

**STRATEGIC MANAGEMENT PRACTICES AND OPERATIONAL
PERFORMANCE OF SELECTED SUPERMARKETS IN NAIROBI CITY COUNTY,
KENYA**

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DECLARATION

This project is wholly new with no prior authorize submissions to any other universities.

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As the university supervisor, I affirm that I have reviewed this research and fully endorse its submission for examination.

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DEDICATION

I dedicate this work to my father, Mr., Zuberi Nyary for he's been a constant source of motivation and encouragement. I dedicate this work to my husband, Dr. Omar Sherman for being a strong pillar to lean on and to the rest of my family and friends. I dedicate this to all the Nairobi City County's supermarkets in Kenya. I also dedicate this work to Kenyatta University's school of Business, Economics and Tourism at and to all research and knowledge driven people who aim at making a difference in our society.

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TABLE OF CONTENTS

DECLARATION	i
DEDICATION	ii
ACKNOWLEDGEMENT	iii
LIST OF TABLES	viii
LIST OF FIGURES	ix
ABBREVIATIONS AND ACRONYMS	x
OPERATIONAL DEFINITION OF TERMS	xi
ABSTRACT	xii
CHAPTER ONE	1
1.1 Background of the Study	1
1.1.1 Strategic Management Practices	3
1.1.2 Operational Performance (Dependent Variable)	5
1.1.3 Supermarkets in Nairobi City County.....	7
1.2 Statement of the Problem.....	8
1.3 Objectives of the Study.....	10
1.3.1 General Objective	10
1.3.2 Specific Objectives	10
1.4 Research Questions.....	10
1.5 Significance of the Study	11
1.6 Scope of the Study	11
1.7 Limitations of the Study.....	12
1.8 Organization of the Study	12
CHAPTER TWO	13
LITERATURE REVIEW	13

2.2 Theoretical Review	14
2.2.1 Resource Based View Theory.....	14
2.2.2 Activity-Based Costing (ABC) System Theory.....	15
2.2.3 Balance Score Card Theory	16
2.2.4 Dynamic Capabilities Theory	17
2.3 Empirical Review.....	18
2.3.1 Strategy Formulation and Operational Performance	18
2.3.2 Strategy Implementation and Operational Performance.....	19
2.3.3 Strategy Evaluation and Operational Performance.....	21
2.4 Summary of Literature Review and Research Gaps.....	22
2.5 Conceptual Framework.....	25
CHAPTER THREE	27
RESEARCH METHODOLOGY	27
3.1 Introduction.....	27
3.2 Research Design.....	27
3.3 Target Population.....	27
3.4 Sampling Design.....	28
3.5 Data Collection Instrument	29
3.6 Pilot Study.....	29
3.6.1 Validity of Research Instrument	29
3.6.2 Reliability of Research Instrument	30
3.7 Data Collection Procedure	30
3.8 Data Analysis and Presentation	31
3.9 Ethical Considerations	32
CHAPTER FOUR.....	33

DATA ANALYSIS AND DISCUSSION.....	33
4.1.1 Response Rate.....	33
4.1.2 Reliability Analysis.....	34
4.2 Demographic Information.....	35
4.2.1 Gender of the Respondent.....	35
4.2.2 Age Bracket	36
4.2.3 Highest education qualification	37
4.2.4 Years of service.....	38
4.2.5 Area of Services	39
4.3 Descriptive Analysis	40
4.3.1 Strategy Formulation	41
4.3.2 Strategic Implementation	45
4.3.3 Strategy Evaluation.....	48
4.3.4 Operational Performance	52
4.4 Inferential Analysis	56
4.4.1. Correlation Analysis	56
4.4.2. Regression Analysis.....	58
Table 4.13: Model Summary	59
4.5 Discussion of Findings.....	61
CHAPTER FIVE	64
SUMMARY, CONCLUSION AND RECOMMENDATIONS	64
5.2 Summary of Findings.....	64
5.3 Conclusion	65
5.4 Recommendations.....	66
5.5 Contribution to Knowledge.....	67

5.6 Suggestions for Future Research	67
REFERENCES.....	68
APPENDICES	77
Appendix 1: Letter of Introduction.....	77
Appendix II: Questionnaire	78
Appendix III: List of Selected Supermarkets in Nairobi City County, Kenya	81

LIST OF TABLES

Table 2.1 Summary of Literature Review and Research Gaps	22
Table3.1 Sampling Design	29
Table 4.1 Response Rate	33
Table 4.2 Reliability Analysis	35
Table 4.3 Gender of the Respondent	36
Table 4.4 Respondents Age Bracket	37
Table 4.5 Respondent education qualification	38
Table 4.6 Respondents years of service	39
Table 4.7 Respondents area of service	40
Table 4.8 Descriptive Statistics of Strategy Formulation	41
Table 4.9 Descriptive Statistics of Strategy Implementation	45
Table 4.10Descriptive Statistics of Strategy Evaluation	48
Table 4.11Descriptive Statistics of Operational Performance	52
Table 4.12 Correlation Results	57
Table 4.13 Model Summary	59
Table 4.14 ANOVA	59
Table 4.15 Regression Results	60

LIST OF FIGURES

Figure2.1: Conceptual Framework.....27

ABBREVIATIONS AND ACRONYMS

TNCs	Trans National Co operations
ABC	Activity-Based Costing
CAMI	Consortium of Advanced Manufacturing International
NSE	Nairobi Securities Exchange
NHIF	National Hospital Insurance Fund
SACCOs	Savings and Credit Cooperative Society
GTB	Guaranty Trust Bank
BSC	Balance Scorecard

OPERATIONAL DEFINITION OF TERMS

Strategic Management Practices: Entails a sequence of deliberate decisions and actions that leads to creation and implementation of plans intended drive a company's success and achieve its desired outcomes. Metrics utilized for strategic management practices involves: formulation of strategy, implementation of strategy as well as evaluation of strategy.

