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## Organizational Adaptation Strategies and the Performance of Retail Supermarkets in Nairobi City County, Kenya

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#### Abstract:

The purpose of this study was to determine the influence of organizational adaptation strategies on the performance of retail supermarkets in Nairobi City County. The study was guided by the philosophy of logical positivism using descriptive design that involved quantitative and qualitative approaches. The population comprised of all the 227 supermarkets in Nairobi City County. The sampling frame for the study was 143 supermarkets in Nairobi City County Sample survey design were used. Data was collected using a questionnaire which targeted chief executive officers, supervisors, or managers of the supermarkets. The study found that organizational direction, structure, and culture have a significant influence on the performance of retail supermarket in Nairobi City County, Kenya. The study recommends that organizations should be adapted to their internal environment through the use of corporate direction, organizational culture, and organizational structure. Elements of corporate direction, namely vision. Mission and objectives guide the firm's general trend as guided by is philosophy and together with a strong organizational culture, which lies embed in the firm and a well laid out structure spur organizational performance. The study further points out the and encourages more strengthened studies which would consider larger geographical zones.

Keywords: Adaptation, direction, culture, structure

#### 1. Background

In this era of global competition, strategic decision-making takes place in an alert environment where vigilant competitors are existent, and one firm's choice of a strategy is always made concerning those of its competitors making decision creation a variable for firm managers (Hill, Schilling & Jones, 2016). Intense competition has resulted from global market development and stable growth of international trade, with each firm aiming at maintaining its position on the market with internationalization of businesses becoming an innovative development strategy for large retail companies (Jelena and Sonja, 2016). Organizations, therefore, need to develop adaptive strategies that will enable a firm to be responsive to its environment (Miles and Snow, 1984)

#### 1.1. Global Retail Supermarkets

The global retailers are faced with the task of responding to value demanding customers, who expect new strategies and electronic methods giving consumers more autonomy and quicker transactions with technology that enables them to make knowledgeable decisions (Priporas, Stylos & Fotiadis, 2017). According to ATKearney (2017), global retailers have had an attraction to the sheer size of the sub- Saharan Africa and its plenty of retail opportunities resulting from urbanization and economic expansion.

#### 1.2. Retail Supermarkets in Kenya

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The Kenyan economy has had rapid growth in the recent years and is projected to continue with Nairobi, which represents the bulk of urban life in Kenya with 90% of Kenyans living away from the cities, benefiting inexplicably as the

economy moves toward industry and service and away from agriculture; Nairobi, which is identified as the principal location for investment in modern retailing in Kenya, is most likely the exclusive focus of global retailers with interest in Kenya (Delloitte and Planet Kitchen, 2012). According to Republic of Kenya (ROK), (2018), the retail industry contributed to 13.4% of the formal employment jobs in the private sector in 2017, attracting branches, previously located in urban areas, at the county level, boosting investments, enhancing distribution of commodities and creating.

#### 1.3. Statement of the Problem

Adaptive strategies play a critical role with positive outcomes on organizational performance (Miles *et al.*, 1984; Denison, 1990). However, retail supermarkets in Kenya have experienced varied patterns growth (ROK, 2008), resulting in lower profits, and the result has been two-thirds of the businesses falling off the growth curve (Ouma, Mwangi and Oduk, 2013; Mithamo, Marwa and Letting., 2015). Firms have, therefore found it more challenging to maintain market share and achieve growth (Mumassabba, Muchibi, Mutua and Musiega, 2015). Some of the leading supermarkets have ended up in receivership and closure (Nyakongo and Rotich, 2016; Standard Media, 2017). Liedholm (2001), as cited by KIPPRA (2016), establishes that 30.0 percent of businesses operating in retail trade in Kenya are likely to close within one year. This implores for elucidation on the role organizational adaptation strategies have on the performance of these firms.

#### 1.4. Study Objective

The general objective of this study was to determine the influence of corporate adaptation strategies, namely, organizational direction, culture, and structure on the performance of retail supermarkets in Nairobi City County.

#### 1.5. Significance of the Study

This study will be valuable in the retail trade industry in Kenya, which is identified as a major contributor to attainment of a 7% Annual Gross Domestic Product (GDP) by the year 2022 as projected in vision 2030 (Republic of Kenya, 2018). It will also be valuable to retail managers as they make strategic decisions. At the same time, the study will be valuable in the attainment of Kenya Vision 2030 through the wholesale and retail industry. It will also form a basis for further research on the area of strategic management.

