

**INFLUENCE OF STRATEGIC ALIGNMENT ON THE PERFORMANCE OF  
KENYA REVENUE AUTHORITY**

**By**

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## DECLARATION

I declare that this project is my original work and has not been submitted for an award of a degree in any other University for examination purposes.

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This research project has been submitted for examination with my approval as the University Supervisor.

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## **DEDICATION**

This research project is dedicated to my sons; Elvis, Adrian and Kelsy for their great support and inspiration throughout my study and to my parents Mr & Mrs Anamanjia for their moral support.

May God bless you all.

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## OPERATIONAL DEFINATIONS OF TERMS

<b>Cultural Alignment</b>	Establishment of common values, beliefs, and behavioural norms in an organization in a way that all the employees work in a predictable manner with a view to increasing firm performance
<b>Dynamic Capability</b>	Firms ability to configure its core internal resources to achieve improved performance
<b>Environmental Alignment</b>	The process of identifying all external and internal elements that affect the organisation's performance.
<b>Firm Performance</b>	The measure of overall productivity of the organisation as compared to its goals and objectives and as manifested by total taxes collected, number of new tax payers recruited or VAT refunds settled.
<b>Resource Alignment</b>	Identification of appropriate resources in terms of culture, structure and internal resources with an aim of match them in a manner that will result in increased firm outcome
<b>Strategic Alignment</b>	Existence of a dynamic fit between organization internal activities such product design, production, partner alliances and distribution, with the IT domains adopted by the firm
<b>Structural Alignment</b>	The capacity to coordinate organization's departments, functions and people in such a way to create synergy in their activities

## **ABBREVIATIONS AND ACRONYMS**

CBC	-	Customs & Border Control Department
CSS	-	Corporate Support Services Department
DCT	-	Dynamic Capability Theory
DTD	-	Domestic Taxes Department
ISO	-	Intelligence & Strategic Operations Department
I & E	-	Investigations & Enforcement Department
IT	-	Information Technology
KRA	-	Kenya Revenue Authority
LS & BS	-	Legal Services & Board Coordination Department
RA	-	Resource Advantage
SIRM	-	Strategy, Innovation & Risk Management Department

## ABSTRACT

Organizational performance is a key dimension that managers direct their attention to achieve due to its effect on the firms short and long term sustainability. However, the performance of an organization is affected by the dynamic nature of the business environment that firm operates in. Consequently, an organization should come up with appropriate strategies that make the firm operations to be aligned with the prevailing market conditions. The objectives of the study were to assess the influence of strategic alignment on the performance of Kenya Revenue Authority with the response variables investigated being structural, cultural, resource and business environment alignment. A descriptive research design was adopted with the targeted population of the study being the 1486 employees based in the head office in Job groups 3–4, 5–7 and 8-10. Primary data was collected using a questionnaire. The open ended questions were analyzed using content analysis while the closed ended question was analyzed using descriptive measures of mean and standard deviation. To determine the effect of strategic alignment on KRA's performance, a regression analysis was used. The study results demonstrated that structural alignment was found to positively and significantly affect the performance of the organization with the p-values being 0.001. It was also found that additional units of shared values add value to the organisation and that an increase in resource alignment increased performance significantly. The business environment alignment was also found to have a positive effect on performance though insignificant since the  $p > 0.05$ . The study concludes that Kenya Revenue Authority should direct more effort in adapting its structure, culture and resources with a view to making it more responsive to the business environment and with these alignments matched; the organizational performance will be improved. Consequently, the organization should direct more effort to its structure, culture, resources and adapting its operations to the prevailing business environment. This study adopted a descriptive research design. Studies should be undertaken using different research designs such as case study or a combination of more than one design. Studies can also be undertaken on County governments and agencies to establish strategic alignment's effect on their performance. Studies can also be conducted on other strategic alignment factors that affect performance of these organisations.

## CHAPTER ONE

### INTRODUCTION

#### 1.1 Background of the Study

The current business environment that firms face is characterized by several unique and operational features that might independently or jointly encompass dynamism, complexity, and hostility which affects the outcomes of a firm. As a result, Bryson (2018) opine that manager of firms in dynamic complex environments' decision units often experience the highest uncertainty in making decisions and as a result will need to come up with feasible strategies to guide the organization to the realization of its objectives. White, Parfitt, Lee & Mason-Jones, (2016) reinforce those perceived uncertainties in operating environment varies to both public and private organisations, which then determine the nature of their strategic posturing, such as defensiveness, proactiveness, or risk-taking through their business or information technology strategies and structure. One of the strategic decisions that firms have adopted in the face of uncertain operating environment, is the need to align its resources within the organization as well as external opportunities that present itself to the firm. Wu, Straub, & Liang (2015) acknowledge the widely shared premise that is anchored on the contingency perspective that the organization's strategy alignment or fit with its context is essential to organizational performance. It is argued that the ability for matching and aligning organizational resources with environmental threats and opportunities is expected to influence performance of an organization.

The importance of aligning an organization IT strategy with business strategy has become a gainful goal to business managers in developed world has attracted increased attention as exposed by Ilmudeen, Bao and Alharbi (2019). However, the different dimensions that strategic alignment takes have introduced complexities among managers in the quest to

achieve it. Further, the combination of different organization functions that range from infrastructure and processes IS infrastructure process, the need for collaboration among business strategies and external partners, has increased the uncertainties in the implementation of strategic alignment in organizations. Despite this, Lee, Kim, Paulson and Park (2008) aver that the alignment between organization strategies and IT brings about improved strategic direction from flexibility and alignment's strategic dimensions resulting from the social aspects of IT-strategy alignment.

The multiplicity of different practices in an organization and how they need to work concurrently for optimal outcome, according to El-Masri, Orozco, Tarhini and Tarhini (2015) and that there are no one-size fits all the organizations' alignment strategy, but rather different skills are fused together to achieve improved performance. The strategic alignment should entail good communication with a view to understanding business from the IT perspective and sharing of knowledge that is repository in an organization, need to be supported by the values that have been implemented in an entity as well as the structures developed (Galliers, 2011).

Ravasi and Phillips (2011) claim that more effective strategic priorities expected to influence the firm performance are focused on if an organizations strategic alignment is higher; but given a specific organizational environment strategic alignment is lower, decision makers will tend to focus on less effective strategic priorities. Rastogi (2000) indicates that organizational strategic alignment will involve changing people's perception and behaviour, changing bureaucratic culture and organizational structure; encouraging and rewarding collaboration and team learning in a sustained manner.

Over the last decade, the Kenya Revenue Authority has undertaken several restructuring and operational alignment measures, supported through legal backing to try and increase its efficiency. According to the Annual report (2017) KRA reports that it has invested close to Ksh 15.6 Billion towards upgrading its IT system with an aim of increasing its revenue base and brings more clients to the tax bracket. Further, the investment in IT was aimed at improving productivity and quality of services. Similarly, the organization has undertaken various restructuring initiatives by dividing its operations into several operational divisions. It is against this strategic alignment moves by the organization that it becomes imperative that a study is undertaken to try and ascertain if the strategic alignment moves have resulted in improved organizational performance.

### **1.1.1 Firm Performance**

Different definitions have been advanced to describe the term firm performance due to the difference of organizational goals. Firm performance is a means of providing value the stakeholders by a firm and hence indicates how well the firm resources are utilized by the managers (Moullin, 2007). Koontz and Donnell (2010) define organizational performance as the capacity that a firm has in order to realize such mundane objectives as achieving long-term sustainability, good financial results, new product development, increased market share and high profit. Thus, it measures the enterprise's actions through achievement of its objectives and goals. If firms are undertaking activities satisfying the stakeholders, customers and owners' needs then the firm objectives and aims achieved. Further, if a firm performs in an effectively and efficiently than the competitor, its objectives are attained. This study will adopt the definition of firm performance advanced by Lahiri, and Narayanan (2013), who opine that organizational performance is a factor determining the progress and success of a



firm towards achieving its strategic objective and establishes weakness and strength arising from firm operational activities and decides on how future projects are to be undertaken.

Different ways are used to measure a firm's performance or success. According to Carton (2004), the value created for stakeholders by an organization can be basis for assessing its successful performance. The organization's change in financial state can help in evaluating financial performance. Early researches employed different measurements of performance.. Lumpkin and Dess (2001) applied sales development, profitability, market share and total performance to gauge on firms' level of performance. Mensah (2013) utilized three approaches, stock turnover, profit, and consumer satisfaction to gauge the relationship between performance of a firm and strategic orientation. Calantone et al. (2002) utilized four performance measurements, to be specific: market share, general gainfulness, return on capital, and customer satisfaction and to quantify learning orientation and organizational performance. Effiok, Ojong, and Usang (2012) contended for the utilization of four measurements of performance, in particular; retention of customers, success of a new item/product, established growth in sales and degree of profitability to quantify performance and market orientation of a firm. In this study, performance perspective measures of the balance score card will be utilized to evaluate increased performance at the Kenya Revenue Authority. It is a model developed by Robert Kaplan and David Norton (1992) for measuring strategic performance and its main objective is translating the vision and mission of an institution into real operational actions. The perspective measures are: growth and learning, customer focus, internal processes and financial.

### **1.1.2 Strategic Alignment**

Business alignment strategy has been defined differently by many researchers. Chan and Reich (2007) defines it as the degree to which IT capabilities and activities support business strategy. Henderson and Venkatraman (1993) as cited by Chung, Park, Lee and Kim (2015) explains that the first definition of strategic alignment concerned the naturally dynamic fit between internal and external domains like IT, business processes, administrative structures, strategy and the product/market. Similarly, Gerow, Thatcher and Grover (2015) define strategic alignment as the extent to which one component's structures, objectives, goals, demands and needs are consistent with those of another component.

On the basis of the definitions, a firms' strategic alignment involves external and internal processes across a firm or firms. Vessey and Ward (2013) assert that sustainable competitive advantages is enhanced by a business units by internal alignment with the firm's available infrastructure and resources and external alignment with business environment in which it operates in. This position suggests that the success of strategic alignment should not only be pegged at the external environment but rather on the organization's ability to identify requisite internal resources that will steer the firm to its objectives' realization (Barney, 1991).