Strategic Formulation: Is the methodical and logical process of creating a strategic framework that directs an organization's decisions and distribution of resources toward accomplishing its goals. Strategic planning, mission, vision and goals and strategy analysis was the indicators of this variable for this ongoing study

Strategy Implementation: Entails the processes involved in changing plans into action to attain a desirable result. The indicators this study adopted for strategy implementation includes; allocation of resources, strategy execution and communication to measure strategy implementation of selected supermarkets

Strategy Evaluation: Is a process used to assess how excellent the management of a strategy is implemented. The metrics this study used to measure strategy evaluation are Process control Processes and Procedures Feedback Mechanism

Operational Performance: Refers to the process of measuring and assessing how productive, efficient, and effective a company's activities or processes are in reaching its goals and objectives. The primary indicators are customer satisfaction, revenue growth and workflow efficiency.

ABSTRACT

The operational performance of supermarkets globally is characterized by a mix of trends and challenges arising from a highly competitive and unstable business environment. In Kenya, supermarkets have experienced reduced sales and declining performance, leading in some cases to closures. Consequently, many supermarkets aim to operate effectively and efficiently without giving adequate attention to overall performance. This research examined the effects of strategic management practices on the operational performance of selected supermarkets in Nairobi City County, Kenya. Specifically, the study sought to investigate the effects of strategy formulation, strategy implementation, and strategy evaluation on the operational performance of these selected supermarkets. The study was anchored on the Resource-Based View, Activity-Based Costing Systems, Balanced Scorecard Theory, and the Dynamic Capability Theory. A descriptive research design was adopted to guide the study. The target population comprised 104 supermarkets currently operating within Nairobi City County, while the unit of analysis was the supermarkets and the unit of observation consisted of their employees, including supervisors, upper management, sales support staff, and general supermarket personnel. A purposive sampling technique was used to select the respondents. The research instrument employed was a semi-structured questionnaire used to collect primary data. A pilot test was conducted to assess the questionnaire's validity and reliability, ensuring that the instrument accurately measured the intended variables and produced consistent results. Data were analyzed using descriptive statistics (frequency, mean, and standard deviation) and inferential statistics through a multiple linear regression model. Ethical considerations were duly observed throughout the study. The findings revealed that strategy formulation had a positive but statistically insignificant effect on operational performance; strategy implementation had a positive and statistically significant effect; and strategy evaluation had a positive yet insignificant effect. The study concluded that supermarket management should focus on enhancing the implementation of existing strategies rather than merely formulating new ones. This can be achieved by investing in employee training programs to build the necessary skills for effective strategy execution.

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

The modern business climate is characterized by rapid market adjustments, technological advancement, and changes in the legal and economic environment. These dynamics have made it essential for organizations to develop strategies that enable them to remain competitive and sustainable in an ever-changing environment (Tallman, Luo, & Buckley, 2018). Different businesses and business personnel use different strategies to gain more cash, attract more clients, and grow their business as a result of the growing requirement for operational performance (Hajir, 2021). Operational performance is a component of management inside a company that is crucial and aids in quantifying the non-financial and financial outcomes of its policies and operations. In addition, the requirement to assess operational performance has increased due to the growing necessity to gauge the overall well-being of the business (Frank, Joachim, Irene, Nicholas & Collins, 2019).

Globally, the expansion of supermarkets started by first tier Trans National Corporations (TNCs) in Europe which includes the United States and some other European countries. In Central Europe, supermarkets have been distributed rapidly since the 1990s. In the United States, the first serving supermarkets which were quite large occurred in Los Angeles and then in New York before other countries started adopting it (Campbell, 2016). In the United State of America, industries concerned with supermarkets have undergone tremendous changes which are quite structural in the last decade (Ellickson, 2016). In the United Kingdom, the presence of supermarkets has dominated the grocery markets by four (4) supermarket chains which includes Tesco, Asda, Sainsbury's and Morrisons. During a five-year period, the supermarkets revenue in the United Kingdom grew at a compound rate of 1.5% (Westaby, 2022).

In China, supermarkets realized a total contribution of about 2.36 trillion Yuan a total increase of 2.6% (Ma, 2022). In India, the supermarket trade sector was projected to reach the level of \$1.10 trillion by 2030, however, the purchasing power, behavior and values of the Indians was affected by the COVID-19 pandemic. The effect of the worldwide pandemic resulted in a volatile economy,

insufficient power and affected the sector of the market which has expanded since 2015 (Daltaet al., 2023).

