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Influence of Strategic Management Practices on Performance in Selected Agribusiness Small and Medium Enterprises in the Kenyan Coast

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Abstract:
This study sought to establish the influence of strategic management practices on the performance of selected agribusiness SMEs in the Coast region. The study was guided by both general and specific objectives. Specific objectives of the study was to examine the effects of strategic alignment on the performance of selected agribusiness SMEs in the Kenyan Coast; to establish the effect of strategic planning on the performance of selected agribusiness SMEs in the Kenyan Coast; to determine the effect of strategic leadership on the performance of selected SMES in the Kenyan Coast and to determine the effects of strategic organizations design on the performance of selected agribusiness SMEs at the Kenya Coast. To strengthen the conceptual framework, the researcher will use the porter's theory and the resource-based theory. The study target population will be 50. The study sample size was 44. A modified Likert scale questionnaire will be developed divided into three parts. A pilot study was carried out to refine the instrument. The quality and consistency of the study was further being assessed using Cronbach's alpha. Data analysis was performed on a PC computer using Statistical Package for Social Science (SPSS Version 23) for Windows. Analysis was done using frequency counts, percentages, means and standard deviation, regression, correlation and the information generated will be presented in form of graphs, charts and tables. The study revealed that the four factors studied namely, strategic alignment, strategic planning, strategic leadership and strategic organizational design, determined 80.9% of the relationship between strategic management, with Strategic leadership contributing most to performance while Strategic planning contributing lowest with a multiple regression analysis. The study results revealed that majority of agribusiness SMEs have adopted a functional organizational structure having an organizational business system and human intensive business process From the research findings, the study concluded all the independent variables studied have significant effect on performance of agribusiness SMEs as indicated by the strong coefficient of correlation and a p-value which is less than 0.05.The overall effect of the analyzed factors was very high as indicated by the coefficient of determination. The study recommends that agribusiness SMEs should continually align their strategies after review to reflect the current prevailing situations; evaluate their strategic plans periodically to ensure that they are still on the correct path; embrace a mix of human intensive with document process mixed with good organizational systems to reduce operational costs in the long run; and have strong leadership to carry out the vision of the organization if it has to be sustainable.

Keyword: *Strategic management practice*

1. Introduction

With increasing globalization, market integration, and competition, the ability to manage innovation is of growing importance for SMEs' survival and growth (Radas and Božic, 2009). To innovate successfully, SMEs in agribusiness need strategic organizational practices that facilitate creativity and risk-taking behaviors supported by a stable platform for economic exchange and cooperation networks induced by an effective institutional framework (Biggs and Shah, 2006).The agribusiness sector is interesting as it plays, or has the potential to play, a significant role in the economic development of most developing countries (World Bank, 2013).Due to their origins and other circumstances under which they are founded, SMEs often run without following any plan or framework and sometimes without organizational structures (Mataruka, 2015).
Small and Medium Enterprises (SMEs) are widely believed to play a critical role in any economy especially developing countries because of their role in job creation and poverty reduction. Estimates suggest that more than 95% of enterprises across the world are SMEs, accounting for approximately 60% of private sector employment (Ayyagari *et al*., 2007). According to Edinburg Group (2012), Japan has the highest proportion of SMEs among the industrialized countries accounting for more

than 99% of total enterprises in 2010, India had 80% of its businesses made of SMEs, with South Africa estimates coming to 91% of the formal business entities being SMEs during the same period.

The small and medium scale enterprises (SME) sector in Zimbabwe has been a very important entity of the economy since the country's attainment of independence in 1980. It has been known for employing a significant percentage of the country's working population, a characteristic which inspired the establishment of a Government Ministry, specifically targeting its interests (World Bank, 2013). In Kenya, the SME subsector plays a significant role in the economic structure, with the sector employing close to 80% of Kenya's total workforce in 2011 (Ong'olo and Awino, 2013). According to the Kenya 2012National Agribusiness Strategy, Agriculture being a major driver of the Kenya's economic growth, contributes 25 percent of the Country's GDP, with 20 percent of formal sector and 15 percent of informal sector employees engaged in agro -industrial activities.

Small and medium-sized enterprises (SMEs) are the engine of economic growth and employment in developing countries (Chaminade and Vang, 2008). They are also a source of employment, economic dynamism, and innovation (Ong'olo and Awino, 2013).

Various efforts have been made by different scholars and policy makers to define the Concept of SMEs, resulting into varied approaches in the understanding of the concept, and more so as one moves from one country to the other. The general rule has been that either number of employees, degree of formality, annual turnover and amount of capital employed (Ong'olo and Awino, 2013) is often used in the definition. In Kenya, the Micro and Small Enterprises Authority has provided the below categorization for MSMEs;

1.1. Statement of the Problem

While the SMEs subsector in Kenya constitute close to 80% of employment, it only contributes to about 20% of the GDP (Ong'olo and Awino, 2013), hence, generally performing dismally below its potential in contributing to employment, income and equity. Despite the importance and recognition of SMEs, every year many of them fail or collapse. The USA Small Business Administration notes that some 25% of SMEs fail within 2 years and 63% fail within 6 years, and similar trends occur almost worldwide (Beaver, 2015). According to a study commissioned by Invest in Africa (IIA) and Strathmore Business School (2016), 70 percent failure of SMEs fail within the first three years of existence, pausing the question as to the reasons for these observations. Could strategy be one of the key issues impeding their optimal performance and success?

According to Kourdi (2009),the hypercompetitive business environment has pushed organizations to limits dictating the need to adopt strategic management practices that support plans, choices and decisions that will lead to competitive advantage and to achieve profitability, success and wealth creation. Strategic management addresses the question of why some organizations succeed while others fail (Salvador, 2013), and it covers the causes for company's success or failure (Porter, 2014).

While numerous studies have been carried out globally and locally on the influence of strategic management practices on organizational performance, little has touched on SMEs. For instance, Salvador (2013), Bakar *et al*. (2011),Murimbika (2013), Dauda *et al*. (2010) and Ofunya (2013) analyzed the relationship between strategic management practices and organizational performance in different organizations. Nyariki (2013) analyzed strategic management practices as a competitive tool in enhancing performance of SMEs in Kenya. Ong'olo and Awino (2013), assessed the regulatory and institutional challenges affecting the SMEs development in Kenya, while Mutemi, *et al*.(2014) studied strategic management practices and performance of small scale enterprises in Kitui town of Kenya. As can be noted, none of these studies investigated the influence of strategic management practices on performance of SMEs in the Agriculture sector in Coastal Kenya. This study therefore, seeks to fill that gap by examining the influence of strategic management practices on performance of selected agribusiness SMEs at the Kenyan Coast.

1.2. Objectives of the Study

This study was guided by both general and specific objectives as follows:

1.2.1.General Objective

To examine the influence of strategic management practices on performance of selected agribusiness SMEs at the Kenyan Coast.