Vessey and Ward (2013) identify two forms of strategic alignment in a firm; namely, lateral or horizontal and vertical. The vertical alignment represents the configuration of functional and business levels, action plans and objectives throughout the corporate, decisions and strategies of the organization. On their part, Reynolds and Yetton (2015) that argue that apart from the three levels, the organizations strategic alignment can be in form of the aligning its external business environment, resources, structure and culture in which the organization

operates in. It is expected that the alignment of internal organization operations at Kenya Revenue Authority in terms of structure, internal resources and culture facilitates the efforts coordination across the institution and it is of relevance to the strategy hierarchy' lower levels. Therefore, horizontal alignment is looked at from the cross-functional integration that represents the decisions consistency across organizational functions, namely; HR, operations, across marketing and other functions supporting and complementing each other. Similarly, coherence across decision areas helps in achieving Intra-functional coordination with an aim of achieving synergy within each function

### **1.1.3 Kenya Revenue Authority**

It was established in 1995 by an Act of Parliament to facilitate enhancement and mobilisation of Government revenue under Chap 469, Laws of Kenya. The Act stipulates the functions of the Authority to include advising on matters that relate to revenue collection and administration, assessing, collecting and accounting for all revenues in line with the written laws and their specified provisions and performing other tasks relating to revenue as directed by the Minister. In achieving the objectives, the institution is divided into seven departments: Legal Services & Board Coordination Department (LS&BC), Corporate Support Services Department (CSS), Strategy, Innovation & Risk Management Department (SIRM), Investigations & Enforcement Department (I&E), Intelligence & Strategic Operations Department (I&SO), Domestic Taxes Department (DTD) and Customs & Border Control Department (C&BC) (Kenya Revenue Authority, 2017). To fulfil this mandate, 17 revenue Acts are administered by KRA, the primary ones being the Excise Duty Act 2015), the Income Tax Act (Cap. 470), the Value Added Tax (VAT) Act(Cap. 476), the East African Community Customs Management Act (EACCMA) and the Tax Procedures Act 2015

Kanyi and Kalui (2014) assert that in performance of its function, Kenya Revenue Authority faces several challenges that include poor operating procedures, undocumented internal business processes, and lack of a service ethics across the levels of management. In addition, the organization lacks sufficient or efficient supporting infrastructure, involvement in corruption and illicit trade by staff. Further, with the ballooning of government spending, Kenya Revenue Authority has been pressed to increase its revenue collection to finance the government and bridge the funding deficit in each subsequent budgeting period. According to the Kenya Revenue Authority Revenue Performance Report 2013/14 financial year, Authority collected Kshs.963.8 billion compared to Ksh. 800.5 billion collected in 2012/13 fiscal year which represented a Ksh. 163.3 billion or 20.4% revenue growth. For the period 2016/2017, Kenya Revenue Authority increased its revenue collection to Ksh 1.23 trillion against a target of Ksh 1.48 trillion. Despite the positive growth in revenue collection, Kenya Revenue Authority has been unable over the years to realise its revenue collection targets but instead has been registering a shortfall over the years. Consequently, it becomes imperative that the authority re-evaluates its strategies with a view to aligning its strategies for a particular period with the realities in the environment. The understanding of the ability of the organization to strategically align its operation to the evolving conditions in the market is anticipated to affect its performance.

## **1.2 Statement of the Problem**

To achieve organizational goals, there is need of the management to align its internal activities with the environmental demands through continuous adjustment of its process in a way that will enable it be able to get optimal returns. Different internal process, though they work independently, need to supplement the other organizational activities in a way that will result in a synergy for optimal performance (Vessey & Ward, 2013). The alignment of the

internal organizational structure, culture, resources and the external business environment conditions acts as an important catalyst to the realisation of improved performance. All these resources should be linked together with an appropriate IT platform so that they can act in seamless manner so that they can easily react to changes in operating environment.

Kenya has faced increased revenue collection deficit over the years. According to the Treasury's budget policy statement (2019), Kenya Revenue Authority (KRA) collected KES 920.6 billion, which is, against a target of Kshs 1059.3 billion for the five months to December 2019. The Authority also, according to the National Treasury report (2018), did not meet its half-year target of revenue collection by KES. 68.3 billion by collecting KES. 709.4 billion against a target of KES. 777.7 billion in the period between July and December 2018. The same trend was registered to December 2017 whereby, it did not meet its half-year target of revenue collection by a total of 44.3 billion shillings, by collecting KES. 656.9 billion against a target of KES.701.7 billion, a challenge that was attributed to a big short fall in collecting ordinary revenue resulting to 18.4 billion shillings deficit in PAYE and 15.9 billion shillings off the VAT collection mainly from the imported good. The continued registration of revenue collection shortfalls can be credited in part absence of proper alignment of KRA internal process to the prevailing environmental conditions as well as a lack of synergy among the internal processes. This point was noted in the organization 2018/21 strategic plan that suggested the need for proper alignment of its structure, culture and available resources with a view to reacting easily to the changes to the country's economic performance, tax payers' capacity, stakeholder relationship and global changes that affect its revenue collection targets.

Different researches have tried to establish the influence of strategic alignment position on organization outcomes. These studies are anchored on believe that the realization of the

company's strategy and environment match can influence performance (Prajogo, 2016).). A review of the extant researches indicate that the first set supports existence of a positive effect of a strategic fit between various specific strategic choices that an organization pursues and the external environment (Prescott, 2006; Kellermanns et al., 2011). Some of the internal factors identified to require a strategic fit include the organizational culture, structure and resources (Miller & Friesen, 2004). A second research studies set sought to evaluate how generic business strategies and the environment related that discovered that, with time negative consequences for the organizations' survival and performance were experienced by organizations that went against strategic fit's normative predictions (Zajac et al., 2010).

However, the results on how organizational performance is affected by strategic alignment have been mixed and the direction of the relationship has likewise not been determined. Therefore, the mixed finding on how firm performance and business strategic alignment are related demands more research, especially in a government institution that is based in a developing country as Kenya, since majority of the studies undertaken on the need for strategic alignment has been carried out in developed countries with a bias on profit-oriented firms. Therefore, this research endeavoured to establish how strategic alignment at Kenya Revenue Authority as manifested in structural, cultural, resources availability and environment influences its performance.

### **1.3 Objectives of the Study**

This section explains the objectives of the study

#### **1.3.1 General Objective**

The research sought to determine the effect of strategic alignment on the performance of Kenya Revenue Authority

### **1.3.2 Specific Objectives**

The specific objectives of the study were;

- i. To determine the effect of structural alignment on the performance of Kenya Revenue Authority
- ii. To examine the effect of cultural alignment on the performance of Kenya Revenue Authority
- iii. To evaluate the effect of resource alignment on the performance of Kenya Revenue Authority
- iv. To explore the effect of business environment alignment on the performance of Kenya Revenue Authority

### **1.4 Research Questions**

The research was guided by the following research questions:

- i. What is the effect of structural alignment on the performance of Kenya Revenue Authority?
- ii. What is the effect of cultural alignment on the performance of Kenya Revenue Authority?
- iii. What is the effect of resource alignment on the performance of Kenya Revenue Authority?
- iv. What is the effect business environment alignment on the performance of Kenya Revenue Authority?

## **1.5 Significance of the Study**

The findings are of benefit to both policy regulation and the practice of strategic management in institutions. Understanding of the effect of organizational alignment will benefit KRA because the issue is not only for an organization to assemble necessary resources and develop appropriate strategies to actualize organization performance but rather align these resources in a way that would create a synergy to the organizations operations. The study findings might also enable managers to come up with appropriate business and IT synergy that will steer the organization to the realization of its objectives and help the firm in developing a contingency perspective on the best way of carrying out the exercise. This could to an improvement in comprehending how strategic alignment of a firm resources is associated with environmental opportunities.

For the Kenya Revenue Authority parent ministry, the National Treasury, the understanding of how the strategic alignment at KRA influence its performance could facilitate targeted resource provision and allocation on those business activities that might result in increased revenue collection and tax payers base. The increased revenue collection by the KRA will reduce the budgetary deficit in the Kenya and also reduce budgetary dependence from outside donors and multi-national organizations like the International Monetary Fund (IMF) and World Bank. This is expected to increase the country's self-sufficiency in running its affairs and independence. Consequently, the study helps in formulation of policies relating to management of parastatals' tangible and intangible resources for better improvement of performance.

For the scholars, a study on the strategic alignment could enable scholars and practitioners to investigate the (dis)synergetic effects of multiple alignment strategies by a firm at the same



time be able to identify the most dominant strategic alignment that could result in increased firm performance. The characteristic of a firm strategic alignment dimension is relevant as organizations frequently maintain multiple alignment dimensions at some point and that alignment synergies influence firm performance. The study will be used a reference by business researchers and academician.

Similarly, by drawing on different theories including the resource-based view, the Dynamic Capability theory and the Contingency theory, this research might extend the strategic alignment literature to determining how strategic alignment and the government Revenue agency' performance relate.

### **1.6 Scope of the Study**

Contribution of strategic alignment on Kenya Revenue Authority's performance was focused on. The research will be done at the KRA headquarters and covered a period of one and half years, effective June 2019. The strategic alignment variables under consideration was organizational structure, culture, resources and environment. The organization performance measures adopted the balance scorecard perspectives, namely; growth and learning, customer focus, internal processes and financial perspective.

### **1.7 Limitations of the Study**

The major limitations in the study include the fact that some respondents were hesitant to give personal and confidential information. Aadditionally, the study was done at the Kenya Revenue Authority and whether its findings are in agreement with other state departments and parastatals is subject to verification depending on other studies. Limited variables were considered and there could be more factors influencing organizational performance in an organizational setting.

The relatively small size of the sample was a significant limitation that might affect the statistical testing of the data that was collected though the researcher adopted appropriate statistical method appropriate to the small sample size. Under such a circumstance, a larger sample size will be desirable to obtain a more staple findings and this limitation provides opportunities for research involving a more sample size to be carried out in future. The focus of the study on employees of Kenya Revenue Authority alone derived the results and the generalizability and transferability of its findings on other institutions and this might suggest that future study need to expand the coverage to authenticate the results.

The research was also exploratory and as such investigated only four predictor variables of strategic alignment (structural, cultural, resource allocation and business environment). Future research should aim to expand the possible strategic alignment dimensions and undertake a wider study covering more variables and scope. In addition, some of the targeted respondents were hesitant to participate fully on the research and this was countered by using a letter from the human resource department to assure the targeted participants that the study will be for academic purpose only.