In Africa, there have been steady progress as well as numerous challenges that supermarkets face. South-Africa emerged as a country with the leading first wave of supermarkets in the 1980s followed by Zambia, Botswana and Mozambique in the 1990s. The presence of supermarkets occurred in Kenya, Uganda, Tanzania Malawi and Zimbabwe in the early part of the 2000s which then expanded to West and Central Africa. The evolvement of supermarkets started from the service to high income earners followed by the middle-income earners and lastly to the low-income earners (Mboma, 2018). The enlargement of supermarkets in Africa started in the early 2000s due to increase in income and urbanization and existed due to the investments of the richest countries of Europe. In South Africa, the increase in the expansion of a large number of supermarkets has established good conditions for reliable digital and innovative trade sectors (Das Nair & Dube, 2017). Over the past two decades now, Tanzania has been opportune to witness a tremendous increase in the number of supermarkets that are established with most of their retailers being from South Africa (Mohamed, 2019). However, despite the growth in Nigeria, the supermarket trade market experienced a downturn by 5.4% from \$26 trillion in 2019 to \$25.2 billion in 2020 due to the occurrence of COVID-19 (Bailey, 2021).

In Kenya, the concepts of supermarket predominantly started in the 1960s and 1970s even though it was in theory. The advancement of supermarkets became more visible in Kenya compared to other African countries asides from South Africa overtime. The pioneering supermarkets to be established in Kenya includes Westland General Store in 1960, the K and A which was opened in 1962, Abrahams Self Service Store in 1970 and Uchumi Supermarkets Limited in 1975 (Njiru, 2016).

The sizes of the supermarkets are measured in terms of branch numbers and the supermarkets are characterized by the amounts of customers they serve as well as the range of products at which they have. Some supermarkets also operate as just single units of business without any branches at estate level (Campbell, 2016). The supermarkets are under a market niche of majorly middle to high end customers (Njiru, 2016). The major classes of supermarkets in Kenya mostly undergo cash flow problems, salary payments delay and insufficient products for sale. Some procedures

have been placed to tackle these problems. They include closure of branches, freezing of new employment levels and quantity of items reduction.

1.1.1 Strategic Management Practices

Strategic management entails the organizing, planning and directing the strategies of a firm which consecutively improves the effectiveness of an establishment through its decisions and actions (Palladan et al., 2016). Numerous choices and behaviors are made as part of strategic management techniques to assist in the creation as well as execution of strategies to achieve company objectives (Palladan & Adamu, 2018). Strategic management practices entail the means of assessing the current and future environments, formulating the objectives of an organization, being in control and implementing the objectives in both present and future environment (Ogundele&Oyenuga, 2018).

Strategic management practices encompass four (4) various elements which includes strategy formulation, control, implementation along with evaluation (Wheelen & Hunger, 2018). Pearson and Robinson (2017) furthermore explained strategic management practices to be the building of strategy choice, monitoring of strategy, implementation and evaluation of strategy. It involves the assemblage of various managerial actions and decisions which have an impression on the performance of an organization on a long-term basis. Strategic practices involving management are also associated alongside present and upcoming perspective of an enterprise by assessing its framework of operation and purpose. An observation has occurred basically on how strategic management remains an essential instrument for the achievement enhancement of a corporation which helps in terms of making informed decisions.

According to Gabow (2019) on his study of practices influencing Kenyan commercial banking institutions performances and strategic management, performance was determined using strategic formulation and implementation. Using formulation of strategy, evaluation and implementation, Nakuru County's supermarkets capabilities were evaluated (Kanono&Wanjira, 2021).

The formulation of strategy relates to the synthesis of long-held projects for effective opportunity administration as well as situations which can be external in order to associate both the strength and the weakness (Ngozi &Ifeoma, 2016). The methodical and logical process of creating a strategic framework that directs an organization's decisions and distribution of resources toward

accomplishing its goals is known as strategy formulation (Meresa, 2019). Strategy formulation explains the potential of an industry to improve and handle competition. It is clear that how a business performs, how it survives, as well as how successful it is having an impact on how a strategy is developed (Mbithi, 2016). The process of creating a thorough and well-thought-out plan to Attain a company's strategic goals and vision over an extended period is known as strategy formulation (Mohammed & Rugami, 2019). Strategy formulation comprises of a variety of activities that are involved in the strategic choices' selection in the context of an environment Choosing which business to pursue, allocating resources to prevent hostile takeovers, and whether to explore foreign markets are all part of formulating a strategy (Meresa, 2019). The strategy formulation phase involves several key steps, including: defining a mission statement that outlines the organization's purpose and goals, conducting an external assessment to identify opportunities and threats in the market, assessing the organization's internal strengths and weaknesses, setting long-term objectives that align with the mission statement, generating alternative strategies to achieve the objectives and selecting the most effective strategy to implement (Njue & Ongoto, 2018).

Osman (2017) explained strategy implementation to be the ways through which policy transformation actionable strategies are used to achieve the objectives of a company. Implementation of certain strategies entails the utilization of the strategy all around the firm by reaching short term goals from long held aspirations (Salam, 2017). The means through which an organization turns a particular strategy into a plan of action and practices that would lead the organization through the strategy route and allow the organization to meet its goals is referred to as strategy implementation (Obonyo & Arasa, 2015). The stage of execution that starts things off according to planned for strategy. For businesses to bring their plans to life, they must establish clear goals, craft thoughtful policies, motivate their workforce, and allocate resources wisely. Without effective implementation, organizational analyses, strategic direction, and planning efforts hold little value, as success ultimately depends on turning strategies into action (Meresa, 2019).