#### 2. Literature Review

#### 2.1. Theoretical Framework

This study was based on Miles and Snow's (1978) Adaptive Strategies model and Denison's (1990) Organizational Cultural Model. The adaptive strategies model proposes that an organization needs to continuously adjust its strategies to the environmental conditions and align its structure to the traditional approaches. They see the success of an organization as dependent on a process of external environment and internal (structure, policy processes, and ideology) fit (Miles *et al.*, 1984), thus aligning the organization to the market to satisfy the customers, hence improving performance. Adaption of strategy to the competitive environment has been called the adaptive cycle, which consists of three stages: the environmental problem, technological problem, and the administrative period. Hill *et al.*, (2016) equate the managerial process to organizational design which includes organizational structure and control and culture. Similarly, the Organizational Cultural Model is based on four cultural traits of Involvement, Consistency, Adaptability, and Mission Involvement builds human capability, ownership, and responsibility. Consistency defines the values and systems that are the basis of a healthy culture. The indices of the adaptability trait create change, customer focus, and organizational Learning, while mission defines a meaningful long-term direction for the organization. The two theories instigate the constructs of organization adaptation, namely direction, culture, and structure.

#### 2.2. Empirical Literature

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A study done by Nyanaro and Bett (2018) sought to find the influence of strategic planning on performance of Barclays Bank, Kenya Limited and resolved that Strategic intent indicates a crystallized vision of firm's desired direction of growth and plays a vital role in determining allocation of resources in a firm and development of its capability. Aspects of strategic planning identified as vision and objectives were seen to have a substantial influence on financial performance in the firms in the banking industry. The study recommended that firms need to set specific money-related goals that will help organizations achieve enhanced performance. An analysis was done by Agwu (2018) the impact that strategic management has on business performance of small and medium enterprises in Nigeria, which accredited the legitimacy and status of strategic management through the description of a clear vision and mission and application of strategic management in enhancing the performance of a firm. The study recommended the use of a mission statement which outlines motive for being in business, a vision statement which projects the firm's accomplishment over time and goal and objectives all which enhance the performance of a firm.

In a study to establish the influence of strategic contingency factors on performance of large manufacturing firms in Kenya Kihara (2016) reviewed organizational structure, information technology, dynamic capabilities and leadership characteristics as the study variables. The study findings revealed that organizational structure has a significant influence on the performance of large manufacturing firms in Kenya recommending that large manufacturing firms in Kenya should ensure they have a specialized organization structure, high nature of the span of control, centralized structure, and departmentalization. In a study to define and measure organizational structure and its impact on the organizational effectiveness and trust, Latifi and Shooshtarian (2014), posited that employees in all organizations yearn to work in a trustworthy environment where they make a real contribution to attain the goals and objectives and hence undertook study to organizational structure and trust dimensions have a significant relationship was found. This study also found a

strong association between organic structure and effectiveness but found that there is no meaningful relationship between mechanical structure and effectiveness dimensions.

A study done by Nazarian, Atkinson, and Foroudi (2017) on the role of national culture and balanced organizational culture in organizational performance established that national culture of personnel in hotels inspires equitable corporate culture which, in turn, stimulates firm performance. The concept of balanced organizational culture which hypothesizes that polyrational firms are more reactive to changes in the market and are more innovative was used. Data was collected from 96 hotels in London, UK, and scrutinized using structural equation modeling. The study suggested that Hotel management requires flexibility and customer responsiveness in dealing with demanding clients and attractiveness of the market. A study regarding the features of culture concerning the strength of a culture and unbalance and its effect on introvert and extrovert performance in a firm was done by Polychroniou and Trivellas (2018). The study found a strong positive association between the strength of culture and performance in terms of competence of innovation and human associations as well as firm outcomes, namely profitability, growth, and reputational assets. On the other hand, an unbalanced culture was found to have a negative influence on market position, growth, and innovation competence. A study done by Zhao, Teng and Wu (2018) found that promoting corporate culture negatively related to firm market value, positively affected innovation output and was insignificantly associated with firm financial performance with the harmful effect of corporate culture promotion on firm market value being determined by smaller firms and firms that are located in less developed provinces. Further, innovation culture promotion and integrity culture promotion did not relate to the value of the firm or financial performance. Innovation culture promotion, however, was positively associated with innovation output.

#### 2.3. Conceptual Framework

Based on theoretical and empirical literature, this study hypothesized that organizational adaptation strategy conceptualized into corporate direction, culture, and structure play a significant role in the firm's performance.