## **CHAPTER TWO**

### **LITERATURE REVIEW**

#### **2.1 Introduction**

This chapter entails the literature related to the study's objective. The section covers theories that underlie the study and the relevant empirical studies in the discipline by discussing how the independent variables affect the organization performance. In addition, the chapter provides a conceptual framework that guide the researcher in differentiating the study variables and finally a literature summary and study gap.

#### **2.2 Theoretical Framework**

A theory is a well discussed set of ideas intending to describe a phenomenal by denoting the principles that link the variables that support the study (Davidson, 2008). Therefore, the theoretical framework interrelated ideas put together on theories. This research was anchored on three theories; Institutional, Resource advantage and Dynamic capability Theories

##### **2.2.1 Institutional Theory**

Scott (2004) advances the institutional theory and attempts to explain the deeper and resilient aspects by which institutional routines, rules and norms, schemas are marked as the determinants of corporate outcomes. The theory argues that local organisational operations are established as a consequence of rationalised institutional assessment of the operating environment and that these structures need to change depending on the market demands. According to Tsa and Cheng (2014), institutional theory has been advocated as one of the most relevant perspectives for studying firm operations, especially in developing countries that are characterized by weak legal and enforcement framework and thereby necessitating,

informal institutions systems in order to realize organizational performance. Similarly, Peng and Zhou (2012) suggest that the establishment of an organization operational strategy that specifies the rules of the game will facilitate the improvement of its outcome since it will reduce the level of uncertainty among its staff as well as the outside business partners.

The institutional theory perspective gives explanations into the corporate governance structures practices and complexity in respect to their individualism across regions, nations and sectors (Amaeshi, Adegbite & Rajwani, 2016). The alignment of organization structure, culture, resources available and the need to train employees to cope with the external environment changes is expected to result in increased firm performance due to the expected fast response by the organization. Public corporations that are endowed with specific assets can exploit these assets in its business environment by overcoming high operational cost that will limit its performance. One of the ways in which an organization can manage effectively its cost is to come up with internal structures that reduce duplication of roles as well as being able to establish a culture in which the firm customer the customer as the main focus as well as working towards improved performance. An organizational structure that is flexible to utilize available IT infrastructure and adapt to the market demands is expected to result in improved performance to an organization and also can be aligned easily to changes emanating from the business environment.

### **2.2.2 Resource – Advantage Theory**

Hunt (1997) advanced this theory and proposes that a firm' primary objective is realizing great performance from its perfectly immobile and heterogeneous resources meaning that the organization aims at exceeding a set benchmark or target. The firm's heterogeneous resources, according to Kor and Mesko (2013) may include a knowledge hub regarding

markets and other forms of indigenous knowledge. Equally, in the marketplace, one cannot access organizational competency of creativity and developing innovative new products or ability of transforming market intelligence new market provision. The ability of combining internal resources in a way that can raise performance of an organization by effectively aligning internal assets aiming to capture external arising opportunities is one of a firm's indigenous resources (Yitmen, 2013).

The theory cites that comparative advantage in resources (intangible and/or tangible entities) leads to improved firm performance (Autry, 2013). It can also be perceived as a firm's inability in achieving set objectives a specific market due to consistent struggles among organizations for comparative advantage in a resource that produce competitive advantage marketplace positions hence superior organizational performance. The following five environmental factors: consumer behaviour, public policy decisions, the societal institutions framing the "rules of the game", competitor actions and the societal resources drawn by firms result to competitive processes in a market (Beckmann, Hielscher and Pies, 2014). Assessment of these factors from an organizational view should be done to obtain appropriate responses.

R\_A theory recognises firms internal resources and creativity and the resources result to performance of an organization (Porter and Kramer, 2019). An organization's capacity in developing strategies which constantly adapt to demands of the environment and reconcile with the external environment, explains the ability in achieving improved performance. In addition, efficiency in developing market offerings can be contributed to by capabilities in form of a firm's process alignment in a manner resulting to realization of marketplace positions hence superior financial performance.

As a result, it is expected that the capacity of an organization to identify its internal resources and configure them in a manner that results combine fast enough to capture opportunities that arise in the market, is expected to result in better performance.

### **2.2.3 Dynamic Capability Theory**

The Dynamic Capability Theory (DCT) was advanced by Teece and Pisano (1994) and refined further by Eisenhardt and Martin (2000) after Teece, Pisano, and Shuen (1997). Firm dynamic capabilities are external and internal resources enabling an institution in integrating, learning and reconfiguring its process and assets to attain improved execution. This theory inclines that the varying capability levels in firms depends on their asset positions in that the present capability stock of a firm determines its future position in changing its conditions of operation. Further, an organization's processes like managerial systems, resource allocation processes and governance structures help in shaping the organizational adoptability and flexibility. Equally, the path to be taken by a firm is determined by its capability

Dynamic capability view describes capabilities' crucial role in reconfiguring resources a firm presently has in coping with the constantly changing environment (Eisenhardt and Martin, 2000). In explaining an organizations competitiveness level, DCV explains dynamic capabilities' critical place in fast-changing business environments (Okeyo, Gathungu & Peter, 2016). Dynamic capabilities are regarded responsible for translating resources into performance that is better. According to Oliver (2015), if past practices are incorporated into early markets, an organization has a higher chance to succeed in a new market hunt, and for new technology-based organizations, the capability of integrating industry technology during the development of a service or product is a crucial dynamic capability.

Transforming an organization through processes such as learning, alignment of its different activities and decision making and breaking away from path dependences may benefit a firm significantly (Sirén, Hakala, Wincent & Grichnik, 2017). Similarly, Camisón and Villar-López (2014) suggest that technological flexibility due to its organizational structure, flexible application and reconfiguration of resources reinforces positive influence of innovation capability and thus enhances organizational performance. Hence, organizations should react fast to the market changes in dealing with dynamic business environments and respond to the strategic manoeuvre that external stakeholders apply. As the dynamic capability theory suggest, the key to firms' realisation of its goals is to reconfigure internal resources and therefore with a goal that a firm presently has in coping with the fast-changing environment.

Strategic alignment enables a firm management to quickly predict about the future market conditions that are significant and further manipulate them, factor out complains and take on opportunities before competing firms or identify chances of expected minor challenges before developing into major problems that may jeopardise existence of the firm (Lin, Su & Higgins, 2016). Dynamic capability theory advocate for firms to make a committed effort to discover potential technological change, since in most cases, they tend to focus more on internal success and from strengthening of factors that facilitated the success of organization in the past, at the expense of future firm position.

## **2.3 Empirical Review**

The strategic alignment effect on the performance of an organization has attracted several studies both locally in the international level. Alignment can be done in many phases, every phase to represent a particular business organization part, e.g the department phase, external or internal phase. The current research discusses the four dimensions of strategic alignment, namely; organization structure, culture, internal resources and business environmental alignment.

### **2.3.1 Structural Alignment and Performance**

Organization structure is the way within which people, functions, departments and organizations associate and interact with one another in achieving a common business goal (Tolbert & Hall, 2015). An organization with a higher number of managerial controls and administrative personnel might be expensive to run and this requires therefore that unnecessary managerial structures within the organization are eliminated. In addition, due to the business environment's rapid changes that range from changes in product lifecycles, technologies and consumer services, organizations should respond in a speedy manner to the changes. This requires a flexible organizational structure able to react to the changes quickly enough to increase the output required, reduce the cost of production, produce quality products and also increase in the rate of production (Teece, Peteraf & Leih, 2016).

Alignment of the organizations structure can play a key role in attainment of strong alignment by developing a formal business strategy with the top management being the ones forming the business strategy (Tan and Gallupe, 2006). In addition, there is a need to strategically link the top-level management decision with the middle level management who will be implementing the policy decisions. Similarly, there is need for the an organization structure



to bridge the business-IT communication gap— due to business employees’ inadequate IT knowledge, making them gain only a small IT benefits, as well as business managers and executives lacking IT belief hence neglecting position of IT and business decision-making (Golob, et al., 2013). For successful IT system development, business activities of an organization should be considered and the system requirement understood before starting its development phase. Before system implementation, business process modelling and goal modelling is required

Organizational structure is the manner in which a firm organises human capital to work for its objectives (Elsaid, Okasha, & Abdelghaly 2013). This means that decision-making process, authority, checks, procedure and reporting relations are specified by an organizational structure. As a result, “decision making responsibilities are placed within the company, the organization is formally divided into sub-units and mechanisms are established to coordinate sub company activities,” (Kownatzki, Walter, Floyd & Lechner, 2013). They explained further that the organizational framework affects the measurement and management of performance in a company.

In achieving successful results in change management, employees ought to empower young employees and engage them in the process of making decisions, hence permitting the correct process of change management. “Delegation has been claimed to influence and enable utilization of employee talent hence to benefit the organization change process,” (Kombo, Obonyo, & Oloko, 2014). According to Namoso (2013), it is difficult to get change communication to the rightful recipient in the right form and time without distorting because of the organizational hierarchy with many management levels hence change management is enabled.

Hao (2012), note that the organizational structure has more pronounced impact on performance of a company than other factors for example innovation and organizational learning. This study in Austria differs from a similar one in China that shows that Innovation has more performance on organization structure than structure. Ogbo (2015) point out that decentralization of organization structure improves better and enables faster decision making. The study condensed and suggested that managers of organisations, to improve decision-making in an organization, should take more decentrated forms of structure.

### **2.3.2 Cultural Alignment and Performance**

The culture of an organization is determined by three primary elements: behavioral norms, beliefs and shared values within the organized system. Companies with strong cultural relationships as represented by the three dimensions are expected to achieve better business performance (García-Sánchez, Rodríguez-Ariza, & Frías-Aceituno, 2013). Overall organizational culture comprises of many different individuals, to attain objectives and goals by working, each make use of particular emotional drives. But their emotional drives, objectives and goals are different. The business organization's performance may be affected by this mixture of persons with different emotions; it is necessary for a firm to have strong leadership aligning all the individuals in a manner to effectively achieve the business objectives and goals.