Strategy evaluation on the other hand, is majorly concerned with the analysis of tasks to obtain original results against the obviously expected results (Biermann & Harsch, 2017). Strategy evaluation involves the translation of a strategy into action to ensure that outcomes are realized by

the organization and desirable results are obtained which in turn favors the organizations objectives (Mbithi, 2016). Evaluation of strategy involves a series of efforts concerned with the exact performance with respect to its standard and allows for feedback in the interest of ensuring the operational performance (Mohammed & Rugami, 2019). Since accomplishment today does not guarantee success tomorrow—success constantly develops novel and distinctive challenges, and complacent entities experience demise—the assessment and oversight phase necessitate gathering information on the strategic outcome and contrasting it with existing standards. Evaluation is also accomplished by examining current approaches, gauging performance, and taking corrective steps (Njue & Ongoto, 2018).

1.1.2 Operational Performance (Dependent Variable)

Operational performance encompasses the overall achievement of goals and objectives of a firm while operational refers to the efficiency and effectiveness of an organization's internal processes and activities (Slack & Lewis, 2017). According to Moywaywa (2023) among the many operational performance metrics are revenue growth, client retention, and workflow efficiency. Operational Performance is the dependent variable. Its three primary indicators are customer satisfaction, revenue growth and workflow efficiency. Operational indicators are related to the productivity of the workforce and the enterprise's overall performance. Measuring process performance is essential for determining areas for improvement, understanding how well a process is working, and making sure that goals are being fulfilled. A product's cost of production and sale is measured by its cost of goods sold, where lower costs signify higher efficiency. Customer satisfaction gauges how happy customers are with the goods that the business sells (Nazmul, 2022). Kemboi (2021) also submitted that the primary operational performance metrics are dependability, cost, flexibility, quality and speed. Every one of the five operational performance factors listed above is crucial to the survival and long-term viability of supermarket operations. Operational efficiency can be measured by analyzing quantitative data, such as the time or cost involved in completing specific tasks. Additional insights into a process's performance can be gleaned from subjective feedback, including reviews from clients and staff (Alramli, 2023).

When gauging a sector's overall success, performance measures including returns on capital, expansion, profits, financing, as well as revenue are crucial. The financial metrics are important for gauging success (Wanyoike, Onyuma & Kung'u, 2021). Hajir (2021) added that financial

results determined by factors such as investment returns, profits generated, and assets returns; merchandise performance, which includes revenue and revenue from sales in comparison to competitors; and return on equity, which comprises the total return on invested capital and economic worth. The financial and economic perspectives, viewpoints, and tools that govern the organization and oversee its operations in terms of liquidity, financial setting up, economic viability, and management of assets (Njoroge, 2019). Revenues, which refers to possessing a significant market share in comparison to rivals in the identical businesses, tremendous revenue, increased market bottom, satisfied consumers, increased turnover costs, a market edge, increased consumer base, as well as standard financial viability are effectiveness measures in the retail sector (Wamba, Gunasekaran, and Akter, 2017).

Customer-related KPIs can provide important information about how well a product is doing as well as the general customer experience. Making sure customers are happy is crucial in the modern world. Since consumers are a business's primary source of revenue, their significance in the context of using goods or services is validated. This is the basic logic behind measuring customer satisfaction. Tracking customer KPIs can help identify Client demographics that express unhappiness with a service and identify the underlying causes of that dissatisfaction. In a similar vein, staff members can design a mechanism that allows them to ask staff members for input on their level of satisfaction (Ozuysal 2022). Some common means of measuring customer satisfaction includes, Bounce rate, Customer Lifetime Value (CLV), Average response time (ART), Customer Effort Score (CES), and Net Promoter Score (NPS).

As noted by Lins, Servaes and Tamayo (2017) workflow efficiency are the generation of value for shareholders and is attained by effective management, which is a crucial facet of the whole company strategy. The primary motivation behind corporate operations is financial gain. The company would close if losses are sustained over time. Therefore, it is imperative that every businessman concentrate on capturing financial results and projecting future earnings by ensuring that the operations of the entity is optimized and efficient. Kemboi (2021) maintained that the firms operational success depends on the effectiveness of its workflow and its capacity to produce basic market requirements at the lowest possible cost and also the degree to which those supplies satisfy the demands and expectations of its customers. To ensure the ideals of customers and entrepreneurs, efficient operation entails guidance on achieving productivity and efficacy in the

rendering of services and sturdiness (Kungu, 2014). According to Tao (2019), managers of operations make certain choices that boost an organization's effectiveness as well as competitiveness in the market. The operational performance component of consumer retail outlets describes how management has set up a conducive atmosphere for workflow efficiency.

By employing the right metrics and approaches for each unique circumstance, businesses may proactively enhance work and provide superior outcomes (Lynch, 2018). Revenue growth client satisfaction as well as workflow efficiency is chosen to measure operational performance in this study due to their relationship with competitive advantage.

1.1.3 Supermarkets in Nairobi City County.

The emergence and proliferation of supermarkets in Nairobi City County have revolutionized the way consumers shop and purchase goods, providing a diverse array of products and services in a single location. In Kenya, supermarkets are the main retail sellers and they bid to win the loyalty of their customers as well as reference in order to stay competitive (Moffat, 2016). Supermarkets are basically largely sized and have a variety of sections for selection when compared to groceries and stores. This entices the customers since they can get all the products, they intend to get in just one location. In addition, the customers also benefit from shopping at their convenience and an appropriate parking space.

In Nairobi, most of the supermarkets operating there have distinct characteristics such as similar interiors and layouts involved in their product marketing. Some of them also operate together as a chain and have a link which ties them directly to their producers, distributors and suppliers. As of 2016, the Nairobi City Council Department of Licensing reported that twenty-six (26) supermarkets were in operation within the boundaries of Nairobi City County. The increasing town population has led to request of certain commodities and services leading to a great transition of the supermarket succession.

