Employees		
1 - 50 Employees	4	3
51 - 100 Employees	11	10
101 - 200 Employees	45	36
201 - 300 Employees	51	42
Over 300 Employees	11	9
Total	122	100
Litres of Milk Produced		
1001 - 10,000 Litres	15	13
10,001 - 20,000 Litres	22	18
20,001 - 30,000 Litres	11	9
30,001 - 40,000 Litres	16	13
Above 40,000 Litres	58	47
Total	122	100

4.4. Descriptive Analysis

4.4.1. Core competencies and Performance

Based on the first research objective, the study attempted to determine the relationship between core competencies and performance of dairy processing firms in Nairobi City County. The respondents were asked to rate their level of agreement with several elements of core competencies that likely relate to performance. The different statements measured the respondents' level of agreement with regards to core competencies and performance of dairy processing firms in Nairobi City County. The findings are presented in [Table 2](#).

Table 2. Descriptive Statistics for Core Competencies

Statement	Mean	Std. Dev
Leadership is committed to identify core competences.	4.400	0.600
Leadership is determined to strengthen identified resources.	4.078	0.922
Resources are provided on time to enhance internal capacity.	4.30	0.700
Leadership is committed to improve product quality to improve performance.	4.020	.980
Leadership commits to improving innovation among employees.	4.23	.770
Aggregate Scores	4.08	.92

As indicated in the findings, most respondents agreed that Leadership is committed to identify core competences with a mean score of ($M = 4.4$, $SD = .600$). There was also high agreement that Leadership is determined to strengthen identified resources ($M = 4.078$, $SD = .922$). Additionally, the respondents agreed that resources are provided on time to enhance internal capacity ($M = 4.30$, $SD = .700$). The respondents seemed to be neutral to the statements on leadership is committed to improve product

quality to improve performance ($M = 4.02$, $SD = 0.980$) as well as the Leadership commits to improving innovation among employees ($M = 4.23$, $SD = .770$).

The mean range analyzed on the Likert-Scale provided a mean range of 3.80 to 4.40. This range indicated that a good number of the respondents either agreed or agreed strongly that core competencies presented in the research instrument are applied by the dairy firms in Nairobi City County. The standard deviation range for the responses is between 0.600 and 0.770. The highest variation of 0.980 between those who disagreed, agreed or were neutral. The least standard deviation was 0.600. This implies very little variation in opinion of the responses provided for this statement.

4.4.2. Organization Culture and Performance

The study sought to establish the relationship between organization culture and performance based on the second research objective. The research participants were asked to specify their level of agreement with various elements of organization culture that likely relate to performance of dairy processing firms in Nairobi City County. The different statements measured the respondents' level of agreement with regards to organization culture and performance and the findings are shown in [Table 3](#)

Table 3. Organization Culture and Performance

Statements on Organizational Culture	Mean	Std. Dev
The organization has clearly defined values that guide all employees.	4.25	.750
Decision making in the organization are based on established organizational values.	4.24	.760
There is a clear culture through which the organization relates with other stakeholders.	4.125	.875
The organization maintains a clear culture on how conflicts are resolved.	3.935	1.065
Employees are involved in all decision making as a cultural norm in the organization	4.264	.736
Aggregate Scores	4.059	.0941

From the research findings in [Table 3](#), most respondents agreed that the organization has clearly defined values that guide all employees ($M = 4.25$, $SD = .750$). The respondents also highly agreed that decision making in the organization are based on established organizational values ($M = 4.24$, $SD = .760$). Additionally, they agreed that there is a clear culture through which the organization relates with other stakeholders ($M = 4.125$, $SD = .875$). The respondents seemed to be neutral to the statements on the organization maintains a clear culture on how conflicts are resolved ($M = 3.935$, $SD = 1.065$). They were also neutral with the statements employees are involved in all decision making as a cultural norm in the organization ($M = 4.264$, $SD = .736$).

The mean range analyzed on the Likert-Scale provided a mean range of 3.935 to 4.26. This range indicates that majority of the respondents either agreed or agreed strongly that the organization maintains a clear culture on how conflicts are resolved. The standard deviation range for the responses is between 0.736 and 1.065. The highest variation of 1.065 between those who disagreed, agreed or were neutral when asked whether there is a clear culture through which the organization relates with other stakeholders. The least standard deviation was 0.736

which indicated that the organization has clearly defined values that guide all employees.