Chatman, Caldwell, O'Reilly and Doerr (2014) identify any business organization's culture as among the primary factors in successful alignment and it's eventually influence on the performance. The research established that work on organizational factors influencing technology objectives and the alignment's social dimension. The study identified 4 cultural factors that affected social dimensions and that required effective alignment if the desired

organizational outcomes are to be realised. The four cultural factors that were considered to influence organization performance include, sharing knowledge between IT executives and business departments, the IT implementing process, the connection between IT planning processes and the business and the communication established between IT executives and the business (Wu et al., 2015).

Hogan and Coote (2014) while researching on how staff performance is affected by corporate culture established that if workers possess the same values and standards as those of the organization, their performance increases since in the conduct and values of an organizations' community, corporate culture has a significant function to play. Performance is improved by a deliberate management effort in promoting corporate culture in an institution (Deal and Kennedy, 2012).

In the same way, Bennett et al. (2004) believes that the organization's success is a good match between strategy, culture and structure. Therefore, culture is viewed as an integrative factor that guides the behaviour of organizations once it is established.

Kamaamia (2017) reached the conclusion that all the components of organisation's culture, including target-oriented action, work-oriented actions, workers' actions, open culture and professional activities, improve organisation. A study carried out on the performance of public institutions in Rwanda, by Ndahiro, Shukla and Oduor(2016), a case of the Rwandan Revenue Authority, found that most staff of the institution generally embraced change and that has also generated a increased performance of the organization. A study in Kenya by Karanja (2014) has concluded that organization culture leads to consistency of performance by increasing employee consensus and readiness to support organizational aims, reducing insecurity by clarifying roles and increasing motivation for employees.

A study carried out by Wanjohi (2014) disclosed that many strategic issues (business performance improvement and necessity for more assimilated work) motivate changes in the media industry. These considerations usually lead to structured programs of change on the basis that the management of change consists of a few measures that can be implemented in a moderately short period. Alice (2017) found a positive connection between organizational performances of the Kenyan commercial banks and all their Change Management Strategies. An additional study of the management of change at Kenya Airways, focusing on models of change management, concluded that firms can only hope to achieve success in any particular form unless the managers understand the change model that they are intending to use. Ongoro (2004) found that change management is necessary for the services industries as well, following research on strategic change management dimensions in Kenyatta National Hospital (KNH).

### **2.3.3 Resource Alignment and Performance**

The strategic alignment of organization internal resources effect to produce new product development and innovation has also attracted attention. Acur, Kandemir and Boer (2012) investigated the need of alignment of the new product development (NPD) drivers and its impact on performance in four countries, namely; Finland, Denmark, Netherlands and Norway. The findings identified different activities by a new product development firm that need to be aligned with an organization strategy for successful product innovation. The researchers highlight activities such as technology and market assessment, the capacity to define clearly product concept declarations, the fit between the designed new products and the strategy of the company, the definition of target markets as required in organizational alignment. In line with Siguaw et al., (2006) the study also indicated reinforced the need to

recognize and exploit technological and market opportunities to reduce ambiguity during implementation of various strategies.

Among the publicly quoted companies in Kenya, Machuki and Aosa (2011) sought to determine how the performance of the firms is impacted by the internal setting. The research results indicate that the output of public listed firms has a major impact in terms of financial variables, business factors, legislative factors, competition, technological considerations, political factors, the danger of new market entrants and labor-market fluctuations in a country. However, statistically significant difference among the firms was found in the study. This implies that organizations strategies with regard to changes in the environment differ and this difference determines the level of performance. Sustainable competitive advantage is the product of deployment, accumulation and resource selection, and it depends on the premise of heterogeneity of resource of an organization (Kostopoulos and Spanos, 2006). The scholars further note the innovation process' outcome is positively affected by existence of different innovation capabilities and organizational resources, hence can be utilized in extending results on capacity of the firm to innovate.

#### **2.3.4 Business Environment Alignment and Performance**

Organization whether engaged in public or profit oriented business is aligned with similar organizations including competitors, dealers and clients. Similarly, all the internal departments of a business are aligned with each other in the internal alignment phase. These departments may range from lower and upper phase, project, and system phase departments. The alignment of both external and internal phases is crucial in achieving successful alignment. The external alignment phase opines that the organization should be in tandem with other business institutions related to it, and their IT department should be kept updated

with advanced technologies. Galliers (2004) assert that alignment needs to reflect on how an organization relates with its partner institutions, like suppliers, competitors and customers.

Reynalds and Yetton (2015) examined the effect of aligning IT strategies and business strategies in multi-business organisations, and their effect on their performance, as a means of determining the role of strategic alignment in the IT industry. The results show that alignment of capabilities and IT resources creates value with additional business resources and capacities. The results therefore bring forth the need for a company management to structure, pool and leverage available funds and capacity efficiently (Sirmon et al., 2011). This position suggests that IT strategy describes the ability of an organization to in supporting and enabling business strategies through linking internal process with external partners for successful realization of organization objectives. The research reveal that an organization IT acts as an enabler that magnifies existing capabilities and enhances new capabilities in combination with existing resources in a firm than standalone resource that might be used to link external partners.

In US, Pagani (2013) researched on the coordination among U.S. textile companies between their company climate features, strategic preferences and supply chain structure. The results show that there are variations between elevated and low performance companies in the US textile manufacturing sector in both the policy and supply chain response to the company setting. This distinction was due to a diverse strategic alignment in the company setting, competitive preferences and supply chain dimension of the organisations. Large firms were found to be flexible enough when faced with unpredictable business environment while the small firms concentrated on cost strategy which was found not to be adequate enough in unpredictable market. Thus, effective alignment of the organization strategies results in improved performance in the textile firms.

## 2.4 Literature Review Summary and Research Gaps

**Table 2. 1 Literature Review Summary and Research Gaps**

<b>Author</b>	<b>Focus of the Study</b>	<b>Findings</b>	<b>Research Gaps</b>	<b>Focus of this study</b>
Reynalds and Yetton (2015)	Effect of aligning business strategies and IT strategies in multi-business organisations,	Alignment of IT resources and capabilities creates value with additional business resources and capacities	The research concentrated on only business alignment in a multi-organizations	The current study looks at four organizational alignment, namely; alignment, cultural alignment, resource alignment and business alignment
Tolbert and Hall (2015)	Organizations: Structures, processes and outcomes of cement firms in Belgium	Large number of administrative personnel, and managerial controls was found to be expensive and lead to unnecessary managerial structures	The study was focused on cement firms in Belgium	The study focused on Kenya Revenue Authority
Teece, Peteraf, & Leih, (2016).	Organizational agility and dynamic capabilities: strategy, uncertainty, Risk in the innovation economy	Flexible organizational structure that will be able to react to the changes quickly enough to increase the output required, reduce the cost of production, produce quality products and also increase in the rate of production	The partial least square methodology was adopted among manufacturers.	The study adopted a descriptive research design and the predictor variables are structural alignment, cultural alignment, resource alignment and business alignment
Hogan and Coote (2014)	Effect of corporate culture on staff performance	If workers possess the same values and standards as those of the organization, their performance increases	The study concentrated on only one alignment dimension – cultural alignment	The predictor variables were structural alignment, cultural alignment, resource alignment and business alignment
Kamaamia (2017)	How Organizational Performance is affected by Organization Culture on: A Case of Kenya School of Monetary Studies (KSMS).	Organisation's culture components including target-oriented action, work-oriented actions, workers ' actions, open culture and professional activities, improve organisation	The study looked at only the effect of organizational culture on performance	The study includes organizational culture as one dimension of organizational alignment at the exclusion of resource, structural, and business

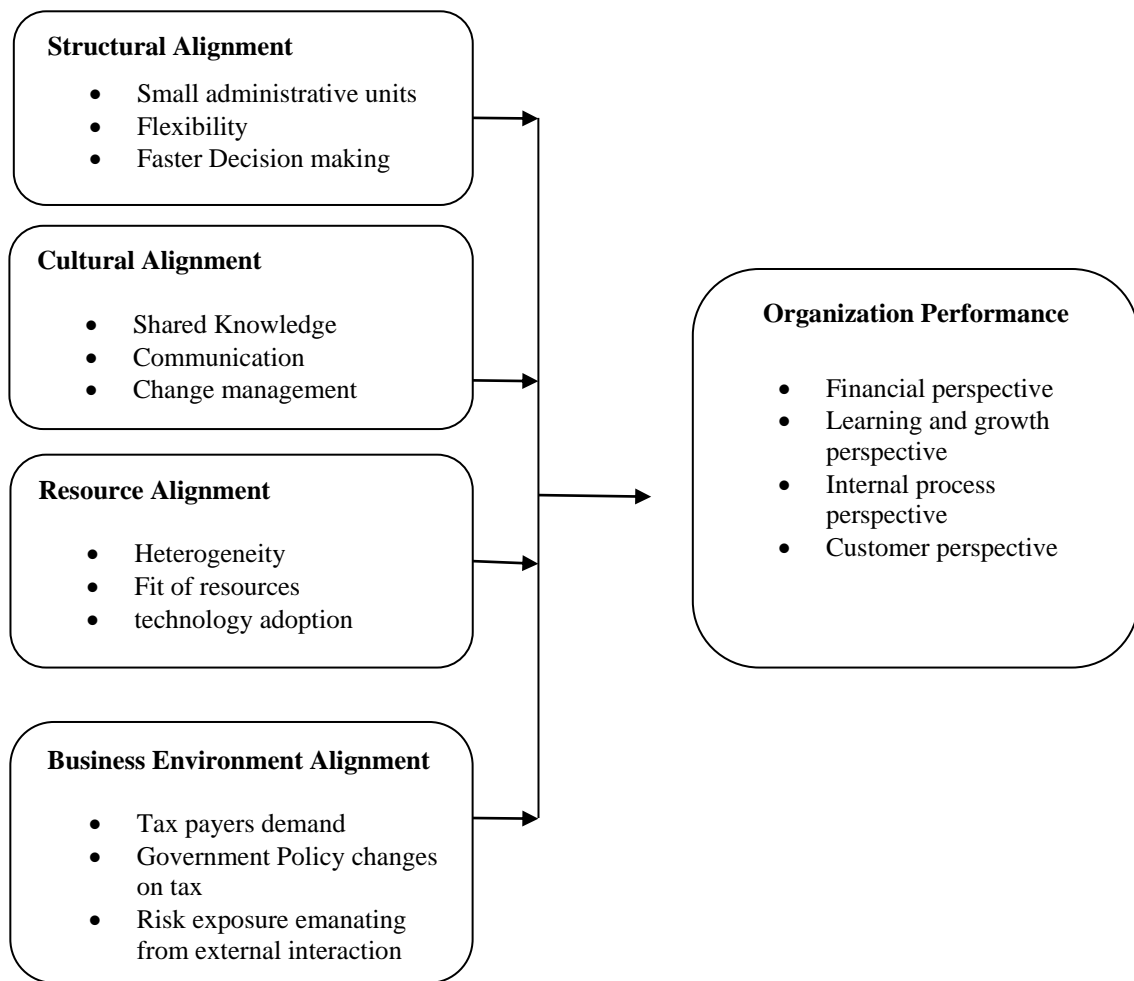
				alignment.
Acur, Kandemir and Boer (2012)	Alignment of the new product development (NPD) drivers and its impact on performance in four countries, namely; Finland, Denmark, Netherlands and Norway	Effective alignment of organization strategy with product innovation results in successful product innovation	Structural equation modelling (SEM) was adopted for analysis Unlike the research which considered the heterogeneity of the population across countries,	The study adopted a descriptive research design with Kenya Revenue employees being the target population.