The common trend amongst supermarkets is the issue of competition as different supermarkets aspires to win their customers loyalties by performing way better than their competitions (Moffat, 2016). Supermarkets in Kenya are spread out all round the country from the capital cities to medium cities and smaller towns as well. It was however discovered that during the period of 1990-1993, there was an enormous increase in the growth of supermarkets in Kenya by 18% in a

year. This led to a large increase in the urban population rate, price and trade liberalization and removal of import license.

1.2 Statement of the Problem

As a vital component of supply chains, the retail trade sector connects producers, distributors, and other market players, facilitating the flow of goods and services have been praised internationally for its role in attracting investments, serving as an economic gauge of consumer spending, and providing a means of reducing poverty, creating jobs, and raising citizens' standards of living (Das Nair, 2020). It has been observed that retailing has significantly contributed to economic development. Retailers act as intermediaries, connecting consumers' specific needs with the vast supply of commodities and capabilities from a wide range of manufacturers and service providers, thereby facilitating a match between demand and supply (Gichini, 2018). Supermarkets globally have however faced significant disruptions due to rapid technological advancements, a large number of new competitors, and unfavorable policy frameworks related to climate change. This is despite the grocery business's crucial function in supply chains which encourage economic development (Mwasiaji, Alaro, Muthinja& Njuguna, 2022)

In 2021, companies engaged in retail and wholesale trade collectively contributed 7.9% to Kenya's Gross Domestic Product (GDP) and have been growing and expanding their establishments in both big and small towns over the past few years (Kenya National Bureau of Statistics, 2022). Nevertheless, their operations are subject to competitive highly and environment of business that is turbulent. Kenya's Supermarkets have thus experienced reduction in sales and lowered performance which has in one way or the other led to the closure of some supermarkets. This occurred due to the increment in competition from retail stores. Prominent supermarkets in Kenya have reportedly been operating poorly, which might result in ultimately closing or a decrease in the number of twigs, according to Muturi, Omwenga, and Owino (2017). Mwaura (2019) reports that the return on assets for significant grocery stores dropped between 0.1418 – 0.1390 during the years 2016 and 2017, and it decreased from 0.1473 to 0.1446 from 2018 and 2019. The total amount of grocery locations in Kenya has decreased by 39.8% over the course of a three-year period (2018 to 2020), from 314 to 189, with major merchants suffering the greatest losses (Mboya, 2020). Similar to major supermarkets, medium-sized retailers have experienced fluctuations in return on assets from 2015 and 2019.

Even if this has aided various other supermarket enterprises, one hundred and twenty-five locations have shuttered and just 13 additional shops were established in 2020. Additionally, Shoprite, which had joined the neighborhood marketplace in 2018 and had four locations, shuttered them all in 2020 due to the poor outputs of its own supermarkets. Along with doing badly, in Kenya, several major supermarkets are grappling with significant debt. For instance, Tuskys owes Ksh 6.2 billion while Nakumatt has accumulated loans totaling Ksh 38 billion. Additionally, Nakumatt, Tuskys, and Uchumi are currently not operational. For their growth, other supermarkets like Naivas and Quickmart have gotten equity investment. Also, the grocer Nakumatt has faced severe financial troubles. The store also has had to contend with difficulties paying staff salaries, a lack of suitable merchandise, and growing vendor obligations. The supermarket has therefore been forced to make adjustments such as reduced inventory at its stores, a freeze on hiring new employees, and location reductions are some of the measures (Bett&Avoga, 2023). Given the instability that supermarkets have faced in Kenya's retail trade sector, senior executives in these companies have consequently kept considering ways to sustain their viability, competitiveness, and profitability over the long term by efficiently utilizing their resources and adding value to the marketplace.

Studies have been implemented variously on strategic management on performance. Kanano & Wanjira (2021) investigated on the practices of strategic management and retail stores performance in Kenya's Nakuru County and found a beneficial substantial effect among variables. Osman (2017) investigated the effect of strategy implementation and organizations performances of the County of Nairobi City's private security organization, investigation found no significant effect among strategic implementation and organizational performances. Gabow (2019) evaluated the how the practices of strategic management affect performances and found a substantial effect among variables.

Wafula and Muathe (2019) studied the strategic management's impact on Turkana County Government's performances. Karimi (2021) researched on the management impacts of strategic practices on National Hospital Insurance Fund (NHIF) performance. These studies were carried out in different counties and other organizations that are not supermarkets, therefore this study demonstrates contextual gaps. Ngiwiri (2016) in a study of strategic management techniques, organizational culture and organizational performance using qualitative research design. These studies demonstrated methodological gaps.

Previous studies have shown mixed results on the relationship between strategic management and performance. Kanano & Wanjira (2021) found a positive significant relationship between strategic management practices and retail performance in Nakuru County, whereas Osman (2017) found no significant relationship between strategy implementation and organizational performance among Nairobi's private security firms. These inconsistencies reveal contextual and methodological gaps.

Therefore, this study aims to determine the effects of strategic management practices on operational performance of selected supermarkets in Nairobi City County, Kenya, addressing these empirical and contextual gaps.

1.3 Objectives of the Study

1.3.1 General Objective

The objective was to examine the effects of strategic management practices on operational performance of selected supermarkets in Nairobi City County, Kenya.