4.4.3. Organizational Processes and Performance

The study sought to establish the relationship between organizational processes and performance based on the third research objective. The respondents were asked to specify whether they were in agreement with the different elements of organizational processes that likely relate to performance of dairy processing firms in Nairobi City County. The different statements measured the respondents' level of agreement with regards to organizational processes and performance of dairy processing firms in Nairobi City County. The findings are shown in Table 4.

Table 4. Organizational Processes and Performance

Statements on Organizational Processes	Mean	Std. Dev
There is a clear organizational process in the organization	4.441	.559
The organizational processes are formulated with inclusion of all stakeholders.	4.424	.576
All employees are acquainted the organizational processes.	3.52	1.480
Innovation is encouraged during review of organizational processes.	4.35	.650
All organizational processes are centered on the understanding of customer needs.	4.18	.820
Aggregate Scores	4.11	.89

From the findings in Table 4, most respondents agreed that there is a clear organizational process in the organization ($M = 4.441$, $SD = .559$). The organizational processes are formulated with inclusion of all stakeholders. ($M = 4.424$, $SD = .576$). All employees are acquainted the organizational processes ($M = 3.52$, $SD = 1.480$). There was also neutrality on innovation is encouraged during review of organizational processes ($M = 4.35$, $SD = .650$). All organizational processes are centered on the understanding of customer needs ($M = 4.18$, $SD = .820$).

The mean range analyzed on the Likert-Scale provided a mean range of 3.52 to 4.35. This range indicates that majority of the respondents either agreed or agreed strongly that there is a clear organizational process in the organization. The standard deviation range for the responses is between 0.559 and 1.480. The highest variation of 1.480 between those who disagreed, agreed or were neutral on all employees are acquainted the organizational processes. The least standard deviation was 0.559 on a clear organizational process in the organization. This implies very little variation in opinion of the responses provided for this statement.

4.4.4. Networking and Performance

In this section, the study sought to establish the relationship between networking and performance based on the fourth research objective. The respondents were asked to specify their level of agreement with various elements of networking that likely relate to performance. The different statements measured the respondents' level of agreement with regards to networking and performance of dairy processing firms in Nairobi City County. The findings are shown in Table 5:

Table 5. Networking and Performance

Statements on Networking	Mean	Std. Dev
The organization continuously conducts research on the industry.	4.88	.120
The organization responds promptly to the changes in the industry.	4.22	.580
The organization responds to threats and opportunities in the market.	3.8	1.20
Analysis of resources necessary for networking is conducted severally in the organization.	4.19	.810
The organization has joined networking groups to facilitate better understanding of the industry.	4.09	.910
Aggregate Scores	4.30	.68

From the findings in Table 5, most respondents agreed that the organization continuously conducts research on the industry ($M = 4.88$, $SD = .120$). The respondents agreed that the organization responds promptly to the changes in the industry ($M = 4.22$, $SD = .580$). The research findings indicated that the organization responds to threats and opportunities in the market ($M = 3.8$, $SD = 1.20$). The respondents seemed to be neutral to the statements on the analysis of resources necessary for networking is conducted severally in the organization ($M = 4.19$, $SD = 0.810$). There was neutrality with the statements on the organization has joined networking groups to facilitate better understanding of the industry ($M = 4.09$, $SD = .910$).

From the research findings, the mean range analyzed on the Likert- Scale provided a mean range of 3.8 to 4.88. This range indicates that majority of the respondents either agreed or agreed strongly that the organization responds promptly to the changes in the industry. The standard deviation range for the responses was between 0.120 and 1.20. The highest variation of .120 between those who disagreed, agreed or were neutral on the organization responds to threats and opportunities in the market. The least standard deviation was 0.120 which indicated that the organization responds promptly to the changes in the industry. This implies very little variation in opinion of the responses provided for this statement.

4.4.5. Organizational Performance

In this section, the study sought to establish the organizational performance based on the fifth research objective. The respondents were asked to specify their level of agreement with various elements of organizational performance of dairy processing firms in Nairobi City County. The different statements measured the respondents' level of agreement with regards to performance.