1.2.2 .Specific Objective

- To assess the effect of strategic alignment on performance of selected agribusiness SMEs at the Kenyan Coast.
- To determine the effect of strategic planning on performance of selected agribusiness SMEs at the Kenyan Coast.
- To examine the effect of strategic leadership on performance of selected agribusiness SMEs at the Kenyan Coast.
- To evaluate the effect of strategic organizations, design on performance of selected agribusiness SMEs at the Kenyan Coast.

1.3. Research Hypotheses

This study tested the following null hypotheses;

- HO_1: Strategic alignment has no significant effect on performance of selected agribusiness SMEs at the Kenyan Coast.
- HO_2: Strategic planning has no significant effect on performance of selected agribusiness SMEs at the Kenyan Coast.
- HO_3: Strategic Leadership has no significant effect on performance of selected agribusiness SMEs at the Kenyan Coast.

2. Theoretical Framework

Theories are formulated to explain, predict, and understand phenomena and, in many cases to challenge and extend existing knowledge within the limits of the critical bounding assumptions (Swinson and Chermack, 2013). The theoretical framework introduces and describes the theory which explains why the research problem under study exists. A theoretical framework consists of concepts, together with their definitions, and existing theory/theories that are used for the study (Sekaran, 2016). This study would bemodeled along two integrated theories as; Porter's theory of competitive advantage and Resource Based Theory as advanced by Birger Wernerfelt in 1984, and later by, Jurevicius (2003)and (Prahalad and Hamel, 2014).

2.1. Porter's Theory of Competitive Advantage

The five-force framework is a paradigm model developed by Michael Porter (2014) and has dominated the strategy paradigm since then. As explained by Pamulu (2010), Porter's model has its roots in the structure-conduct-performance (SCP) framework of industrial organization economics. The term 'industry structure' (S), in this view, refers to the characteristics of an industry. The terms 'firm conduct' and 'performance' (P) refer to specific firm actions in an industry such as strategies and the individual firms' performance such as profitability.

Industry structure strongly influences the competitive rules of the game as well as the strategies potentially available to firms. In the competitive forces model, Porter's five industry level forces-entry barriers, threat of substitution, bargaining power of buyers, bargaining power of suppliers, and rivalry among industry incumbents, determine the inherent profit potential of an industry or sub segment of an industry.

The framework can be used to help the firm find a position in an industry from which it can best defend itself against competitive forces or influence them in its favor (Porter, 2014).This 'five-force' framework provides a systematic way of thinking about how competitive forces work at the industry level and how these forces determine the profitability of different industries and industry segments. It views the attractiveness of industry structure as the main determinant of a firm's profitability, implying that a market entry strategy begins with carefully analyzing an industry in terms of its structural forces to assess its profitability, and if this is achieved a competitive position should be selected to effectively align the firm with the industry and generate sustainable competitive advantage.

Criticisms have however, arisen since the 1990s on Porter's five forces framework, first in relation to the static nature of analysis of the forces which assumes a relatively stable market, as Prahalad and Hamel, (2014)arguing that the reality of business during the 1990s shows that industry structures are not stable, but are going through major transitions. The second criticism suggests that the government may directly or indirectly affect the other five forces, whether favorably or unfavorably, thus acting as the sixth force (Gordon, 1997). The other critic relates to the sustainability of competitive advantage and argues that strategies that exploit existing firm-specific resources could lead to better performance than those that focus on industry-effects (Rumelt, 2012) and hence, the emergence of Resource Based Theory.

2.2. Resource Based Theory

The Resource Based View (RBV) comes in as a main critic of the Porter's five forces framework. While Porter assumes that a firm finds an attractive industry, decides to become a cost leader or differentiator, and acquires the necessary resources to achieve competitive advantage, the RBV focuses on strategies that exploit existing firm specific resources. Therefore, Porter's framework is 'outside in', while RBV is 'inside out' (Pamulu, 2010).

The RBV of strategy is demonstrated by the work of Wernerfelt (1984) and Prahalad and Hamel (2014).A central premise of the resource-based view is those firms compete based on their resources and capabilities (Peteraf and Bergen, 2003). The RBV suggests that the resources possessed by a firm are the primary determinants of its performance, and these may contribute to a sustainable competitive advantage of the firm (Wernerfelt, 1984). According to Barney (2014), the concept of resources includes all assets, capabilities, organizational processes, firm attributes, information, knowledge, etc. controlled by a firm that enable the firm to conceive of and implement strategies that improve its efficiency and effectiveness.

The RBV argues that an organization operates with resources that can be classified firstly as tangible and intangible assets. Tangible assets –are physical things like land, buildings, capital, while intangible assets –are everything else with no physical presence but can still be owned by the Company like brand reputation, trademarks, and intellectual properties (Jurevicius, 2013). Jurevicius goes further to argue that tangible assets can easily be bought in the market and so they confer little advantage to a company in the long run as rivals can soon acquire the same, while intangible assets are built over a long time in a Company and thus cannot be bought from the market, making them stay within a company, thus the main source of sustainable competitive advantage.

Barney (2014), articulates a second classification of resources as fundamental determinants of competitive advantage: heterogeneity and immobility. As explained by Jurevicius (2013), heterogeneous resources like skills, capabilities differ from one company to another, while immobile resources mean companies cannot replicate rivals' resources and implement the

same strategies. The assumption that resources are heterogeneously distributed means that there is existence of differences in firm resources endowments, while the assumption that resources are imperfectly mobile allows these differences to persist over time (Barney, 2015). He further argues that it is the characteristic of such resources that are valuable and rare that generate competitive advantage.

In summary, the RBV emphasizes an inward-looking approach which has proven to be both influential and useful for the analysis of many strategic issues (Foss and Knudsen, 2003), among which the conditions for sustained competitive advantage and diversification. Many of its supporters (Rumelt, 2012; Jurevicius, 2013; and Peteraf and Bargen, 2003) have recognized that resource-based perspective and Porter's five forces model, complement each other in explaining the sources of a firm's performance.