(Source: Researcher, 2021)

## 2.5 Conceptual Framework

The literature review shows that technology may influence an organization's performance. Therefore, it is vital for us to comprehend the impact of innovation capability, creativity and technology on organizational performance with the aim of understanding innovation technological practices. The literature reviews show that the innovation capability, creativity and technology are key dimensions that may influence organizational performance. The variables' relationship is presented in Figure 2.1.





**Independent Variables**  
**Figure 2. 1 Conceptual Framework**

**Dependent variable**

(Source: Researcher, 2021)

## **CHAPTER THREE**

### **RESEARCH METHODOLOGY**

#### **3.1 Introduction**

The study methodology is presented in this section. It covers the study design adopted, the target population, study area, instruments for data collection and the data analysis techniques.

#### **3.2 Research Design**

Sekaran & Bougie (2010) defines a research design as “a strategic blueprint for the collection, measurement and analysis of data whose choice is dependent on the stage to which knowledge about the research topic has advanced.” Both qualitative and quantitative information from all the chosen population was provided. The investigator was able to understand a group’s characteristics; assess the circumstance and gather data around possible change.

A descriptive survey was deployed. According to Gill and Johnson (2010), descriptive survey design is concerned primarily with addressing the particular characteristics of a specific population of subjects and was considered suitable as the investigator was able to draw conclusions regarding the study variables without manipulating the participants thus allowing fully control of the measurements.

#### **3.3 Target Population**

According to Sekaran & Bougie (2010) a study population is “the complete group of individuals or companies that the researcher wishes to investigate”. Its definition is terms of topic of interest, geographical boundaries, time frame and availability of elements.

topic of interest.

The unit of analysis was the KRA while the study population were all the employees in Job groups 3 -10 who were drawn from all the cadres; technical staff, senior management and policy makers. As at the end of June 2021 the number of staff seconded at the head office is presented in Table 3.1.

**Table 3. 1 Target Population**

<b>Cadre of employees</b>	<b>Number</b>
KRA 8-10	24
KRA 5-7	58
KRA 3-4	1404
<b>TOTAL</b>	<b>1486</b>

**Source: KRA Human Resource Department**

### 3.4 Sampling Technique and Sample Size

Participants were selected using stratified sampling and simple random sampling techniques. First, the existing four staff grading structures at the KRA formed a strata and respondents were selected. Stratification was utilized due to heterogeneity of the population hence each stratum's characteristics was catered for. However, the KRA job group 1-2 are the junior staff who might not be well versed with the alignment strategies adopted by the organization. Hence the researcher sampled the middle and upper cadre staff as represented by the job groups 3-10. A representative sample is at least 10% of the population (Kothari, 2008). The sample is represented below:

**Table 3. 2 Sample Size**

<b>Sampling Frame</b>	<b>Number</b>	<b>Sample Size</b>
KRA 8-10	24	2
KRA 5-7	58	6

KRA 3-4	1404	140
<b>Total</b>	<b>1486</b>	<b>148</b>

### **3.5 Data Collection Instruments**

A structured questionnaire with closed and open-ended questions was deployed in primary data collection. The open-ended questions helped in obtaining qualitative data and closed ended questions helped in obtaining results which can be enumerated. The questionnaires had three parts: Part A captured the participants' demographic data whereas Part B sought to ascertain Strategic alignment dimensions by Kenya Revenue Authority. Part C sought to determine strategic alignment's influence on performance of KRA.

### **3.6 Data Collection Procedures**

Drop and pick method was utilized in administering questionnaires to the participants. After identification of participants using simple random sampling procedure, they were requested by the researcher to respond to the questionnaire in a five-point Likert scale. Collection of the filled questionnaires was done after three days.

#### **3.6.1 Pilot Study**

A Pilot test is carried out to detect weaknesses in instrumentation, design and to provide proxy data for probability sample selection (Cooper and Schindler, 2014). It involved pre-testing the questionnaire that is the same as the ones used during the actual data collection or study. In this study the questionnaire was piloted on 15 select target respondents with 5 coming from each cadre of staff. Those that participated in the pilot study did not participate in the actual research. After the pre-test, the researcher modified the questionnaire with an

aim of addressing issues that might have come up from the pilot process, such as increasing the understanding ability of the questions contained in the questionnaire.

### **3.6.2 Validity Test**

Validity is the measuring instrument's scale or capacity to give the expected outcomes. This study's validity extent was contingent on the obtainable facts' consistency and if equivalent units are used to analyze and approximate the correct variable. Concluding if a technique is 100% valid is challenging statistically. An attempt was made in the measurement instrument to avoid leading questions.

### **3.6.3 Reliability**

Reliability is the extent to which measurement results accordingly yield reliable outcomes and are error free. The data collection instrument is dependable when the measurement process results are reproducible. A number of safety measures were employed in this study for identification and minimization causes of errors thus enhancing reliability. Participants were requested to handle the questionnaires independently for testing the questions comprehension and per se appropriately responded.

A pilot study was done to enhance the instrument reliability. Cronbach's alpha was used in analysing data obtained from the pilot study to determine items' consistency and internal average correlation in the survey instrument for estimation of its reliability considering a 0.7alpha figure to demonstrate reliability of the instrument. With a smaller variability score, the internal consistency of the questionnaire is greater, and therefore more reliable

### 3.7 Data Analysis and Presentation

Data analysis involved reduction of obtained data to a convenient size, seeking for patterns, creating summaries and utilizing statistical techniques in reproducing data used by the researcher in answering the questions and presenting consistent and reliable results in a way that is understandable and convincing. In analysing closed ended questions, descriptive statistics was applied. Data analysis will be done using SPSS V.21. Central tendency descriptive measures (mean) were used for the closed ended questions in finding out agrees with each other, application of dispersion/variability measures (standard deviation and variance) will be done to determine the extent to which data diverse from a central point. Pie charts, bar graphs frequency tables and percentages are used in data presentation.

Regression analysis was done to establish the relationship. Further, a general mean was established and the overall performance mean given for in each strategic alignment. The model was produced from the relationship generated to determine the relationship.

The following form was assumed by the regression equation

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \epsilon$$

Where:

- Y - Organization Performance
- $\beta_i$  - (  $i = 0 - 4$  ) is the regression coefficient;
- $X_1$  - Structural alignment
- $X_2$  - Cultural alignment
- $X_3$  - Resource alignment
- $X_4$  - Environment alignment
- $\epsilon$  - Error Term

### **3.8 Ethical Considerations**

Privacy of information collected was ensured and used purely for academic purposes. Attention was given to the data collection process with greatest legal principles and moral standards respecting the participants' rights, views and levels of cooperation. Throughout the data collection process, formal communication channels and measures were employed. This includes obtaining authorization from NACOSTI to undertake the study at Kenya Revenue Authority.

## **CHAPTER FOUR**

### **RESULTS AND FINDINGS**

#### **4.1 Introduction**

This chapter presents the analysis of field data with consideration given to; the questionnaire return rate, respondents' demographic information, descriptive statistics with regard to the dimensions of strategic leadership, regression analysis and summary of the research findings. Presentation of the results and findings are done on the basis of the four research specific objectives.

## 4.2 Response Rate

148 questionnaires were issued to middle and upper cadre KRA staffs as represented by the job groups 3-10. The summary of questionnaire return is demonstrated in table 4.1.

**Table 4. 1 Questionnaire Return Rate**

<b>Questionnaires</b>	<b>Number</b>	<b>Percentage</b>
Filled and collected	110	74.3
Non-responded	38	25.7
Total	148	100.0

From table 4.1, of the total questionnaires, 110 were filled and given back making a 74.3% response rate which was deemed adequate for analysis of data. “A 50 % response rate is sufficient for information evaluation and reporting of findings for a descriptive study: a 70% and above response rate is considered excellent whereas 60% is good,” (Mugenda and Mugenda, 2003). Hence, the response rate for this study was excellent.

## 4.3 Demographic Information

The study considered two specific respondents’ demographics; level of management and whether a respondent has been participating in organizational strategic alignment process in the past, present and in future.

### 4.3.1 Level of Management

The respondents indicated the level of management they occupy in the institution. This was motivated by the fact that the study aimed to collect data from middle and top management employees of KRA. The summary of the findings is in table 4.2.



**Table 4. 2 Management Level**

	Category	F	%	Cumulative %
Valid	Top level	35	31.8	31.8
	Middle Level	51	46.4	78.2
	Supervisory level	24	21.8	100.0
	Total	110	100.0	

(Source: Research Findings, 2021)

Table 4.2 indicates that the respondents were distributed in three different levels of management where 46.4% of them held positions under the middle level of management, 31.8% from top level of management while 21.8% held supervisory management level. This implied that participants were suitable for consultation with regard to strategic alignment and how it impacts performance due to the fact that they held positions that take part in active organizational strategic decision-making process.

#### 4.3.2 Involvement in Strategic Alignment

Participants were also requested to state if they are involved in the organization strategic planning.