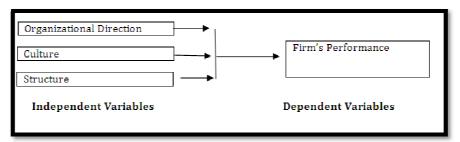


Figure 1: Conceptual Framework Source: Author

#### 3. Research Methodology

#### 3.1. Research Design

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Based on the philosophy of logical positivism, this study adopted a descriptive design that combined both quantitative and qualitative approaches. The qualitative approach was achieved through the use of open-ended questions. On the other hand, the quantitative approach sought causes and effects of human behavior with on orientation to verify predetermined hypotheses by investigating and testing them.

#### 3.2. Target Population and Sampling Frame

The target population of this study was all the retail supermarket stores in Nairobi City County. The sampling frame comprised of 227 supermarkets in Nairobi City County. Multi-stage sampling was done, which yielded a sample size of 143 retail supermarkets.

#### 3.3. Data Collection Instruments and Measurement of Variables

This study used a questionnaire in collecting data from Chief Executive Officers, supervisors or managers as applicable to organizational adaptation strategies and the performance of the firm as explained by growth in profits, sales volumes and market share. The questionnaire had a five-point Likert-type scale as well as open-ended questions. The respondents rated each item by stating the level of agreement ranging from strongly disagree to agree for all the variables strongly. Open questions probed further the influence of organizational adaptation strategies on the performance of retail supermarkets.

Statements which attempted to establish the correlation between real objects or processes and the abstract concepts of the theory were developed as psychometric measures of the independent variables and the dependent variable (performance) in this study. The firm performance was measured by the extent of satisfaction on the levels of growth in profits, sales volume, and market share. Because of the delicate nature of obtaining information related to financial performance where owners of a firm were not willing to cooperate or information was not available, a 5 point Likert scale psychometric instrument Strategic Direction as an Antecedent between Strategy (Boone & Boone, 2012) was used to capture information using indirect financial measures where the degree of satisfaction with firm's performance was used based on owner's perceptions on performance. The scale ranged from (1= Strongly Disagree, 2= Disagree 3= Not

Sure, 4=Agree, 5= Strongly Agree). Calculation of the mean score was then done as an average of the five items examined on the firm's perceived performance. A mean score of 3.4 and above on each item indicated that the respondents agreed with the statement given while those with a mean score below 3.4 indicated disagreement. Then the average mean score per firm was obtained from aggregating the means on performance and dividing by five items. The greater the score, the better the statement in terms of the firm's perceived performance.

The adaptation strategies are an organization's perception of the environment in which they operate, and it allows individual organizations to be more adaptable or sensitive to their environment. The constructs identified under adaptive strategy included organizational direction, organizational structure, and organizational culture. To measure this variable, a 5-items Likert scale will be used (Boone & Boone, 2012) which will range from (1= Strongly Disagree, 2= Disagree 3= Neutral, 4=Agree, 5=Strongly Agree). The mean score was then computed as the average of the five items. The higher the score, the more important the variable was to the performance of retail supermarkets in NCC, Kenya.

#### 3.4. Statistical Measurement Model

A multiple regression model which predicts the extent to which each of the independent variables influence the firms' performance. The organizational adaptation strategies as independent variables were regressed against the performance of the business. This provided the magnitude of influence that each construct has on business performance. The proposed regression model of the study is as follows:

Y = β0 + β<sub>i</sub>X<sub>i</sub> + ε, (i = 1, 2, 3) Y = β<sub>o</sub>+β<sub>1</sub>X<sub>1</sub>+β<sub>2</sub>X<sub>2</sub>+β<sub>3</sub>X<sub>3</sub>+εWhere:

Y is the performance of the Retail Supermarkets;  $\beta_0$  = Is constant, which represents the performance of supermarkets when the independent variables under consideration are zero.  $X_1$  = Organizational direction index;  $X_2$  = Organizational structure index;  $X_3$  = Organizational culture index.  $\beta_1$ ,  $\beta_2$ , and  $\beta_3$  represent the coefficient of  $X_1$ ,  $X_2$ ,  $X_3$  respectively,  $\epsilon$  represents the error term. The coefficient is significant in situations where the significant level is between P<0.05. The hypotheses were tested for the regression model coefficients. That is: Ho<sub>i</sub>:  $\beta_1 \neq 0$  (I=1, 2, 3) versus H<sub>1i</sub>:  $\beta_1 \neq 0$ . The regression output provides t values and corresponding p values. If P-value <0.05 then Ho<sub>i</sub> was rejected which implies that  $X_i$  has a significant influence on Y.