2.3. Conceptual Framework

According to Sekaran, (2015) conceptual framework is a diagrammatical representation that shows the relationship between dependent variable and independent variables. In this study, the dependent variable is Performance as measured by increase in profits, increase in jobs created, growth in Equity and increase in sales. The independent variable is strategic management whose components are strategic alignment, strategic planning and strategic leadership as shown in Figure 2.3

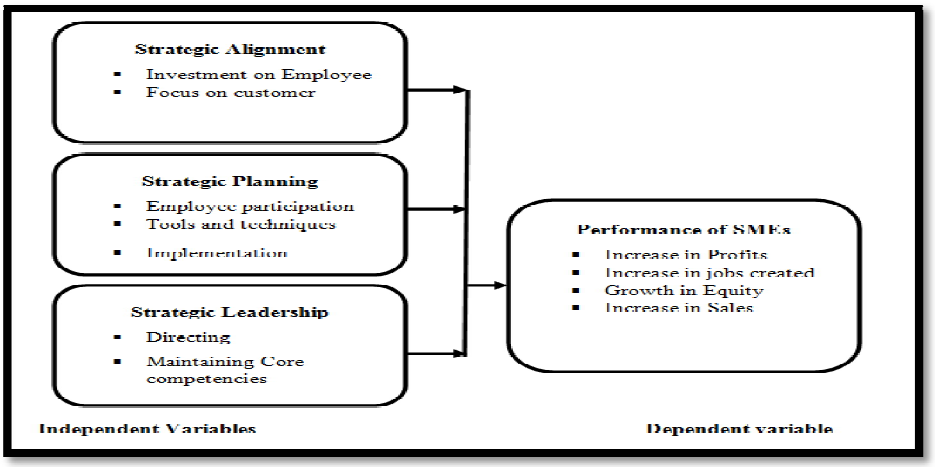

Figure 1: Conceptual Framework

2.4. Review of Literature on Study variables

2.4.1. Strategic Alignment and Performance

Andolsen, (2007) describes alignment as that optimal state in which strategy, employees, customers and key processes work in concert to propel growth and profits. Aligned organizations enjoy greater customer and employee satisfaction and produce superior returns for shareholders (Labovitz, 2017).Andolsen, (2007) looks at Strategic alignment from two viewpoints: focus on the customer and the need to unify disparate technology. The focus on the customer has been, beyond a doubt, the primary driver for the implementation of the strategic alignment focus in organizations. Satisfying the needs of customers helps to define the structure, processes, products, and values that an organization needs to create and foster to be successful (Andolsen, 2007).

In another analysis, Trevor and Varcoe (2017) look at strategic alignment in relation to strategy, purpose, and organizational capabilities, and develop two scales of strategic alignment: Strategy and organizational capabilities on one hand and strategy and purpose on the other hand. They argue that Companies that score highly on both scales stand the very best chance of winning in their competitive field. Trevor and Varcoe (2017) go ahead to note that strategic alignment manifests itself in not only superior financial performance, but also in good customer attraction and retention (increase in sales), low costs and vibrant organization of more positive work climate, above-average staff engagement, a strong commitment to values. Lear (2012) notes that an enterprise's key focus is therefore on aligning strategy not only to the business (organization), but it should also align its employees and management processes with the strategy and that even if the organization's strategies are aligned and integrated in all organizational units, little will be gained unless employees are motivated to help their organizational unit implement these strategies. Schneider et al. (2003) maintained that a high level of both internal and external alignment is more likely to lead to greater quality and efficiency of operations because the various systems in the organization reinforce instead of disrupt one another, thus making organizational effectiveness more likely as it enjoys greater customer and employee satisfaction and produce superior returns for their shareholders.

2.4.2 Strategic Planning and Performance

It is widely argued that failure to plan is a plan to fail. Arasa and K'Obonyo (2012), defined Strategic planning to be a process of selecting organizational goals and strategies, determining the necessary programs to achieve specific objectives enroute to the goals, and establishing the methods necessary to ensure that the policies and programs are implemented. Strategic planning is believed to be able to drive organization to achieve better performance.

The above authors further examined the relationship between strategic planning and firm performance giving attention to the specific steps in the strategic planning process (defining firm's corporate direction, appraisal of business environment, identification and analysis of firm's strategic issues, strategy generation, evaluation and selection and development of implementation, evaluation and control system). They found out that each of the steps in the strategic planning process had a positive relationship with firm performance, with the element of business environmental scanning noted as one of the critical activities during the strategic planning process. Indeed, Bryson (2011)pointed out that strategic planning assists organizations to develop a comparative advantage or an edge over competitors and creates sustainable competitive advantage.

Some scholars have examined the relationship between strategic planning and organization's performance using single or multiple dimensions based on; formality, tools and planning, employee participation, implementation, time horizon and control. Kraus *et al*., (2006), for instance, has analyzed on four dimensions of strategic planning namely, formalization, time horizon, frequency of control and strategic instruments, on firm performance. Suklev and Debarliev (2012), in the same manner, investigated the relationship between formality, tools of strategic planning, management participation, employee participation, barriers of implement of strategic planning toward strategic planning effectiveness and organization performance. Based on these studies by previous scholars, these dimensions of strategic planning have proven their important contribution for achieving better performance. This study proposes to investigate strategic planning under the dimensions of; employee participation, tools and techniques, and implementation.

2.4.3. Strategic Leadership and Performance

Despite the long history of research on leadership, social scientists, primarily organization behavior scholars, have only recently started to single out strategic leadership as a focus of attention (Boal and Schultz, 2007). Strategic leadership is the ability to influence others in the organization to voluntarily make day-to-day decisions that lead to the organization's long-term growth and survival and maintain its short-term financial health (Rowe and Nejad, 2015). Lear (2012) elaborates further by maintaining that the main aspects of strategic leadership are shared values and a clear vision, both of which enable and allow employees to make decisions with minimal formal monitoring or control mechanisms. With this accomplished, a leader will have more time and a greater capacity to focus on other ad hoc issues such as adapting the vision to a changing business environment (Lear, 2012).

Identifiable actions that characterize strategic leadership positively contributing to effective use of the firm's strategies are; determining strategic direction, exploiting and maintaining core competencies, developing human capital, sustaining an effective corporate culture, emphasizing ethical practices, and establishing balanced strategic controls (Ireland & Hitt, 2014). Because strategic leaders are concerned with the future viability and the present financial stability of their organizations, they make decisions that achieve above average returns, and therefore create wealth for their organizations (Rowe, 2016). Nthini (2013) researching on effect of strategic leadership on the performance of commercial and financial state corporations in Kenya, noted that the most important task for strategic leaders is effectively managing the firm's portfolio of resources which can be categorized into financial capital, human capital, social capital and organizational culture, as it positively impact on customer satisfaction (increased or sustained sales), return on investment, net profit margin and low annual employee turnover (or increase in job creation).

Adopting critical criteria for strategic leadership by Ireland and Hitt (2005), this paper will examine strategic leadership as the ability of the leader to determine strategic direction, establish strategic control and develop human capital to be prepared for every possible future challenge, and

2.4.4. Measurement of Performance

The concept of organizational performance has been based upon the idea that an organization is a voluntary association of productive assets, including human, physical, technological and capital resources, in order to achieve a common purpose (Barney,2014). Organization performance is therefore one of the most important variables in management research and arguably the most important indicator of the organizational performance (Gavrea, Ilies, and Stegerean, 2011). Lebans and Fuske (2012), defines Performance as a set of financial and nonfinancial indicators which offer information on the degree of achievement of objectives and results. According to Richard,et al., (2014) organizational performance encompasses three specific areas of firm outcomes: financial performance (profits, return on assets, return on investment, etc.); product market performance (sales, market share, etc.) and shareholder return (total shareholder return, economic value added). All these can still be categorized under financial indicators. Sosiawani, *et al*., (2015) have pointed out that some prior studies stated that, it is somehow challenging to find financial record in public domain and in such cases, subjective (non-financial) measures is claimed to be a fruitful choice to be employed to measure organizational performance. They then enumerate, satisfaction of customer, employee satisfaction, innovation, quality and reputation as some aspects to measure non-financial performance.