**Table 4. 3 Involvement in Strategic Alignment**

	Category	Frequency	Percent	Cumulative Percent
Valid	Yes	88	80.0	80.0
	No	22	20.0	100.0
	Total	110	100.0	

The findings demonstrate that majority of the participants (80%) are involved in strategic planning in the organization while only 20% indicated that by the time this study was being undertaken, they had not participated in strategic planning in the organization. This implied that a good number of the respondents know the benefits of strategic alignment in enhancing organizational performance.

#### 4.4 Strategic Alignment Dimensions

The study focused on four major strategic alignment dimensions that was purported to influence organizational performance if properly implemented. These dimensions consisted of: cultural alignment, structural alignment, resource alignment and business environment alignment. A five-point Linkert Scale where 1 implied No extent and 5, Very great extent was utilized. In interpretation of the study results, means and standard deviations were used were means that were above 2.0 and approaching five implied that the measure had been implemented to a moderate extent to very great extent depending on the strength of the mean. In addition, Std dev. were used to show dispersion of the responses from points 1 to 5. A low std dev. implied presence of a low dispersion in respondents' choice of scale.

##### 4.4.1 Structural Alignment

**Table 4. 4 Structural Alignment**

<b>Statement</b>	<b>N</b>	<b>M</b>	<b>SD</b>
The top management decisions is seamlessly adopted by the middle level managers for onward implementation	110	4.36	.885
The organization as decentralized decision-making process to different divisions	110	3.95	.887
The KRA organization structure is used in bridging communication gap between business units and IT department	110	3.81	.972

I consider KRA organization structure to be flexible enough to adjust to the market demands quickly	110	3.50	1.312
The organization structure specifies clear reporting line which helps in implementation of strategies to be efficient	110	3.42	.999
The organization has rationalized its management controls to hasten decision making process	110	3.39	1.279
<b>Overall mean</b>	<b>110</b>	<b>3.74</b>	

From the findings, it is evident given the 0.885std. dev. And 4.36 mean that majority of the participants indicated that to a great extent, KRA's top management decisions is seamlessly adopted by the middle level managers for onward implementation. The findings indicated further that to a great extent (SD=0.887, Mean= 3.95), organization has decentralized decision making process to different divisions. Majority of the respondents as illustrated by the low SD (0.972) opined that to a great extent (M=3.81), KRA organization structure is utilized in bridging communication gap between business units and IT department. Further, the study established that with a std. dev. of 1.312 and mean of 3.50, it implied that the respondents moderately rated the idea that they consider KRA organization structure to be flexible enough to adjust to the market demands quickly. The findings further discovered that to moderate extent (mean=3.42, SD=0.999), the organization structure specifies clear reporting line which helps in implementation of strategies to be efficient and that to the same extent, it has rationalized its management controls to hasten decision making process. With an average mean of 3.74, it implies that structural alignment as a dimension of strategic alignment has been implemented to a great extent.

#### 4.4.2 Cultural Alignment

**Table 4. 5 Cultural Alignment**

<b>Statement</b>	<b>N</b>	<b>M</b>	<b>SD</b>
As employees we have shared beliefs that guide our operations in the company	110	3.87	1.182
The organization leadership aims at aligning all the human resources available with a view to creating a synergy	110	3.74	.935
All the employees of the organization are expected to behave in a particular manner while undertaking their duties	110	3.72	.803
The entire KRA workforce have a shared values that help in the strategic decision making	110	3.48	1.290
The organization as established a shared knowledge process between different business departments and IT	110	3.47	1.098
Communication channel between IT and departments has been established	110	3.30	1.105
<b>Overall mean</b>	<b>110</b>	<b>3.60</b>	

In an attempt to enhance strategic measures in the organization through cultural alignment, the study established that to a great extent (M=3.87), employees in the organization have shared beliefs that guide operations in the company thus improving performance. In the same context of cultural alignment, it has been discovered that to a great extent as indicated by the 3.74 mean and 0.935 SD, the leadership in the institution aims at aligning all the human resources available with a view of creating a synergy. Further, the mean of 3.72 and SD of 0.803 imply that majority of the respondents inclined towards the scale of great extent based on the idea that all the employees of the organization are expected to behave in a particular manner while undertaking their duties. The study findings also established that entire KRA workforce have shared values that help in the strategic decision making (M=3.48, SD=1.290) and that it has established a shared knowledge process between different business departments and IT (M=3.47, SD=1.098). Based on an overall mean of 3.60 which translates

to four, it is deduced that KRA has implemented strategies to enhance cultural alignment to a great extent.

#### 4.4.3 Resource Alignment

**Table 4. 6 Resource Alignment**

<b>Statement</b>	<b>N</b>	<b>M</b>	<b>Std. Dev.</b>
The organization technological assets is aligned to market demands that is relevant to KRA	110	4.00	1.133
The organization target customers are clearly defined and the necessary resources assigned to meet their needs	110	3.75	1.042
The organization is quick to exploit opportunities using internal resources	110	3.73	.898
The organization resources are heterogeneous to be able to meet diverse market demands	110	3.57	.972
Product innovation undertaken by the organization is tailor made to match with the available internal resources.	110	3.54	1.147
The organization outsource other services whose internal resources cannot be able to offer	110	3.38	1.188
<b>Overall mean</b>	<b>110</b>	<b>3.66</b>	

Based on the findings regarding resource alignment, the study established that to a great extent, the organization technological assets is aligned to market demands that is relevant to KRA (M=4.00, SD=1.133) and that the target customers for KRA as a government parastatal are clearly defined and the necessary resources assigned to meet their needs (M=3.75, SD=1.042). Additionally, results indicated that, with a mean of 3.73 and std dev. of 0.898, majority of the responses inclined towards the great extent scale that KRA is quick to exploit opportunities using internal resources and to a moderate extent (M=3.57, SD=0.972), the

organization resources are heterogeneous to be able to meet diverse market demands. In addition, the study established that to a moderate extent, product innovation undertaken by the organization is tailor made to match with the available internal resources. This is as demonstrated by the 3.54 mean and the SD of 1.147. It can be deduced that from an overall mean of 3.66 that KRA has implemented resource alignment as a construct of strategic alignment from moderate to great extent thus implying that there is high probability that it positively enhances organizational performance.

#### 4.4.4 Business Environment alignment

**Table 4. 7 Business Environment alignment**

<b>Statement</b>	<b>N</b>	<b>M</b>	<b>Std. Dev.</b>
The organization partners with employers to achieve its goals	110	3.95	.937
The organizations innovation process is developed in line with the prevailing business environment	110	3.70	1.130
The suppliers to the organization are involved in KRA strategic determination	110	3.67	1.050
The organization works in tandem to the government policy under different political regimes	110	3.63	.956
The level of uncertainty in the market is always factored in the strategic process of the organization	110	3.57	1.169
<b>Overall mean</b>	<b>110</b>	<b>3.70</b>	

Business environment plays a critical role in stability and improvement of organizational performance because it carries all the macro factors that influence operations of a business. In this regard, strategic alignment through business environment alignment was considered vital in determination of KRA performance. The findings illustrate that to a great extent (M+3.95,

SD=0.937), the organization partners with employers to achieve its goals and that its innovation process is developed in line with the prevailing business environment (M=3.70, SD=1.130). The findings also suggested that to a moderate extent as demonstrated by a 3.67 mean and 1.050 SD that supplier to the organization are involved in KRA strategic determination thus enhancing the business environment alignment. In addition, the findings discovered that the organization works in tandem to the government policy under different political regimes (M=3.63, SD=0.956) and that the uncertainty level in the market is always factored in the strategic process of the organization (SD=1.169, M=3.57). The overall 3.70 mean indicates that business environment alignment strategies has been implemented to a great extent.

#### **4.5 Impact of Strategic Alignment on Organizational Performance**

The study considered performance as an independent variable predicted by strategic alignment dimensions. In many occasions, performance is measured using financial constructs. However, the present study considered four areas of appraising performance; customer satisfaction perspective, business environment perspective, learning and growth perspective and financial perspective.

##### **4.5.1 Financial Perspective**

**Table 4. 8 Financial Perspective**

<b>Statement</b>	<b>N</b>	<b>M</b>	<b>Std. Dev.</b>
The institution has completed all partnership and donor programs on time and within set cost limits.	110	4.00	1.067
The organization completes its projects within set budget limits and as per schedule.	110	3.74	.992
The cost of running operations/organizations has reduced.	110	3.63	.956

The organization has over the years met its financial targets.	110	3.34	1.383
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<b>Overall mean</b>	<b>110</b>	<b>3.68</b>	
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The study findings with regard to the impact of strategic alignment on financial performance demonstrates that to a great extent (M=4.00, SD=1.067), the organization has completed all partnership and donor programs on time and within set cost limits and that it completes its projects as per schedule and within set budget limits (M=3.74, SD=0.992). In addition, the cost of running operations/organizations has reduced to moderate extent (M=3.63, SD=0.956) and those financial targets are being met as a result of proper implementation of strategic alignment. The overall mean of 3.68 imply that strategic alignment dimensions considered influences financial performance to a moderate extent.

#### 4.5.2 Learning and Growth Perspective

**Table 4. 9 Learning and Growth Perspective**

Statements	N	M	Std. Dev.
The organization's integrity index has improved over time.	110	3.94	1.043
Corporate culture has changed positively over time.	110	3.80	.994
Staff capacity/skills have been enhanced over time through structured trainings.	110	3.70	1.130
Career progression has been embraced based on the promotion policy.	110	3.52	1.123
<b>Overall mean</b>	<b>110</b>	<b>3.74</b>	

With regard to learning and growth perspective, the study established that as a result of effective implementation of strategic alignment, organization's integrity index has improved over time to a great extent as indicated by a 1.043 SD and 3.94 mean. Additionally, Corporate



culture has changed positively over time (M=3.80, SD=0.994) and that Staff capacity/skills have been enhanced over time through structured trainings (M=3.70, SD=1.130). The study also ascertained that because of strategic alignment in the organization, Career progression has been embraced based on the promotion policy (M=3.52, SD=1.123). The findings support the argument that strategic alignment has enhanced learning and growth in the organization to a greater extent given an overall mean of 3.74.