#### 4. Results and Discussions

There was a 93% of response which is considered to be very good and satisfactory. The highest percentage of respondents were managers at 49%. 25% were Chief executive officers, while 25% were directors. The high level of management was targeted because they are well placed to expound on how the organization is adapted to its environment. 69% of the respondents had served between one and five years in their current positions. 27% had served between six and ten years, while only 1.5% had served for more than 11 years. Having a relatively younger human resource in management is a pointer that firms try out on new ideas that would lead to the growth of the firm. The International Labor Organization (ILO), (2011) says that a labor resource with high levels of education result in a more skilled and diligent personnel which is proficient and more productive of a higher standard of goods and services, hence fast growth. The results showed that 3.5% of the companies had operated for more than ten years, 44.3% for a period ranging between 6 to 10 years and 47.4% had run for a period of 0 to 5 years. This indicates that the sector is young with many new entrants in the market.

#### 4.1. The Firm Performance

The respondents were requested to give their opinions concerning firm performance measurement on a five-point Likert scale. They were asked to rate the performance of their firms over the last five years. The study findings showed that 88% of the respondents reported that their firm's sales growth rate had increased, whereas 90% said that their sales had increased. 90% of the firms reported that their profit growth rate had increased, with the same percentage reporting that their profit for the last five years had increased. 77% said that their annual expenditure had remained the same, 89 had their yearly tax remission on the increase, and 82% had retained the same number of employees in the last five years. 29% had an enhanced asset growth rate, while 28% had an increase in assets. Overall, 65% reported that their firm's overall performance was very good or excellent. The respondents also indicated that organizational adaptation strategy greatly influenced the growth of sales, profits, and market share at the mean of 4.07, 4.04, and 4.03, respectively. The researcher then concludes that organizational adaptation strategy has a strong predictive influence on the performance of retail supermarkets in NCC, Kenya.

#### 4.2. Influence of Organizational Adaptation Strategies on the Performance of Retail Supermarkets in NCC

The study sought to find the influence of organizational adaptation strategy on the performance of retail supermarkets in NCC.

#### 4.2.1. Descriptive Analysis

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Study respondents were requested to indicate on a five-point Likert scale their level of agreement on several statements describing their organizational adaptation strategy concerning their performance. 43% of respondents settled that their supermarket's operations are always guided by clear vision, mission, and objectives against 43% who disagreed. Firms need to be guided on the importance of strategic direction. 43% agreed that Goals and objectives always give strategic guidance for their stores, while 44% agreed that Goals and objectives are set in all departments of the

supermarket. The use of strategic direction confirms their importance in guiding all the activities of the firm. 96% said that their employees unceasingly rely on top management for decision making, and 75% agreed that employees always performed tasks that were assigned to them by the administration. This is an indicator that the firms have well-structured top-bottom structures and that the employees recognize the decision-making hierarchy. This is further supported by 93% of respondents who agreed that their employees very often followed prescribed organizational rules. 95% agreed that employees always practiced teamwork, an indicator that there exists a culture of working together within the firms. This is further supported by 87% of the respondents who agreed that employees from different parts of the organization frequently shared common perspectives. Firms have a culture of change management as indicated by 89.5% of the respondents who agreed that employees always embraced change introduced by administration. The highest-rated item of organizational adaptation was on employees from different parts of the organization sharing common perspectives (Mean=4.1, Std Dev=0.6) while the least rated item was on Goals and objectives giving strategic guidance for the supermarkets. 44% of the respondents said that the strategy is fundamental in managing the performance. (Mean = 4.0, Std Dev=.54).

The respondents cited organizational direction, organizational structure, and organizational culture as important features of organizational adaptation in their firms. They agreed that a firm ought to be adapted to the environment in which it operates. On the importance of strategic direction (vision, mission, and objectives), 39% said it guided employees on the philosophy of the firm while 27% saw it as an important tool for planning the future of the firm. Respondents indicated that the employees participated in communicating customer needs to the management. Other areas in which they participated included supplying needs and salary negotiations, among others. Generally, a bulk of the respondents believed that organizational adaptation strategy influenced growth in sales, profits, and market share (Mean = 4.05, Std Dev = .550).

#### 4.2.2. Inferential Statistics Analysis

Results of the study also pointed out that there is a significant positive correlation between organizational adaptation strategy and firm performance (r=0.271, p-value =0.002) implying that an increase in use of corporate adaptation strategy improved the rate of performance of the retail supermarkets (Table 1).