In line with the above discussion, therefore within this study, both financial measures and non-financial measures will be tested subjectively by asking the owners/managers of the SMEs. Under financial measures in terms of increase in net profits, growth in equity and increase in sales will be looked at. While under non-financial measures will look at increase in jobs created as well as staff turnover.

3. Research Methodology

3.1. Research Design

The researcher proposes to use survey research design with a quantitative approach. Survey design has been selected as it allows the collection of a large amount of data from a sizeable population in a highly economical way (Saunders, Lewis and Thornhill, 2013). Quantitative approach was determined by the extent strategic management affects performance of the target population. Kumar (2014) observes that quantitative research is more suited to finding out the extent of which there is variation in any aspect of social life, while providing enough detail about a study design for it to be replicated for verification and reassurance.

3.2. Target Population

Ogula (2013) defined a population in research as any group of institutions, people or objects that have at least one characteristic in common. Thomas (2013) further explains that a target population in experimental research refers to the total number of all possible individuals relating to a topic which could, if funds were available, be included in a study. In this study, a total of 50 registered agribusiness SMEs in Coast region formed the target population as broken down in the table below;

Agribusiness Sub Sectors	Target Population
Crops	25
Livestock	5
Fisheries	5
Agro-dealers	5
Sector supplementary services	10
Total	50

Table 1: Population Size

Coast region was selected as a case study because of its proximity to the researcher, time availability and budget constraints, while Agribusiness SMEs were selected due to the researcher's interest in Agribusiness and since the area has not been widely researched on.

3.3. Sample Size and Sampling Technique

3.3.1. Sample Size

The sample size is an important feature of any empirical study in which the goal is to make inferences about a population from a sample (Bryman and Bell, 2015).Since the study is quantitative in nature, Bryman and Bell, (2015) recommend thirty percent of the population. However, Kothari and Gang, (2014) recommend that a sample size be as large as possible to reproduce salient characteristics of the accessible population to an acceptable level as well as to avoid sampling errors.

The total sample size for this study was obtained using the formulae developed by Cooper and Schinder, (2013) together with Kothari and Gang, (2014) as illustrated below.

$n = N / 1 + N (\alpha)^2$

Where: n= the sample size,

N= the sample frame (population)

α= the margin of error (0.05%).

$n = 50 / 1+50(0.05)^2 = 44$

The sample size for this study was therefore be 44 distributed amongst the various sub-sectors within the Agricultural sector as shown in the table below;

Agribusiness Sub Sectors	Population Size	Sample size
Crops	25	23
Livestock	5	4
Fisheries	5	4
Agro dealers	5	4
Sector Supplementary services	10	9
Total	50	44

Table 2: Sample Size

3.3.2. Sampling Technique

The study adopted Stratified Sampling technique with total sample size drawn from each stratum (sub-sector) and elements selected from each stratum using simple random sampling. A stratified sampling technique was used because target population is classified in strata's. As Kumar (2014) explains, stratified random sampling is used to reduce extent of variability of heterogeneity of the study population with respect to the characteristics that have a strong correlation with what one tries to ascertain. The study therefore adopted this method since Agribusiness has various sub-sectors with varied characteristics that would be useful to study to achieve greater accuracy.

3.4. Data Collection Instruments

This section outlines the methods that were used to collect primary and secondary data. The study adopted the use of a questionnaire as explained in the following sections.

3.4.1. Primary Data

The primary research data was collected using a semi - structured questionnaire and was administered personally by means of email or hand delivery as was deemed appropriate for the various samples. The method chosen was aimed at achieving greater possibility of anonymity and greater convenience for respondents since they were able to complete the questionnaire at their own pace and time (Bryman & Bell, 2015). Bryman and Bell, (2015) further observes that questionnaire method is an inexpensive method for data collection. The use of questionnaire has many advantages which are as follows: they have standard questions which can be administered to many respondents in strategic management practices within a short time and at a minimal cost. Respondents would be assured of anonymity and confidentiality.

Items in the questionnaire were arranged in a logical sequence per the themes being studied and items that would elicit similar responses being grouped together. The questionnaire had both closed and open-ended, predetermined and standardized set of questions. These closed-ended questions were adopted since they are easier to analyze as they are in an immediate usable form, are easier to administer and are economical to use in terms of time and money (Kothari and Gang, 2014). The open-ended questions gave the respondents complete freedom of response in one's own words, as well as answering questions that pertain to objective 5 of this study. The researcher hoped to access greater depth of responses from these open-ended questions since the respondents' responses could give an insight into their feelings, background, hidden motivation, interests and decisions (Bryman & Bell, 2015).

The Semi - structured questionnaire was administered to the key decision makers of the Agribusiness SMEs, mainly owners and managers. The first part, section A, covered background information of the target population. The second part, Section B, focused on the strategic management determinants of performance in Agribusiness SMEs: Strategic alignment, strategic planning, strategic leadership and strategic organizational design. In section C, Performance as measured by increase in profits, increase in jobs created growth in Equity and increase in sales was the focus. Likert-type scale that ranges from 1 (strongly disagree) to 5 (strongly agree) was used to quantify the responses to questions in section B and section C since they are relatively easy to develop and use. In Section D, focus was on open ended questions that seek to establish the existence of other issues that the respondent would feel affects Agribusiness SMEs performance, providing a range of scale to measure the extent of their effect.

3.4.2. Secondary Data

Secondary data was obtained from literature sources through review of published literature such as journals, articles, published theses and text books. The researcher also made use of secondary data from the various associations of Agricultural subsectors in the Country. These sources were reviewed to give insight in the search for the primary information.

3.5. Data Collection Procedure

The data collection instrument in this study was a questionnaire. The research instrument was conveyed to the respondents through the drop and pick technique or mail. The researcher approached each respondent, introduced herself to the respondents by explaining to them the nature and purpose of the study and then left the questionnaires with the respondents for completion and picking later within three days. In case of email, the researcher used a phone call and email to do introduction on the nature and purpose of the study, before emailing the questionnaires to the respondents requesting to get the response back within three days. Before the questionnaire was given out, the researcher sought for authorization from the selected agribusiness SMEs to collect data. A cover letter explaining the objectives of the study and assuring the respondents' confidentiality and asking them to participate in the study accompanied the questionnaire. Respondents were asked to willingly participate in the survey and give the data. Respondents were required to fill the questionnaires that included responses on measurement of performance as well as the demographic information.