#### 4.5.3 Business Processes Perspective

**Table 4. 10 Business Processes Perspective**

<b>Statement</b>	<b>N</b>	<b>M</b>	<b>Std. Dev.</b>
The institution has improved its operational efficiency by embracing technology.	110	3.81	1.062
The organization has improved the quality of its services offered.	110	3.74	1.020
The organization has attained ISO certification.	110	3.62	.857
The organization has improved its management of information and feedback.	110	3.47	1.073
<b>Overall mean</b>	<b>110</b>	<b>3.66</b>	

The study established that with regard to business process perspective, the organization has improved its operational efficiency by embracing technology to a great extent (M=3.81, SD=1.062) as a result strategic alignment. The organization has also improved the quality of its services offered (M=3.74, SD=1.020) and that it has attained ISO certification (M=3.62, SD=0.857). With effective implementation of strategic alignment dimensions, the study established that KRA has improved its management of information and feedback to a

moderate extent (SD=1.073, M=3.47). An overall mean of 3.66 imply that strategic alignment has enhanced business process perspective in the organization to a greater extent.

#### 4.5.4 Customer Perspective

**Table 4. 11 Customer Perspective**

<b>Statement</b>	<b>N</b>	<b>M</b>	<b>Std. Dev.</b>
The customer satisfaction has improved over time	110	3.97	.883
Penalties and lawsuits relating to non-adherence to statutory laws have reduced over time.	110	3.65	1.216
The organization has enhanced stakeholder engagement.	110	3.49	.926
Customer complaints have reduced over time.	110	3.45	1.186
<b>Overall mean</b>	<b>110</b>	<b>3.64</b>	

The study findings demonstrate that strategic alignment has improved organizational relationship with the customers in that to a great extent, customer satisfaction has improved over time (M=3.97, SD=0.883). The findings also established that Penalties and lawsuits relating to non-adherence to statutory laws have reduced over time (M+3.65, SD=1.216) as a result of effective implementation of strategic alignment and it has also enhanced stakeholder engagement (M=3.49, SD=0.926) as well as reduced customer complaints (M=3.45, SD=1.186) to a moderate extent. An overall mean of 3.64 imply that strategic alignment has enhanced customer relation moderately.

## 4.6 Inferential Statistics

The study ought to ascertain the association between strategic alignment and the organizational performance of Kenya Revenue Authority. This was achieved using linear regression analysis, the research measurements were input and run using SPSS V 20.0.

### 4.6.1 Model Summary

Table 4.16 demonstrates the regression results' model summary where, standard error of estimate, R square and adjusted R square are presented.

**Table 4. 12 Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.881 <sup>a</sup>	.776	.767	.50189

a. Predictors: (Constant), Business Environment alignment, Structural alignment, Resource alignment, Cultural alignment

From the model summary, the variables' association is represented by the correlation coefficient (R) value. Hence, correlation coefficient is 0.881 indicating a positive and strong correlation between strategic alignment and organizational performance. The determination coefficient is  $R^2$  which indicates the degree of the total contribution of the independent variables on the dependent variable. This model's R square is 0.776 implying that 77.6% of the total organizational performance is attributed to effective strategic alignment that is put in practice at the KRA.

#### 4.6.2 ANOVA

Analysis of variance was utilized in determining the model's significance. Low variance in the data values is indicated by low F statistic value. A <0.05 significance level demonstrates significance of the model in predicting the outcome variable.

**Table 4. 13 ANOVA**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	91.514	4	22.879	90.825	.000 <sup>a</sup>
	Residual	26.449	105	.252		
	Total	117.964	109			

a. Predictors: (Constant), Business Environment alignment, Structural alignment, Resource alignment, Cultural alignment

b. Dependent Variable: Organizational performance

The model's significance value was 0.000 (expressed into 3 decimal places) which is less than 5% alpha value. Hence, suggesting that the model is statistically significant and that organizational performance of the Kenya Revenue Authority is statistically predicted by strategic alignment dimensions considered in the study.

#### 4.6.3 Regression Coefficients

Regression coefficients gives a linear association and direction of individual predictor variable with dependent variable. It shows the magnitude of total change in outcome variable due to unit change in each of the independent variables. The regression findings with regard to independent variable coefficients is presented in tabular format as shown below.

**Table 4. 14 Regression Coefficient**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-.033	.181		-.181	.857
	Structural Alignment	.433	.092	.394	4.709	.000
	Cultural Alignment	.164	.083	.170	1.969	.052
	Resource Alignment	.424	.085	.383	4.958	.000
	Business Environment	.038	.075	.035	.503	.616

a. Dependent Variable: Organizational performance

Therefore, the linear association between the variables will assume the form;

$$Y = -0.033 + 0.433X_1 + 0.164X_2 + 0.424 X_3 + 0.038X_4 + \varepsilon$$

The regression equation shows that without strategic alignment that is; business environment alignment, structural alignment, resource alignment, cultural alignment, organizational performance per se will keep reducing by 0.033 units. A unit advancement in structural alignment positively affect organizational performance by a 0.433 factor and a unit advancement in cultural alignment affect organizational performance by a 0.164 factor. Additionally, a unit change in resource alignment as well as business environment alignment brings a positive change to organizational performance by factors of 0.424 and 0.038 respectively. This therefore shows that business environment alignment, structural alignment, resource alignment, cultural alignment and organizational performance at the Kenya Revenue Authority positively relate. It can also be noted from the findings that the impact of structural alignment, resource alignment, cultural alignment on organizational performance are all significant given the significance level that are less than 5% alpha value.

#### **4.7 Discussion of the findings**

Strategic alignment has been argued in previous studies as a leadership aspect that enhances performance if properly and effectively implemented. In establishing how strategic alignment and organizational performance at the KRA relate, the study conducted an inferential statistic using linear regression technique. The study findings established that the strategic alignment dimensions considered positively influences organizational performance.

The findings in relation to structural alignment's effect on performance ascertained that structural alignment as a dimension strategic alignment and organizational performance related positively and significantly. The study further established that because of structural alignment within the KRA, the organization structure is utilized in bridging communication gap between business units and IT department. The findings support earlier stand by Hao (2012), note that an organization's structure has more pronounced impact on performance of a company than other factors for example innovation and organizational learning.

Further, the study established that cultural alignment positively influences organizational performance. The impact was also established to be statistically significant since the significance coefficient was established to be equal to the 5% alpha value. As a result of cultural alignment in the organization, the study established that the organization as established a shared knowledge process between different business departments and IT and that entire KRA workforce have shared values that help in the strategic decision making. All these attributes when put together, the resulting effect on performance is positive and puts the organization in a better position performance-wise. These finding is in tandem with Karanja (2014) that organization cultural alignment leads to consistency of performance by increasing employee consensus and readiness to support organizational aims, reducing insecurity by clarifying roles and increasing motivation for employees

Resource alignment is a critical component of strategic alignment in an organization perspective that is service delivery oriented. The study findings discovered that allocation of resources positively influences organizational performance. Additionally, the impact of resource allocation and alignment on performance was statistically significant given the significant value (0.000) which is less than the 5% alpha coefficient. The study established that some of the positive attributes brought by effective resource alignment include alignment of technological assets to market demands that is relevant to KRA, quick exploitation of opportunities using internal resources and clear definition of target customers and assignment of necessary resources in order to meet their needs. The findings agree with previous findings by Kostopoulos and Spanos (2013) that sustainable competitive advantage is the product of deployment, accumulation and resource selection, and it depends on the premise of firms' ability to effectively align resources appropriately.

The findings further established that organizational performance and business environment alignment are positively related. The research found that advancement in business environment alignment creates more value to the organizational performance. As one of the effective strategies realized due to business environment alignment, the study established that the organization's innovation process is developed in line with the prevailing business environment. As earlier opined by Reynolds and Yetton (2015) that alignment of business operating environment creates value with additional business resources and capacities

## **CHAPTER FIVE: SUMMARY CONCLUSIONS AND RECOMMENDATIONS**

### **5.1 Introduction**

The section outlines the summary of key findings, conclusions based on the data collected and policy implications and recommendations.

### **5.2 Summary of Major Findings**

The study aim was to determine strategic alignment's effect on KRA's performance. The study incorporated four major dimensions of strategic alignment; structural alignment, cultural alignment, resource alignment and business environment alignment.

#### **5.2.1 Effect of structural alignment on the performance of KRA**

The study's first objective was to determine the effect of structure alignment on KRA's performance. The study outcomes showed that structural alignment has a significant and positive ( $p=0.000$ ) effect on performance of the organization. Given the positive coefficient of 0.433, it therefore implies that advancement in structural alignment measures means there is an increase in organizational performance. The findings further established that as a result of effective structure alignment, communication gap between business units and IT department has been bridged and that decision making process to different divisions has been decentralized. These activities indicate that decision making process has been enhanced thus enhancing the rate of executing organizational tasks thus improving the level of performance.

#### **5.2.2 Effect of Cultural alignment on the performance of KRA**

The study established that cultural alignment as a strategic alignment dimension positively affect organizational performance at the KRA. The study findings found that cultural alignment has a positive coefficient (0.164) in the regression linear relationship thus implying that additional units of cultural alignment add value to the performance of the organization.



In addition, the significance value of the variable was found to be 0.052 which is approximately 5% thus shows significant effect. Consequently, the entire KRA workforce have shared values that help in the strategic decision making thus incorporate the ideas into effective service delivery in the organization and in the long run enhance performance. Additionally, through organizational cultural alignment, employees have shared beliefs that guide the operations in the company.

### **5.2.3 Effect of Resource alignment on the performance of KRA**

The study ascertained that resource alignment at the KRA affects organizational performance positively. The inferential statistics computed showed that resource alignment has a positive coefficient (0.424) and a linear representation of resource alignment and organizational performance shows that an increase in resource alignment strategies increases performance significantly ( $p=0.000$ ). The findings also established that the organization resources are heterogeneous to be able to meet diverse market demands and that the organization outsource other services whose internal resources cannot be able to offer all in the name of improving the standard and extent of performance.

### **5.2.4 Effect of Business Environment alignment on the performance of KRA**

It was ascertained that business environment alignment improves organizational performance. Although the effect was insignificant ( $p=0.616$ ), the regression analysis computed revealed that with a unit increase in business environment alignment, there is a raise in organizational performance. Additionally, the study established that the organization's innovation process is developed in line with the prevailing business environment and that organization partners with employers to achieve its goals. This therefore is an implication that effective implementation of business environment strategies brings a positive effect on the organization's performance.