Table 6. Organizational Performance

Statements on Organizational Performance	Mean	Std. Dev
Customers of the organization are well understood.	4.72	.280
The organization profits are synchronized with the organizational goals.	3.193	1.807
Any complaints from the customers are noted early and attended to effectively.	3.788	1.212
Average profits indicate that the organization is aligned with its revenue goals.	3.771	1.229
Revenue from sales improves with responsiveness of the leadership.	4.237	.763
Aggregate Scores	4.06	.93

From the findings in Table 6, most respondents agreed

that customers of the organization are well understood ($M = 4.72$, $SD = .280$). The organization profits are synchronized with the organizational goals ($M = 3.193$, $SD = 1.807$). Any complaints from the customers are noted early and attended to effectively ($M = 3.788$, $SD = 1.212$). On neutrality, Average profits indicate that the organization is aligned with its revenue goals ($M = 3.771$, $SD = 1.229$). They were also neutral with the statements on revenue from sales improves with responsiveness of the leadership ($M = 4.237$, $SD = 0.763$).

The mean range analyzed on the Likert-Scale provided a mean range of 3.193 to 4.72. This range indicates that majority of the respondents either agreed or agreed strongly that organizational performance is realized in the dairy processing firms in Nairobi City County. The standard deviation range for the responses is between 0.280 and 1.807. The highest variation of 1.807 between those who disagreed, agreed or were neutral on the organization profits are synchronized with the organizational goals. The least standard deviation in the research findings was 0.280 which indicated that the customers of the organization are well understood. It can be concluded that this implies very little variation in opinion of the responses provided for this statement.

4.5. Test of Hypothesis

Simple regression analysis was used to facilitate the statistical test for the relationship between the research variables. Organizational process was regressed on performance as shown.

Table 7. Results of Regression Analysis for Organizational Process

Model	Coefficients				
	Unstandardized Coefficients		Standardized Coefficients		
	B	Std. Error	Beta	T	Sig
Constant	1.766	.085		20.856	.000
Organizational Processes	0.440	0.24	8.50	18.299	.000

The multiple linear regression analysis showed that organizational process significantly affect the performance of dairy processing firms in Nairobi City County, $R^2 = 0.720$, $F(1,61) = 334.840$, $p < .01$; $\beta = 0.440$, $p < .01$. This implies that 72% of the variation in performance of dairy processing firms in Nairobi City County. The regression model was found to be statistically significant in predicting the relationship between the organizational process and performance of dairy processing firms in Nairobi City County as it is shown by a significant F -statistic. The coefficient for organizational process means that each unit increase in the process causes an increase in performance by about 0.440 units. The null hypothesis in this case that organizational process has no significant effect on performance of dairy processing firms in Nairobi City County was rejected. This led to a conclusion that the organizational process has a significant effect on performance of dairy processing firms in Nairobi City County.

From the study findings, the model equation for organizational processes was:

$$Y = \beta_0 + \beta_1 X_1 + \epsilon;$$

$$Y = 1.766 + 0.440 \text{ organizational processes} + 0.024.$$

Table 8. Results of Regression Analysis for Networking

Model	Coefficients				
	Unstandardized Coefficients		Standardized Coefficients		
	B	Std. Error	Beta	T	Sig
Constant	1.208	.167		7.224	.000
Networking	.623	.050	.739	12.476	.000

The multiple linear regression analysis established that networking significantly affect performance of dairy processing firms in Nairobi City County, $R^2 = 0.543$, $F(1,61) = 155.654$, $p < .01$; $\beta = 0.623$, $p < .01$. This implies that 54.3% of the variation in performance of dairy processing firms in Nairobi City County can be explained by the networking. The regression model was found to be statistically significant in predicting the relationship between the networking and performance as it is shown by a significant F -statistic. The coefficient implies that each unit increase in networking results to an increase in performance of dairy processing firms in Nairobi City County by about 0.6233 units. The study thus rejected the null hypothesis that there is no statistically significant relationship between networking and performance of dairy processing firms in Nairobi City County. The networking therefore has a significant effect on performance of dairy processing firms in Nairobi City County.