3.6. Pilot Testing

Cooper and Schindler (2013) indicate that a pilot test was conducted to detect weakness in design and instrumentation and to provide proxy data for selection of a probability sample. Pilot testing provides an opportunity to detect and remedy a wide range of potential problems with an instrument. By conducting a Pilot testing it ensures that appropriate

questions are asked, the right data is collected, and the data collection methods works. A pilot study was undertaken on 5 respondents, forming 10% of the total sample, and covering at least each respondent from the 5 sub-sectors of Agribusiness SMEs, to test the reliability and validity of the questionnaire. The results of the pilot study would not form part of the study results to reduce biases but were useful to help in readjusting the data collection tools. The rule of thumb is that 1% of the sample should constitute the pilot test (Creswell, 2013). The proposed pilot test was within the recommendation.

3.6.1. Reliability

Testing of the reliability of the scale is very important as it shows the extent to which a scale produces consistent results if measurements are made repeatedly. Reliability was done by determining the association in between scores obtained from different administrations of the scale. A high association would mean the scale yields consistent results, thus it would be reliable. Cronbach's alpha was used to determine the internal reliability of the questionnaire that were used in this study. Values ranged between 0 and 1.0; while 1.0 indicates perfect reliability, the value 0.70 is often deemed to be the lower level of acceptability (Hair, et al., 2006).

3.6.2. Validity

Validity is the degree to which results obtained for the analysis of the data represent the phenomena under study. It indicates how accurate the data obtained in the study represent the variables of the study (Mugenda & Mugenda, 2009). The researcher used the most common internal consistency measure known as KMO Bartlett's test. It may be mentioned that its value varies from 0 to 1 but, satisfactorily value is required to be more than 0.6 for the scale to be reliable (Bryman & Bell, 2015). The recommended value of 0.7 is the cutoff-of reliability.

3.7. Data Processing, Analysis and Presentation

Qualitative as well as quantitative methods of data analysis were used to analyze the research variables. A Likert scale was adopted to provide a measure for qualitative data. The scale helped to minimize the subjectivity and make it possible to use quantitative analysis. The numbers in the scale were ordered such that they indicate the presence or absence of the characteristic to be measured Kothari and Gang, (2014). This mix of tools was necessary because whereas some aspects of the study were qualitative, others were of quantitative nature.

3.7.1. Quantitative Analysis

Whereas qualitative analysis aimed at providing basic information, quantitative analysis went further to test the theories in the theoretical framework behind the study and prove or disapprove it. For this kind of a study, there was need to go further and test the hypothesis. The multiple regression analysis was used to explore the relationship between strategic alignment, strategic planning, strategic leadership and strategic organizations design as the dependent variable. Pearson's product moment correlation analysis was used because of its powerful technique for exploring the relationship among variables. Correlation coefficient was used to analyze the strength of the relations between variables. Correlation coefficients was calculated to observe the strength of the association. A series of multiple regression analysis (standard and step wise) were used because they provided estimates of net effects and explanatory power. Analysis of variance (ANOVA) was used to test the significance of the model. $R^2$was used in this research to measure the extent of goodness of fit of the regression model. The regression model was indicated as shown as follows:

$Y=\alpha + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4 X_4+ \varepsilon$

Y = Represents the dependent variable, Performance of Selected Agribusiness SMEs

α= Constant

β_1, β_2, β_3, &β_4 = Partial regression coefficient

X_1 = Strategic Alignment

X_2= Strategic Planning

X_3= Strategic Leadership

X_4 = Strategic Organizations Design

ε = error term or stochastic term

4. Research Findings and Discussions

4.1. Introduction

This chapter presents analysis of the data on the influence of strategic management practices on performance of selected agribusiness SMEs at the Kenyan Coast, Kenya. The chapter also provides the major findings and results of the study and discusses those findings and results against the literature reviewed and study objectives. The data is mainly presented in frequency tables, means and standard deviation.

4.2. Response Rate

The study targeted 50 selected agribusiness SMEs at the Kenya Coast, Kenya. From the study, 32 out of the 44 sample respondents filled-in and returned the questionnaires making a response rate of 72.73% as per Table 3 below.

	Frequency	Percentage
Response	32	72.73
Non- Respondents	12	27.27
Total	44	100

Table 3: Response Rate

According to Kothari and Gang, (2014) a response rate of 50% is adequate for analysis and reporting; a rate of 60% is good and a response rate of 70% and over is excellent; therefore, this response rate was adequate for analysis and reporting.

4.3. Pilot Study Results

4.3.1. Validity

Factor analysis was used to check validity of the constructs. Kaiser-Mayor-Oklin measures of sampling adequacy (KMO) & Bartlett's Test of Spheri city is a measure of sampling adequacy that is recommended to check the case to variable ratio for the analysis being conducted. In most academic and business studies, KMO & Bartlett's test play an important role for accepting the sample adequacy. While the KMO ranges from 0 to 1, the world-over accepted index is over 0.5. Also, the Bartlett's Test of Spheri city relates to the significance of the study and thereby shows the validity and suitability of the responses collected to the problem being addressed through the study. For Factor Analysis to be recommended suitable, the Bartlett's Test of Sphericity must be less than 0.05.

The study applied the KMO measures of sampling adequacy and Bartlett's test of sphericity to test whether the relationship among the variables has been significant or not as shown in below in table 4. Factor 1 was based on 6 items that represented strategic alignment; Factor 2 was based on six items that represented strategic planning, Factor 3 was based on six items that represented strategic leadership, Factor 4 was based on twelve items that represented strategic organizational design, Factor 5 was based on four items that represented performance of agribusiness SMEs. The Kaiser-Mayor-Oklin measures of sampling adequacy shows the value of test statistic as 0.718, which is greater than 0.5 hence an acceptable index. While Bartlett's test of sphericity shows the value of test statistic as 0.000 which is less than 0.05 acceptable indexes. This result indicates a highly significant relationship among variables.

Kaiser-Meyer-Olkin Measure of Sampling Adequacy		**.718**
Bartlett's Test of Sphericity	Approx. Chi-Square	113.507
	Df	10
	Sig.	.000

Table 4: KMO Bartlett Test

4.3.2. Reliability Results

Prior to the actual study, a pilot study was carried out to pre-test the validity and reliability of data collected using the questionnaire. The pilot study allowed for pre-testing of the research instrument. The results on reliability of the research instruments are presented in Table 5

Scale	Cronbach's Alpha	Number of Items	Remarks
Strategic Alignment	0.773	6	Accepted
Strategic Planning	0.797	6	Accepted
Strategic Leadership	0.883	6	Accepted
Strategic Organizational Design	0.798	12	Accepted
Performance of Agribusiness SMEs	0.721	4	Accepted

Table 5: Reliability Results

The overall Cronbach's alpha for the four categories which is 0.852. The findings of the pilot study showed that all the four scales were reliable as their reliability values exceeded the prescribed threshold of 0.7 (Bryman and Bell, 2015).