1.3.2 Specific Objectives

The study's particular goals include:

- i. To determine the effect of strategy formulation on the operational performance of selected supermarkets in Nairobi City County, Kenya.
- ii. To examine the effect of strategy implementation on the operational performance of selected supermarkets in Nairobi City County, Kenya.
- iii. To assess the effect of strategy evaluation on the operational performance of selected supermarkets in Nairobi City County, Kenya.

1.4 Research Questions

The inquiries that follow were addressed by the research:

- i. To what extent does strategy formulation have an influence on the operational performances at selected Nairobi City County's supermarkets in Kenya?

- ii. To what extent does strategy implementation have an impact on the Kenya's selected supermarkets operational performances in Nairobi City County?
- iii. To what extent does strategy evaluation exert an influence on the operational performances at selected Nairobi City County's supermarkets in Kenya?

1.5 Significance of the Study

Findings of the investigation are significant to the management of the supermarkets in order to recognize the problems that occur during the utilization of the methods adopted by the supermarkets in Kenya to improve their businesses. On certain occasions, the issues that concern the performance of an organization are usually linked to the failure of a combination of one or more areas of strategic management practices. As a result, the study discoveries are important for designing strategic management practices that enhances the conducts of supermarkets.

The study is useful for governing bodies and policy makers of the trade business sectors so as to achieve the success of the Kenya's 2030 vision as the study findings would give sufficient insight on the outcome of strategic management applications on performances. The investigation is also important to the policy makers as it notifies and improves their understanding of the linkage which exists between performance and the practices of strategic management. Hence, formulation of policies would aid the improvement of the performance of supermarkets.

Future researchers would also stand to gain from the research outcomes which further add to the literature review which must have existed before on strategic management upon enterprise performances. Research recommendations are going to additionally assume the role of a form of reference for supplementary research on organizational performance in supermarkets and in other sectors as well for academicians.

1.6 Scope of the Study

Research was focused on the practices of strategic management influence on the operational performance of Nairobi City County selected supermarkets in Kenya. Research is going to deliberately work towards determining the impact of strategy formulation, implementation and evaluation on the chosen supermarkets' performances in Nairobi City County, Kenya. This case review is going to involve one hundred and four (104) supermarkets that are functional in the city of Nairobi from 2019-2023. Nairobi City County's supermarkets have been affected by the Covid-

19 pandemic, and examining this timeframe provides valuable insight into the historical context and the pandemic's effects. This study took on the use of descriptive design based on the primary information gotten from the supermarkets. The analysis was demonstrated by applying inferential as well as descriptive statistics.

1.7 Limitations of the Study

Several limitations were encountered during the study. Some respondents were reluctant to provide information about their supermarket operations due to confidentiality concerns. This was mitigated by assuring participants of anonymity and confidentiality, and by presenting research authorization and introduction letters to enhance trust.

Time constraints also affected data collection since some managers and staff were unavailable during working hours. To overcome this, flexible scheduling, follow-up visits, and reminders were used to ensure adequate responses.

The study was limited geographically to Nairobi City County, which may restrict generalization to other regions. However, purposive sampling ensured diverse representation across supermarket sizes and ownership structures.

Lastly, response bias was minimized by using semi-structured questionnaires that combined open and closed-ended questions, ensuring comprehensive yet consistent data collection

1.8 Organization of the Study

The research project was separated into 5 chapters. The research's background, statement of the problem, research objectives, research questions, significance of the research, research scope, study limitations, as well as research structure are all explained in the chapter one. The second part entailed all the information regarding the theoretical view and empirical studies including the conceptual framework. The third part gave details about the design of the research, population targeted, and analysis. Chapter four discussed the findings as well as presented the data as chapter five offered the findings summary, conclusion as well as the recommendations.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter presents a comprehensive review of literature relevant to the study on the effects of strategic management practices on the operational performance of supermarkets in Nairobi City County, Kenya. The purpose of this chapter is to provide a theoretical and empirical foundation for the study, to identify knowledge gaps, and to justify the significance of the research. By reviewing previous studies, the chapter highlights key concepts, theories, and empirical findings that relate to strategic management practices—including strategy formulation, strategy implementation, and strategy evaluation—and their influence on operational performance.

The chapter is organized into three main sections. The first section, Theoretical Review, examines the main theories underpinning strategic management and operational performance, namely the Resource-Based View (RBV) Theory, Activity-Based Costing (ABC) Systems Theory, Balanced Scorecard (BSC) Theory, and Dynamic Capabilities Theory. These theories provide a conceptual framework that guides the understanding of how supermarkets can utilize strategic management practices to improve revenue growth and workflow efficiency.

The second section, Empirical Review, explores prior studies on strategic management practices and organizational performance, with a focus on the formulation, implementation, and evaluation of strategies. This section examines how these practices have been applied in different organizational contexts, identifies similarities and differences in findings, and highlights research gaps, particularly in the context of supermarkets in Nairobi City County.

The third section, Summary of Literature Review and Research Gaps, synthesizes the findings from the theoretical and empirical reviews. It identifies areas where existing research is limited or inconsistent, providing a rationale for the present study. The summary highlights the need for research on the combined effect of strategic management practices on operational performance in the supermarket sector, emphasizing indicators such as revenue growth and workflow efficiency.

By providing this structured review, this chapter lays the foundation for understanding the theoretical and empirical basis of the study and informs the development of the research methodology used in subsequent chapters.