Correlations						
		Organizational adaptation	Performance			
Organizational adaptation	Pearson Correlation	1				
	Sig. (2-tailed)					
	N	134				
Performance	Pearson Correlation	.271**	1			
	Sig. (2-tailed)	.002				
	N	133	133			

Table 1: Correlation Analysis for Organizational Adaptation and Performance

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

Source: Author

Table 2 presents the result of the regression model used in explaining the relationship between the constructs of organizational adaptation strategy and performance of retail Supermarkets. The results indicate that, of the variations in performance of retail supermarkets in NCC, direction  $(X_{31})$  explained 9%, structure explained 4.5% while culture explained 2%. A coefficient of determination  $(R^2)$  of 9%, 4.5%, and 2% respectively supports these findings. The model for organizational direction is positive and statistically significant, with a p-value of 0.007 and a beta coefficient of .018. The F-statistics of 4.255 support this. The other two models were found to be insignificant at p-values of .122  $(X_{32})$ , and .462  $(X_{33})$  and the F- statistics for them fall below the required 3.85 threshold. This implies that organizational direction  $(X_{11})$  is a good predictor of performance.

	Direction(X <sub>1</sub> )	Structure(X <sub>2</sub> )	Culture (X <sub>3</sub> )
Constant	3.547	3.381	3.305
$B_3$	.018	.028	.032
R <sup>2</sup>	.090	.045	.020
F- Statistic	4.255	.038	.863
P- Value	.007	.122	.462

Table 2: Regression Analysis for Constructs of Organizational Adaptation strategy and Firm Performance Source: Author

The model fitted was: Model 1:  $Y = \beta_0 + \beta_1 X_1 + e$  $Y = 3.547 + 0.018X_1$ Model 2:  $Y = \beta_0 + \beta_2 X_2 + e$   $Y = 3.381 + 0.028X_2$ Model 3:  $Y = \beta_0 + \beta_3 X_3 + e$  $Y = 3.305 + 0.032X_3$ 

Where Y=Performance;  $X_1$  = Organizational Direction;  $X_2$  =Structure;  $X_{3=}$  Culture

Regression results showed a significant relationship between Organizational Adaptation Strategy and firm performance. The coefficient of determination (R-squared of 0.073) indicates that 7.3% of the performance of retail supermarkets can be explained by organizational adaptation strategy. The adjusted R-square of 0.066 portrays that organizational adaptation strategy in exclusion of the constant variable explained the variation in retail supermarkets' performance by 6.6%. These results are indicated in Table 3(a). F-statistics measured model validity. Table 3(b) shows that there is a significant relationship between organizational adaptation strategy and retail supermarkets' performance (F=10.342, p-value =0.002). Therefore, it is decided that the model was valid. There is a significant positive relationship between organizational adaptation strategy and retail supermarkets' performance ( $\beta$ =0.185 and p-value=0.002) as indicated in Table 3(c). Therefore, a unit increase in organizational adaptation strategy index led to an increase in retail supermarket performance index by 0.185 units. Because the p-value was less than 0.05, the null hypothesis was rejected, and the alternative hypothesis accepted. The model fitted was:

 $Y = \beta_{0+} \beta_1 X_1 + e$  $Y = 3.081 + .185 X_3$ 

Where, Y, is firm performance, X<sub>3</sub>, is organizational adaptation strategy. It can, therefore, be concluded that organizational adaptation strategy has a significant effect on the performance of retail supermarkets in NCC, Kenya.

a) Model Summary							
Model	R	R sq.	F- change	Adj R Sq	Standard error of estimate		
1	.271	.073	10.342	.066	.30847		
b) Anova							
	Sum of	df	Mean	F	Sig		
	squares		square				
Regression	.984	.984	.984	10.342	.002		
Residual	12.465	131	.095				
Total	13.449	132					
c) Coefficients							
	В	Stand.	T	Sig	VIF		
		error					
Constant	3.081	.194	15.913	.000	1.000		
Differentiation	.185	.058	3.216	.002			

Table 3: Organizational Adaptation Strategy and Firm Performance
Dependent Variable: Performance
Source: Author

#### 4.3. Discussion of Findings between Organizational Adaptation and Firm Performance

On organizational direction, the study findings are in agreement with the assertion by Nyanaro *et al.* (2018) who see aspects of strategic planning identified as vision and objectives as having a considerable influence on financial performance in the firms in the banking industry. It also concurs with Agwu's (2018) contention that a clear vision and mission and application of strategic management enhance the performance of a firm.