4.4. Background Information Results

The background information gathered was based gender, age, years of operation of the organization, type of agribusiness and number of employees.

4.4.1. Gender

The study sought to establish the gender of respondents. The study results revealed that male that participated in the study were 59.4% and female were 40.6% with a mean score of 1.41 and a standard deviation of 0.499. This shows that the majority of respondents that participated in the study were male as shown in Table 6

	Frequency	Percent
Male	19	59.4
Female	13	40.6
Total	32	100

Table 6: Gender

4.4.2. Age of Respondents

The study sought to establish the age of respondents. The study results revealed that 43.8% were aged between 25 – 34 years were 43.8%, 25% were 35 – 44 years, 18.7% between 45 – 54 years and 12.5% were aged 55 and above with a mean score of 2.00 and a standard deviation of 1.078. This shows that the majority of respondents were aged between 25 – 34 years as shown in Table 7

	Frequency	Percent
Between 25 -34 Years	14	43.8
Between 35 – 44 Years	8	25.0
Between 45 – 54 Years	6	18.7
55 Years & Above	4	12.5
Total	32	100

Table 7: Age of Respondents

4.4.3. Years of Operation

The study sought to establish the years the organization had been in operation. The study results revealed that 43.8% of the organizations have been in operations for between 1 – 5 years, 25% between 6 -10 years and above 10 years were 31.2% with a mean score of 1.88 and a standard deviation of 0.871. This shows that the majority of agribusiness SMEs that participated in the study had operational experience of 1 – 5 years as shown in Table 8

	Frequency	Percent
Between 1 – 5 Years	14	43.8
Between 6 – 10 Years	8	25.0
Above 10 Years	10	31.2
TOTAL	32	100

Table 8: Years of Operation of Organization

4.4.4 .Type of Agribusiness SMEs

The study sought to establish types of agribusiness SMEs. The study results revealed that 40.6% were in exports, 43.8% processing and 15.6% inputs with a mean score of 1.75 and a standard deviation of 0.718. This shows that the majority of respondents that participated in the study were in processing as shown in Table 9

	Frequency	Percent
Export	13	40.6
Processing	14	43.8
Inputs	5	15.6
TOTAL	32	100

Table 9: Type of Agribusiness SMEs

4.4.5. Number of Employees

The study sought to establish number of employees in the agribusiness SMEs. The study results revealed that 37.5% of the SMEs had between 10 – 25 employees, SMEs with between 26 -35 employees and 36 – 50 employees were 25% each and 12.5% had 51 employees, with a mean score of 2.13 and a standard deviation of 1.070. This shows that majority of respondents that participated in study have between 10 – 25 employees as shown in Table 10

	Frequency	Percent
Between 10 – 25 Employees	12	37.5
Between 26 – 35 Employees	8	25.0
Between 36 – 50 Years	8	25.0
51 Employees & Above	4	12.5
Total	32	100

Table 10: Number of Employees

4.5. Descriptive Results

In the research analysis, the researcher used a tool rating scale of 5 to 1; where 5 was the highest and 1 the lowest. Opinions given by the respondents were rated as follows, 5= Strongly Agree, 4= Agree, 3= Neutral, 2= Disagree and 1= Strongly Disagree. The analyses for mean, standard deviation was based on this rating scale.

4.5.1. Strategic Alignment

The study sought to establish whether agribusiness SMEs have adopted strategic alignment. The study results revealed that 75% have adopted strategic alignment and 25% have not adopted with a mean score of 2.13 and a standard deviation of 1.070. This shows that majority of respondents that participated in the study have adopted strategic alignment as shown in Table 11.

	Frequency	Percent
Yes	24	75
No	8	25
Total	32	100

Table 11: Number of Employees

	N	Mean	Std. Deviation
Employee recruitment are based on skills required for core activities of the organization	32	4.13	1.680
Clear employee performance framework exists to identify needs gaps and reward performance	32	3.47	1.218
There is investment on skills of employees of the agribusiness SMEs in correspondence to business goals	32	4.13	1.601
There is a clear plan in receiving feedback from Customers of the agribusiness SMEs	32	4.28	.888
Short term and long-term goals of the Company have been planned based on customer feedback	32	4.16	.369
A customer loyalty award scheme exists	32	3.22	1.947
Valid N (listwise)	32		

Table 12: Strategic Alignment

The first objective of the study was to assess the effects of strategic alignment on performance of agribusiness SMEs at the Kenyan Coast. Respondents were required to respond to set questions related to strategic alignment and give their opinions. The statement in agreement that employee's recruitment was based on skills required for core activities of the organization had a mean score of 4.13 and a Standard deviation score of 1.680. The statement that clear employees' performance framework existed to identify needs gaps and reward performance had a mean score of 3.47 and a standard deviation of 1.218. The statement in agreement that there was investment on skills of employees of the agribusiness SMEs in correspondence to business goals had a mean score of 4.13 and a standard deviation of 1.601. The statement that there was a clear plan in receiving feedback from customers of the agribusiness SMEs had a mean score of 4.28 and a standard deviation of 0.888. The statement that short term and long-term goals of the company had been planned based on customer feedback had a mean score of 4.16 and a standard deviation of 0.369. The statement that there was a customer loyalty award schemes had a

mean score of 3.22 and a standard deviation of 1.947.These results are in agreement with Muthini, (2014) that alignment of both organizational strategy and information strategy is important in formulating strategies as well as in their implementation. Implementation is fostered by aligning and adjusting key systems, processes, and decisions within the firm.

4.5.2. Strategic Planning

The second objective of the study was to determine the effects of strategic planning on performance of agribusiness SMEs at the Kenyan Coast. Respondents were required to respond to set questions related to strategic planning and give their opinions.

	N	Mean	Std. Deviation
Company has developed a clear Strategic/Business plan which is in use for the past 2 years.	32	4.03	.782
Employees are involved in identifying appropriate tools and techniques in planning Company goals and strategies.	32	4.38	1.185
Employees participate in actual development of Company's goals, targets and processes.	32	4.50	.803
Company's goals and targets stipulated in the strategic plan are implemented per schedule	32	3.47	1.391
There is a dedicated department or system or person in place to monitor implementation of plans	32	4.59	.665
Clear tools and techniques have been put in place to measure achievement of targets	32	3.66	1.359
Valid N (list wise)	32		

Table 13: Strategic Planning

The statement that company had developed a clear strategic/business plan which was in use for the past 2 years had a mean score of 4.03 and a standard deviation of 0.782. The statement that employees were involved in identifying appropriate tools and techniques in planning the company goals and strategies had a mean score of 4.38 and a standard deviation of 1.185. The statement that employees participated in actual development of company's goals, targets and processes had a mean score of 4.50 and a standard deviation of 0.803. The statement that company's goals and targets stipulated in the strategic plan were implemented per schedule had a mean score of 3.47 and a standard deviation of 1.391. The statement that there was a dedicated department or system or person in place to monitor implementation of plans had a mean score of 4.59 and a standard deviation of 0.665. The statement that Clear tools and techniques had been put in place to measure achievement of targets had a mean score of 3.66 and a standard deviation 1.359. This study is in agreement with Slavik, (2015) and Uzel *et* al.,(2015) that strategic planning identifies the dimensions of vision and mission statements, objectives and staff involvements as key in measuring the rate of strategic planning in organizations. These dimensions had been used in this research to find out the degree to which they influence selected agribusiness performance in Coast region.