2.2 Theoretical Review

The inquiry explored the Resource-Based View (RBV) Theory, Activity-Based Costing (ABC) Systems Theory, Balanced Scorecard Theory, and Dynamic Capability Theory, aligning each with the key factors to provide a comprehensive theoretical foundation.

2.2.1 Resource Based View Theory

Wernerfelt (1984) developed the Resource Based View hypothesis. The supposition states which assets owned through company are main determining factors of a firm's accomplishments. The theory adds to the sustainability of the establishment's advantage competitively. The resource-based theory makes use of strategic allocation of plans in order to generate useful strategies for the organization. For a strategy to be implemented in an organization, the organization makes sure to verify the means obtainable for the adoption of a particular action plan. The resource-based theory provides theoretical knowledge for knowing how to efficiently and effectively manage resources.

The abilities and means are centralized when it comes to the formulation of strategies (Grant, 2013). Most firms possess resources which allow them to attain competitive advantage by possessing a reversed opinion of why most consortiums tend to fail or succeed. The resources are quite rare and of which a firm can benefit from and make use of in order to attain a lengthy or temporary outwitting advantage based on the level of protection of itself against transfer, replacement or emulation (Peterat, 2015). The resource-based theory retains the impression that a company starts by taking its own surroundings into consideration, before assessing which particular strategy would be suitable for the maximization of the company's performance (Grant, 2013).

The competencies of a firm, greatly determines the outcome of a firm favorably. To ensure competitive advantage, the resources of a firm and its tactical inventory which can in no way be duplicated, can then be customized to assist the retail firms in the industry to have a competitive edge. This can be achieved through customer service improvement, operational costs reduction and stock control effectiveness. The resource-based view theory was utilized for this theory

because it supports the use of strategy formulation and the strategy implementation management practices for how an organizations' performance to be measured which are part of the study objectives.

2.2.2 Activity-Based Costing (ABC) System Theory

This theory was postulated by Robert Kaplan (Kaplan, 1987)). The theory uses a method of costing which selects certain activities in firms and organizations and delegates activity cost to all the services and products with respect to the rate of each consumption (Kaplan & Anderson, 2007). The theory places more of the indirect cost into the direct costs and thereby comparing it to the conventional costing. Activity-based costing system theory selects various activity groups pertaining to costs in organizational centers, evaluates and gives costs to the services on an event number basis as well as the required transactions in order to render the product or service (Shaban, 2009).

The theory consists of elements which include estimation of cost, dictionary occasion and cost assignment. The theory also states that production improvement searches are stimulated through management processes such as the evaluation of the material to determine the performance. Activity-based costing system theory also pays attention to indirect calculation means for cost and not only the traditional price models for cost. The theory was originally introduced in the United States. During the early stages of introduction, the theory was initially utilized by the Consortium of Advanced Manufacturing International (CAMI) (Garrison & Akyol,2012).

The theory was thereafter made use of in the control of various firms. The theory can be best used by retail firms so as to be able to take note of series of activities which are not value added and are meant to be eliminated. By so doing, the retail stores can get to experience certain improvements which lead to enhanced rate of performance (Adamu&Olotu, 2009). The cost of acquiring intact information can empower an organization to attain its desired competitive advantage. Activity-based costing system theory takes cognizance of strategy evaluation for performance measurement which is an essential survey objective and hence is the investigation's suitability. Hence this theory is linked to strategy evaluation.

2.2.3 Balance Score Card Theory

Kaplan and Norton (1996) pioneered the Balanced Scorecard framework, a holistic approach to strategic management that evaluates organizational performance through four distinct lenses: financial sustainability, customer satisfaction, operational efficiency, and innovation and development. By adopting this multidimensional framework, organizations can effectively track and manage their performance, (Oyewo, Moses, & Erin, 2022). By adopting a balanced approach to performance measurement, organizations can move beyond an exclusive focus on financial metrics and instead consider a range of Monetary and non-monetary measures that provide a more comprehensive understanding of performance (Ridwan, Harun, An, & Fahmid, 2013).

The BSC theory has been widely applied in various organizational contexts, including the retail sector, where it has been used to align strategic objectives with operational performance (Crabtree & DeBusk, 2008). Supermarkets, for example, can utilize the BSC to establish financial goals, such as revenue growth, while also setting customer goals, such as improving customer satisfaction ratings, and internal process goals, such as reducing inventory turnover (Iranzadeh, Nojehdeh & Emami, 2017). Additionally, the BSC can be used to establish learning and growth goals, such as increasing employee training hours, to drive innovation and improvement (Marete, 2015).

Research has demonstrated that organizations that adopt the BSC theory experience improved performance outcomes, including enhanced financial performance, customer satisfaction, and employee engagement (Cizmic & Crnkic, 2010). The BSC has also been shown to facilitate strategic alignment, improve communication, and foster a culture of continuous improvement (Abu-Allan, 2018). As such, the BSC theory offers a valuable framework for supermarkets seeking to achieve operational excellence and sustain an edge in a progressively more complex and dynamic market environment (Tuan, 2020).

The BSC theory has undergone significant development and refinement since its introduction, with various scholars and practitioners contributing to its evolution (Kaplan & Norton, 2001). The BSC has been extensively utilized in diverse industry verticals and segments, including healthcare, finance, and manufacturing, and has been adapted to suit various organizational contexts and cultures (Alshammari, 2011). The BSC framework remains a highly relevant and widely accepted approach to strategic management and performance measurement, particularly in today's fast-paced business environment.