### **5.3 Conclusion**

It can be concluded that strategic alignment is essential for improved organizational performance. This is arrived at due to the positive relationship realized between the constructs of strategic alignment; cultural alignment, structural alignment, organization resource alignment and business environment alignment. The study further concludes that with effective structural alignment, there is decentralization of decision making thus enhancing collection of feedback regarding operations in the organization thus enhancing handling of various activities. In addition, cultural alignment has enabled employees to have shared beliefs that guide operations in the company. Cultural alignment has also enabled the entire KRA workforce to have shared values that help in the strategic decision making. As a result of positive impact brought by cultural alignment on performance, organization leadership has been aligning all the human resources available with a view of creating a synergy.

The study findings lead into a conclusion that resource alignment as a dimension of strategic alignment is equally important in enhancing organizational performance. The alignment is in a position to allow the organization to quickly exploit opportunities using internal resources. On the other hand, as a result of business environment alignment, the organizations innovation process is developed in line with the prevailing business environment. The level of uncertainty in the market has always also been factored in the organization's strategic process to enhance the business environment alignment.

### **5.4 Recommendations**

Based on the findings and conclusions, the study makes the recommendations that, first, strategic alignment is a critical organizational performance determining factor. As a result, Kenya Revenue Authority should consider enhancing strategies that supports strategic

alignment in order to improve short term and long-term organizational performance. Furthermore, KRA organization structure should be flexible enough to adjust to the market demands quickly.

In addition, the KRA organization structure should be aligned to bridge communication gap between business units and IT department. This ensures that innovation is always given priority and the operating environment is aligned towards the current technology that meets the demand of the market. The study further recommends that the organization should established a shared knowledge process between different business departments and IT in the organization. The organization leadership should also aim at aligning all the human resources available with a view of creating a synergy.

### **5.5 Suggestion for Further Research**

The research focused on the effect of strategic alignment on KRA's organizational performance. Future studies can examine how other dimensions of strategic alignment, which were not considered in the current study, affect organizational performance while using a different study design away from descriptive research design. Future studies should also focus on strategic alignment's effect on performance of county governments and other government authorities.

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**APPENDIXES**

**Appendix 1: Letter of Introduction**

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P.O Box 30621 - 00100

Nairobi.

Dear Respondent,

**REQUEST TO FILL THE QUESTIONNAIRE FOR RESEARCH PURPOSE**

This is to request you to kindly fill in the attached questionnaire for research purpose.

The research focuses on the influence the strategic alignment on the performance of Kenya Revenue Authority. The information sought from you will be treated with utmost confidentiality, and results of this study will be available for your use/reference.

I am looking forward to your cooperation.

With kind regards,

.....

Seraphine Anamanjia

## Appendix II: Questionnaire

### SECTION A: DEMOGRAPHIC INFORMATION

1. Name of the respondent (Optional) .....
2. What level of management are you?
  - a) Top Level ( )                      b) Middle level ( )
  - c) Supervisory Level ( )                      d) Others (Specify) ( )
3. Are you involved in the organization strategic planning?
  - a) Yes ( )                      b) NO ( )
4. Below are strategic alignment dimensions. Please indicate the extent to which the practices below have influenced the organization's activities.                      **Key:**  
 5 - Very great extent   4 - Great extent   3 - Moderate extent   2 - Little extent   1- No extent

#### a) Structural Alignment

`	Statement	5	4	3	2	1
1	The organization has rationalized its management controls to hasten decision making process					
2	I consider KRA organization structure to be flexible enough to adjust to the market demands quickly					
3	The top management decisions is seamlessly adopted by the middle level managers for onward implementation					
4	The KRA organization structure is used to bridge communication gap between business units and IT department					
5	The organization has decentralized decision making process to different divisions					
6	The organization structure specifies clear reporting line which helps in implementation of strategies to be efficient					

#### b) Cultural Alignment

`	Statement	5	4	3	2	1
1	The entire KRA workforce have a shared values that help					

	in the strategic decision making					
2	As employees we have shared beliefs that guide our operations in the company					
3	All the employees of the organization are expected to behave in a certain way while undertaking their duties					
4	The organization leadership aims at aligning all the human resources available with a view to creating a synergy					
5	The organization as established a shared knowledge process between different business departments and IT					
6	Communication channel between IT and departments has been established					

**c) Resource Alignment**

\	Statement	5	4	3	2	1
1	The organization technological assets is aligned to market demands that is relevant to KRA					
2	The organization target customers are clearly defined and the necessary resources assigned to meet their needs					
3	The organization is quick to exploit opportunities using internal resources					
4	The organization resources are heterogeneous to be able to meet diverse market demands					
5	Product innovation undertaken by the organization is tailor made to match with the available internal resources.					
6	The organization outsource other services whose internal resources cannot be able to offer					

**d) Business Environment Alignment**

\	Statement	5	4	3	2	1
1	The organization partners with employers to achieve its goals					
2	The suppliers to the organization are involved in KRA strategic determination					
3	The organization works in tandem to the government policy under different political regimes					
4	The organizations innovation process is developed in line with the prevailing business environment					

5	The level of uncertainty in the market is always factored in the strategic process of the organization					
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**Section C: Organizational Performance**

4. Below are organizational performance indicators. Please indicate the extent to which these indicators have been achieved in the organization. Key:

5 - Very great extent    4 - Great extent        3 - Moderate extent    2 - Little extent

1- No extent

To what extent has strategic alignment affected the performance of your organization?

**a) Financial Perspective**

	Statement	1	2	3	4	5
1	The organization has over the years met its financial targets.					
2	The organization completes its projects as per schedule and within set budget limits.					
3	The organization has completed all partnership and donor programs on time and within set cost limits.					
4	The cost of running operations/organizations has reduced.					

**b) Learning and Growth Perspective**

	Statement	1	2	3	4	5
1	Staff capacity/skills have been enhanced over time through structured trainings.					
2	Corporate culture has changed positively over time.					
3	Career progression has been embraced based on the promotion policy.					
4	The organization's integrity index has improved over time.					

**c) Business Processes Perspective**

	Statement	1	2	3	4	5
1	The organization has improved the quality of its services offered.					
2	The organization has attained ISO certification.					
3	The organization has improved its operational efficiency by embracing technology.					
4	The organization has improved its management of information and feedback.					

**d) Customer Perspective**

	Statement	1	2	3	4	5
1	The customer satisfaction has improved over time.					
2	The organization has enhanced stakeholder engagement.					
3	Penalties and lawsuits relating to non-adherence to statutory laws have reduced over time.					
4	Customer complaints have reduced over time.					

**THANK YOU SO MUCH FOR YOUR TIME**

## Appendix III: Kenyatta University Approval Letter



KENYATTA UNIVERSITY  
GRADUATE SCHOOL

E-mail: [dean-graduate@ku.ac.ke](mailto:dean-graduate@ku.ac.ke)

P.O. Box 43844, 00100  
NAIROBI, KENYA  
Tel. 810901 Ext. 4150

Website: [www.ku.ac.ke](http://www.ku.ac.ke)

**Internal Memo**

**FROM:** Dean, Graduate School

**DATE:** 26<sup>th</sup> August, 2021

**TO:** Seraphine Anamanjia  
C/o Business Administration Dept.

**REF:** D53/MSA/PT/30973/2015

**SUBJECT:** APPROVAL OF RESEARCH PROJECT PROPOSAL

This is to inform you that Graduate School Board at its meeting of 25<sup>th</sup> August, 2021 approved your Research Project Proposal for the MBA Degree Entitled, "Influence of Strategic Alignment on the Performance of Kenya Revenue Authority".

You may now proceed with your Data Collection, Subject to Clearance with Director General, National Commission for Science, Technology and Innovation.

As you embark on your data collection, please note that you will be required to submit to Graduate School completed Supervision Tracking Forms per semester. The form has been developed to replace the Progress Report Forms. The Supervision Tracking Forms are available at the University's Website under Graduate School webpage downloads.

Thank you.

  
HARRIET ISABOKE  
FOR: DEAN, GRADUATE SCHOOL



c.c. Chairman, Business Administration Department.

Supervisors:

1. Mr. Rugami Maina  
C/o Department of Business Administration  
Kenyatta University

HI/nn





KENYATTA UNIVERSITY  
GRADUATE SCHOOL

E-mail: [dean-graduate@ku.ac.ke](mailto:dean-graduate@ku.ac.ke)

Website: [www.ku.ac.ke](http://www.ku.ac.ke)

P.O. Box 43844, 00100  
NAIROBI, KENYA  
Tel. 8710901 Ext. 57530

Our Ref: D53/MSA/PT/30973/2015

DATE: 26<sup>th</sup> August, 2021

Director General,  
National Commission for Science, Technology  
and Innovation  
P.O. Box 30623-00100  
**NAIROBI**

Dear Sir/Madam,

**RE: RESEARCH AUTHORIZATION FOR SERAPHINE ANAMANJIA –  
REG. NO. D53/MSA/PT/30973/2015**

I write to introduce Ms. Seraphine Anamanjia who is a Postgraduate Student of this University. He is registered for MBA degree programme in the **Department of Business Administration**.

Ms. Anamanjia intends to conduct research for a MBA Project Proposal entitled, "Influence of Strategic Alignment on the Performance of Kenya Revenue Authority".

Any assistance given will be highly appreciated.






Yours faithfully,

  
**PROF. ELISHIBA KIMANI**  
**DEAN, GRADUATE SCHOOL**



EK/nn

## Appendix IV: Research License

 REPUBLIC OF KENYA	 NATIONAL COMMISSION FOR SCIENCE, TECHNOLOGY & INNOVATION
RefNo: 284857	Date of Issue: 01/October/2021
<b>RESEARCH LICENSE</b>	
	
<b>This is to Certify that Ms.. SERAPHINE OKOBOLA ANAMANJLA of Kenyatta University, has been licensed to conduct research in Nairobi on the topic: INFLUENCE OF STRATEGIC ALIGNMENT ON THE PERFORMANCE OF KENYA REVENUE AUTHORITY for the period ending : 01/October/2022.</b>	
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Applicant Identification Number <b>284857</b>	 Director General NATIONAL COMMISSION FOR SCIENCE, TECHNOLOGY & INNOVATION
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