4.5.3. Strategic Leadership

The third objective of the study was to examine the effects of strategic leadership on performance of agribusiness SMEs at the Kenyan Coast. Respondents were required to respond to set questions related to strategic leadership and give their opinions.

	N	Mean	Std. Deviation
There is a strategic direction in terms of where the agribusiness is heading	32	4.47	.507
Company's leadership are providing the necessary direction to the team to achieve the set goals.	32	4.06	1.413
The Company's leadership has maintained same way of offering their business for the past 3 years.	32	4.28	.457
With the need to expand business, Company still can define their core business.	32	4.62	1.185
There exists a framework to improve the company's core services/products	32	4.22	.420
Company has a clear plan in how to manage new entrants (competition) into their core business	32	3.94	.619
Valid N (listwise)	32		

Table 14: Strategic Leadership

The statement that there was a strategic direction in terms of where the agribusiness is heading had a mean score of 4.47 and a standard deviation of 0.507. The statement that company's leadership was providing the necessary direction to the team to achieve the set goals had a mean score of 4.06 and a standard deviation of 1.413. The statement that the company's leadership had maintained same way of offering their business for the past 3 years had a mean score of 4.28 and a standard deviation of 0.457. The statement that with the need to expand business, Company still could define their core business had a mean score of 4.62 and a standard deviation of 1.185. The statement that there existed a framework to improve the company's core services/products had a mean score of 4.22 and a standard deviation of 0.420. The statement that company had a clear plan in how to manage new entrants (competition) into their core business had a mean score of 3.94 and a standard deviation of 0.619.These results are in agreement with Nyamao, (2016) that Strategic leadership involves creating long term purpose and vision of the firm and that strategic leaders have a task of administering resources of the organization. Further the study results on strategic leadership are in agreement with Kjelin, (2014) and Nganga, (2015) that strategic leadership is one of key determinants of performance of an organization through strategic decision-making, determining organizational structure and managing the organizational process.

4.5.4. Performance of Agribusiness SMEs

	N	Mean	Std. Deviation
There has been increased sales by the Company for the past last 2 years	32	4.44	.914
There has been Increased Market Share by the Company for the past 2 years.	32	4.19	.896
The company has created more new jobs in the past 2 years.	32	2.84	1.526
The Company's total equity has increased in the past 2 years.	32	4.59	.615
Valid N (listwise)	32		

Table 15: Performance of Agribusiness SMEs

The statement that there had been increased sales by the company for the last 2 years had a mean score of 4.44 and a standard deviation of 0.914. The statement that there had been increased market share by the agribusiness SMEs for the past 2 years had a mean score of 4.19 and a standard deviation of 0.896. The statement in agreement that the company had created more new jobs in the past 2 years had mean score of 2.84 and a standard deviation of 1.526. The statement that the company's total equity had increased in the past 2 years had a mean score of 4.59 and a standard deviation of 0.615.These results are in agreement with Tiringo, (2014) that agribusiness sector today depends largely on the provision of appropriate infrastructure and policy framework that will entirely support the business environment for them to grow their competitive advantage in the market

4.6. Correlation Results

To establish the relationship between the independent variables and the dependent variable the study conducted correlation analysis which involved coefficient of correlation and coefficient of determination.

4.6.1. Coefficient of Correlation

Pearson Bivariate correlation coefficient was used to compute the correlation between the dependent variable (Performance of agribusiness SMEs) and the independent variables (Strategic alignment, strategic planning, strategic leadership and strategic organizational design). According to Sekaran, (2015), this relationship is assumed to be linear and the correlation coefficient ranges from -1.0 (perfect negative correlation) to +1.0 (perfect positive relationship). The correlation coefficient was calculated to determine the strength of the relationship between dependent and independent variables (Kothari and Gang, 2014).

In trying to show the relationship between the study variables and their findings, the study used the Karl Pearson's coefficient of correlation (r). The results were as shown in Table 16 below.

	Performance of Agribusiness SMEs	Strategic Alignment	Strategic Planning	Strategic Leadership
Performance of Agribusiness SMEs	1			
	32			
Strategic Alignment	.474**	1		
	.000			
	32	32		
Strategic Planning	.243**	.363*	1	
	.000	.000		
	32	32	32	
Strategic Leadership	.622**	.034	.241	1
	.000	.001	.000	
	32	32	32	32

Table 16: Pearson Correlation

According to the findings, it was clear that there was a positive correlation between the independent variables, strategic alignment, strategic planning, strategic leadership and strategic organizational design and the dependent variable performance of agribusiness SMEs. The analysis indicates the coefficient of correlation, r equal to 0.474, 0.243 and 0.622 for strategic alignment, strategic planning and strategic leadership respectively. This indicates positive relationship between the independent variables namely strategic alignment, strategic planning and strategic leadership and the dependent variable performance of agribusiness SMEs. These results are in agreement with Carter and Jones, (2014) that there is a positive correlation between the independent variables strategic alignment, strategic planning and strategic leadership and the dependent variable organizational performance.

4.6.2. Coefficient of Determination (R^2)

To assess the research model, a confirmatory factors analysis was conducted. The four factors were then subjected to linear regression analysis in order to measure the success of the model and predict causal relationship between independent variables (strategic alignment, strategic planning, strategic leadership and strategic organizational design), and the dependent variable (Performance).

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.900[a]	.809	.781	.68177

Table 17: Coefficient of Determination (R^2)

a. Predictors: (Constant), Strategic Alignment, Strategic Planning, Strategic Leadership

The model explains 80.9% of the variance (Adjusted R Square = 0.781) on performance of agribusiness SMEs. These results are in agreement with (Harmon, 2015). Clearly, there are factors other than the four proposed in this model which can be used to predict strategic management practices. However, this is still a good model as Cooper and Schinder, (2013) pointed out that as much as lower value R square of 0.10-0.20 is acceptable in social science research.

This means that 80.9% of the relationship is explained by the identified four factors namely strategic alignment, strategic planning and strategic leadership. The rest 19.1% is explained by other factors in the performance of agribusiness SMEs not studied in this research. In summary the four factors studied namely, strategic alignment, strategic planning, and strategic leadership, determines 80.9% of the relationship while the rest 19.1% is explained or determined by other factors.