On organizational culture, the study is in tandem with findings of Nazarian *et al.* (2017), who, while searching the role of national culture and balanced organizational culture in organizational performance established that national culture of personnel in hotels inspire equitable corporate culture which, in turn, stimulates firm performance. Hill *et al.*, (2016), on the other hand, sees organizational culture as an essential element of internal corporate design. The study is also consistent with that done by Polychroniou *et al.* (2018) and found a strong positive association between the strength of a culture and performance in terms of competence of innovation and human associations as well as firm outcomes namely profitability, growth and reputational assets. Regarding organizational structure, the findings of this study agree with Latifi's (2014) assertion that employees in firms with organic structures work hard to achieve high performance for the firm. Similarly, they agree with Kihara's claim that organizational structure has significantly influences a firm's performance thus recommending that firms should put in place a specialized organization structure, high nature of the span of control, centralized structure, and departmentalization.

The study is in agreement with proposed theories. It is also in tandem with Denison (1990) who found four cultural traits, namely involvement, consistency, adaptability, and mission that influence the performance of a firm. Further, the model found that flexibility to organizational change in response to customers and markets affect the overall performance of the firm as mission trait gives a sense of direction and performance expectations. The study results also support the theoretical view of Miles and Snow (1978) who proposed that adaptive strategies that are developed based on organization's environment allow individual organizations to be more adaptable to their environment with different organizational types displaying a range of adaptability to the environment hence higher performance. The results of this

study thus led to the rejection of the null hypothesis and acceptance of the alternative hypothesis that adaptive organizational strategy has a significant influence on the performance of retail supermarkets in NCC, Kenya.

#### 5. Summary of the Findings and Conclusions

Adaptation strategy aligns the firm to the market to enable it to meet the needs of its clients, hence improving performance. Among the constructs of organizational adaptation, organizational strategic direction was found to be the most significant driver of firm performance. It is clear from the study results that having a vision, mission, and objectives in a firm enables it to get better performance. Strategic direction helps the firms to explain the performance of the firm as well as making plans for it. This supports the findings of Nyanaro et al. (2018) and Agwu (2018) who argue that aspects of organizational direction, namely, vision, mission, and objectives, translate into high organizational performance.

The study, in line with the theoretical framework proposed by Miles and Snow (1978), concludes that firms need to be adaptive to the environments in which they operate. Strategic direction, organizational structure, and culture are basics through which an organization can incorporate its internal environment in its operations. The importance of Strategic direction, defined by its vision, mission, and objectives, cannot be underrated. Sections of a firm need to set their goals and objectives following those set at the corporate level. Having an organizational structure enables employees to work in a setting in which they can trust the management to make strategic decisions and one that assures them of trust in executing operations by the administration. A firm's culture that allows teamwork, sharing common perspectives among the actors and whose employees embrace change can be said to be adjusted to an internal environment that encourages its performance.

#### 5.1. Recommendations for Policy and Practice

This study also recommends that for a firm to achieve higher performance than its competitors, it must be aligned to both the internal and external environment in which it operates. This study recommends organizational adaptation strategy, which includes internal environmental factors that are a prerequisite to high performance. A firm must have a laid-out strategic direction which is a reflection of its philosophy. Organizational structure and culture should be embedded in an organization as they align it to the market, making it able to meet the needs of the customer, hence improving performance.

#### 5.2. Study's Contribution to Theory

This study also supports Miles & Snow's (1978) adaptive strategies theory which posits that for a firm to attain high performance, it must align itself to the environmental conditions and see the success of an organization as dependent on a process of external and internal environment. This study yearned to investigate the influence of adaptation strategies aligning it to internal environmental factors and found that they influence the performance of a firm, thus supporting this theory. The adaptive approach, which included culture as a construct of adaptive strategy supports Denison's cultural model that proposes organizational cultures that are highly involving, intensely encourage employee envelopment, and create a sense of ownership and responsibility and thereby enhancing performance.

#### 5.3. Areas for Further Research

This was a time-constrained cross-sectional design study that the researcher finds very restrictive and proposes that a more time elastic longitudinal study be done to establish the organizational adaptation strategies' influence on the performance of retail supermarkets. Similarly, this study was undertaken in Nairobi City County can be considered a more restricted geographical zone. The study can be conducted in other regions to confirm the results and to establish if any distinctions occur due to geographical differences.

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