Considering the study findings, the model equation for networking was:

$$Y = \beta_0 + \beta_1 X_1 + \epsilon;$$

$$Y = 1.208 + 0.623 \text{ Networking} + 0.050.$$

Table 9. Results of Regression Analysis for Performance

Model	Coefficients				
	Unstandardized Coefficients		Standardized Coefficients		
	B	Std. Error	Beta	t	Sig
Constant	1.815	.052		19.664	.000
Performance	0.350	0.29	7.25	17.154	.000

4.6. Summary for Regression Analysis and Hypothesis Testing for Performance

The multiple linear regression analysis showed that performance of dairy processing firms in Nairobi City County is indicated as; $R^2 = 0.812$, $F(1,116) = 361.815$, $p < .01$; $\beta = 0.350$, $p < .01$. This implies that 67% of the selected dairy firms in Nairobi City County have has tremendous performance. The regression model was found to be statistically significant in indicating the performance of dairy processing firms in Nairobi City County as it is shown by a significant F -statistic. The coefficient for performance means that each unit increase in causes an increase in general performance of dairy processing firms in Nairobi City County by about 0.440 units. This led to a conclusion that the performance is major indicator of a well performing of dairy processing firm in Nairobi City County. From the study findings, the model equation for diversification was:

$$Y = \beta_0 + \beta_1 X_1 + \epsilon; Y = 1.815 + 0.350 \text{ Performance} + 0.29.$$

5. Conclusions and Recommendations

5.1. Conclusions

The study established that the adoption of core competencies has a significant effect on performance of dairy processing firms in Nairobi City County. Dairy processing firms have adopted core competencies including marketing competence, human resource competence, research and development competence and financial resource competence. These competencies have led to improved performance of the dairy firms through research and coming up with innovative products.

The study findings indicated that implementing organization culture positively impacts performance of dairy processing firms in Nairobi City County. Organizational culture plays a primary function in modelling the behaviour and performance of the firm through the collective efforts of individual members of the organization. The dairy processing firms had an organization culture that determined how things were done in those firms, employees were likeminded and held similar beliefs and values, the firms were guided by values of consistency, adaptability and effective communication system, employees had a sense of identity which increased their commitment to work and improved performance.

The results show that applying organizational processes contributes to performance of dairy processing firms in Nairobi City County. Effective organizations run like a well-designed, well-oiled machine; every part integrates to successfully produce the outcomes the organization sets out to achieve, wasting as little time and resources as possible. The study established that the dairy processing firms had properly implemented organizing processes which had resulted in a work environment where all team members are aware of their responsibilities. If the organizing process is not conducted well, the results may yield confusion, frustration, loss of efficiency, and limited effectiveness.

It can be concluded that networking positively impacts performance of dairy processing firms in Nairobi City County. Investing in worthy networks appears to be at a competitive advantage for the dairy firms in Nairobi City County. According to the study, networking through technology innovation improves the performance of dairy processing firms. For this reason, it is important that the dairy processing firms should continue with the popularization of networking through advanced technology and relevant innovation in the industry as this has a positive effect on their performance.

5.2. Recommendations

The management of the dairy processing firms should include core competencies in its strategic plans and the organizational structure to ensure continued high performance. Other profit-making organizations should

adopt core competencies when seeking to improve their performance.

The organizational culture should be enhanced in the dairy processing firms in Nairobi City County since it enhances performance. In particular, the dairy processing firms should encourage employees to pull towards a common goal. They should also encourage a culture in which employees are allowed to understand how the organization operates, vision, mission and goals that guide all stakeholders.

For optimal performance in the dairy processing firms, the organizational process must be carefully worked out and applied process in the entire organizations. This process involves determining what work is needed to accomplish the goal, assigning those tasks to individuals, and arranging those individuals in a decision - making framework. This should result in a work environment where all team members are aware of their responsibilities. If the organizing process is not conducted well, the results may yield confusion, frustration, loss of efficiency, and limited effectiveness.

The dairy processing firms should focus on ways of maximizing the utilization of relational trust by cultivating trust amongst staff, relational capability by encouraging inter - organizational interactions in open forums, relational strength, initiation of business relationships, coordination within networks, and encouraging information sharing amongst their networks in order to boost performance. There is also need to create strategic networks and partnerships that are unique and inimitable by other organizations to enable them acquire innovations, resources, skills and competencies, thus improving performance.

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