4.7. Regression Results

4.7.1. Analysis of Variance (ANOVA)

The study used ANOVA to establish the significance of the regression model. In testing the significance level, the statistical significance was considered significant if the p-value was less or equal to 0.05. The significance of the regression model was as per Table 18 below with P-value of 0.00 which is less than 0.05. This indicates that the regression model is statistically significant in predicting factors of strategic management practices. Basing the confidence level at 95% the analysis indicates high reliability of the results obtained. The overall Anova results indicates that the model was significant at F = 28.681, p = 0.000.

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	53.325	4	13.331	28.681	.000[b]
	Residual	12.550	27	.465		
	Total	65.875	31			

Table 18: ANOVA

A. Dependent Variable: Performance of Agribusiness SMEs

B. Predictors: (Constant), Strategic Alignment, Strategic Planning, Strategic Leadership

4.7.2. Coefficients

The researcher conducted a multiple regression analysis as shown in Table 19 so as to determine the relationship between performance of agribusiness SMEs and the four variables investigated in this study.

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	21.608	1.999		10.811	.000
	StrategicAlignment	.168	.039	.391	4.258	.000
	StrategicPlanning	.032	.057	.053	2.563	.000
	StrategicLeadership	.330	.129	.621	2.548	.001

Table 19: coefficients

A. Dependent Variable: Performance of agribusiness SMEs

The regression equation was:

$Y = 21.608 + 0.168\mathbf{X_1} + 0.032\mathbf{X_2} + 0.248\mathbf{X_3}$

Where;

Y = the dependent variable (Performance of agribusiness SMEs)

X_1 = strategic alignment

X_2 = strategic planning

X_3 = strategic leadership

The regression equation above established that taking all factors into account (Performance of agribusiness SMEs as a result ofstrategic alignment, strategic planning and strategic leadership) constant at zero performance of agribusiness SMEs will be 21.608. The findings presented also showed that taking all other independent variables at zero, a unit increase in strategic alignment would lead to a 0.168 increase in the scores of performances of agribusiness SMEs; a unit increase in strategic planning would lead to a 0.032 increase in performance of agribusiness SMEs; a unit increase in strategic leadership would lead to a 0.330 increase in the scores of performances of agribusiness SMEs. These results are in agreement with Muthoka, Oloko and Obonyo, (2017) that there was a positive link between the independent variables and the dependent variable.

This therefore implies that all the four variables have a positive relationship with performance of agribusiness SMEs with strategic leadership contributing most to the dependent variable and Strategic planning contributing lowest to the dependent variable. From the table we can see that the predictor variables of strategic alignment, strategic planning and strategic leadership got variable coefficients statistically significant since their p-values are less than the common alpha level of 0.05. These results are consistent with Gure and Karugu, (2018) that strategic managemenet practices have an overall effect on performance of an organization.

5. Summary of the Findings, Conclusion and Recommendations

5.1. Introduction

The chapter provides the summary of the findings from chapter four, and it also gives the conclusions and recommendations of the study based on the objectives of the study. The chapter finally presents the limitations of the study and suggestions for further studies and research.

5.2. Summary of the Key Findings

The summary of the key findings are as follows:

5.2.1. Strategic Alignment

The study results revealed that agribusiness SMEs recruit staff based on the skills required for core activities of the organization after a needs assessment had been performed to determine what skills are required to increase performance. Further the study established that agribusiness SMEs invested in improving skills of their employees in terms of learning new techniques and adoption of best practices the world over. At the center of agribusiness SMEs success was the provision of quick feedback to the clients and this helped in developing products that are desired by customers hence increasing sales and

profitability. There was a positive correlation between the independent variable strategic alignments with the dependent variable performance of SMEs standing at 47.4%.The stepwise multiple regression analysis revealed that a unit increase in strategic alignment led to a 16.8% increase in the performance of agribusiness SMEs at the Kenyan Coast.

5.2.2. Strategic Planning

The study findings established that agribusiness SMEs had in place a clear strategic business plan and that employee were always involved in development of strategic plans for their department in line with the core plans. Further employees were involved in setting targets and plans on how to achieve these targets. It established that agribusiness SMEs have developed their own ways of monitoring and evaluating their progress. There was a positive correlation between the independent variable strategic planning and the dependent variable standing at 24.3%.The stepwise multiple regression analysis revealed that a unit increase in strategic planning led to a 3.2% increase in the performance of agribusiness SMEs at the Kenyan Coast.

5.2.3. Strategic Leadership

The study results revealed that strategic leadership was highly embraced in agribusiness SMEs. It further revealed that there was consistency in leadership for at least 3 years with focus on growth of core businesses. There was a framework to improve agribusiness SMEs core business. It further established that there was a clear plan on how to counter competition and new entrants in the agribusiness thus being able to sustain the market share. There was positive correlation between the independent variable strategic leadership and the dependent variable standing at 62.2%.The stepwise multiple regression analysis revealed that a unit increase in strategic leadership led to a 33% increase in the performance of agribusiness SMEs at the Kenyan Coast.

5.3. Conclusion

The research findings led to conclusions on performance of selected agribusiness SMEs at the Kenyan Coast as explained below;

Strategic alignment has an effect on performance of selected agribusiness SMEs at the Kenyan Coast, and at the center of agribusiness SMEs' success is the provision of quick feedback to the clients and this has helped in developing products that are desired by customers hence increasing sales and profitability. Performance of agribusiness SMEs at the Kenyan Coast therefore increase when a strategic alignment is employed.

Strategic planning has an effect on performance of selected agribusiness SMEs at the Kenyan Coast. It however revealed that as compared to the other 4 independent variables, Strategic planning only contributes to a small extent in unlocking potential of the Agribusiness SMEs at the Kenyan Coast.

Strategic leadership has an effect on performance of selected agribusiness SMEs at the Kenyan Coast. The research findings revealed that the Agribusiness SMEs at the Kenyan Coast that had consistent strategic leadership for the past 3 years had consistent growth on their core businesses. And thus, Performance of agribusiness SMEs at the Kenyan Coast is highly affected by Strategic leadership.

5.4. Recommendations

Based on the findings of the study and as per the specific objectives, the study recommends as follows:

- That agribusiness SMEs should align their strategies to increase market share of their products and services and hence increase profitability.
- That agribusiness SMEs should have strategic plans that are achievable both in the short term and long term in order to unlock their potentials and turn to profitability.
- Agribusiness SMEs strategic leadership should continually be consistent in the short term to achieve growth in their core businesses.

5.5. Suggestion for Further Studies

This study focused on the influence of strategic management practices on performance of selected agribusiness SMEs at the Kenyan Coast. Since only 80.1% of results were explained by the independent variables in this study, and 43.8% had only operated between 1-5 years, it is recommended that a study be carried out on other factors on performance of agribusiness SMEs other than those identified and carried out under this study, or similar factors be used in another study but carried out in other regions like Nairobi where there may be a larger number of Agribusiness SMEs with operations beyond 10 years, and results compared.

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