2.2.4 Dynamic Capabilities Theory

Teece, David, Pisano, and Shuen (1997) introduced the concept of dynamic capabilities to help businesses adapt by developing new processes and products in response to evolving market conditions. Tapera (2016) further emphasized that this theory underscores the vital role of strategic planning in shaping an organization's direction and long-term success. Teece (2007) defines a competency as a group of learned techniques and abilities that aid an enterprise to achieve a specific outcome. Standard capabilities are similar to best practices. They usually start in one or two companies and work their way throughout the industry. Unlike ordinary capabilities, dynamic capabilities are unique to every company and stem from its history. They are imbedded in intricate, multi-decade business structures in addition to being wrapped in routines (Teece, Pisano, & Shuen, 1997).

Proponents of the DC theory argue that, despite the belief that DC is an extension of RBV, the RBV assumes that an enterprise environment is static and largely constant (D'Aveni & Gunther, 1994), which is unsuitable in modern commercial ecosystem. Uncertain borders, continuously shifting circumstances, nonlinear and unexpected movements, and actors whose identities are not always immediately obvious are characteristics of dynamic or high-velocity markets (Eisenhardt & Martin, 2000). Research by Agarwal and Selen (2009) suggests that dynamic capabilities lead to a track record of adaptation over time. David (2017) contends that the concept of dynamic capabilities offers an innovative framework for understanding the quest of sustainable strategic advantage and exceptional performance in a rapidly changing context, which may serve to address the inadequacies of the traditional resource-based perspective. The paradigm of dynamic capability has however faced criticism due to its imprecise fundamental ideas, inadequately defined term "dynamic capabilities," and conceptual uncertainties that hinder the theory's practical application by creating difficulties in operationalizing and evaluating these capacities (Kurtmollaiev, 2020).

This framework emphasizes the relevance of strategy in the field of strategic management by offering a prism through which to examine the techniques and sources of prospective contributions to strategy. To attain and maintain high performance in dynamic and competitive markets, companies must understand how to proactively adapt their strategic management processes. This is where the dynamic capability theory comes into play. because it emphasizes how important it is for businesses to create and implement plans that allow them to adjust to shifting market

conditions, technology developments, and competitive environments. Organizations can successfully match their strategic management practices with the changing business environment by developing dynamic skills, which would eventually impact their performance and long-term success. The theory would thus provide foundation for strategy formulation, implementation and evaluation.

2.3 Empirical Review

This investigation's portion undertakes an in-depth analysis of the existing studies on the practices of strategic management, including strategy formulation, implementation, and evaluation, as well as operational performance. Despite the acknowledged significance of strategic management practices in supermarkets, a notable gap in the literature persists regarding empirical evidence on this subject, particularly in the context of Nairobi City County. This section aims to address this knowledge deficit by conducting a rigorous review and synthesis of the outcomes of previous studies on strategic management practices and operational performance, thereby advancing the understanding of this study focus.

2.3.1 Strategy Formulation and Operational Performance

Owich, Katuse and Ngari (2018) determined the influence of formulating strategies on the organizational performances' evaluation of quoted enterprises on Kenya's NSE. This investigation adopted the use of an exploratory research design. Aided by a stratified sampling technique, primary data was obtained with an application of structured questionnaires. Thereafter, study target population included three hundred and twenty-five (325) employees of which a sample size of just one hundred and seventy-nine (179) was deduced. The utilization of descriptive and inferential examination was completed on the data. The investigation results revealed that strategy formulation impacts the company performances of enterprises quoted on NSE. The aforementioned investigation applied the utilization of an exploratory design and of which the study at hand made use of descriptive research design.

Wafula and Muathe (2019) studied the function of strategic management on how Turkana County Government, Kenya performed. Survey research design was employed during the study. Data gotten primarily by self-administered detailed questions which are structured were given to eighty-eight (88) departmental technical officers who happened to be the participants for the study. At the

end of the survey, it was deduced from the multiple regression that strategic formulation significantly affects the Turkana County Government performance' in Kenya. The study however concentrated on using Turkana County while the present study concentrated on the usage of Nairobi City County.

Karimi (2021) researched National Hospital Insurance Fund (NHIF) in Nairobi City County, Kenya and how the strategic management procedure influence performances. Longitudinal descriptive research design approach was utilized during the research while stratified sampling random techniques was employed to choose one hundred and fifty-three (153) respondents out of two hundred and fifty-three (253) employees who happened to be the target population through utilization of structured questionnaires for obtaining primary research data. Descriptive and inferential statistics served as instruments of the data analysis. Strategy formulation was shown to affect the NHIF performance significantly. The previous survey used the stratified random approach. The current study used the purposive sampling technique.

Kanano&Wanjira (2021) investigated on the strategic practices of management and the County of Nakuru's supermarkets performance in Kenya. Researchers made use of a descriptive technique of research and obtained primary data by structured questionnaires usage from twelve (12) supermarkets within Nakuru town using one hundred (100) managers as respondents. Data analysis was carried out using multiple linear regressions. Strategy formulation was concluded to exerts a beneficial relationship on the supermarkets' rate of performance. The aforesaid study made use of Nakuru County in Kenya whilst the present study explores Nairobi City County in Kenya.

2.3.2 Strategy Implementation and Operational Performance

Osman (2017) investigated the resultant impacts of implementation of strategy and institutions performances of Kenya's Nairobi's private security institutions. The study was conducted with the descriptive survey method through which primary data was collated from fifty-four (54) respondents out of the population target of two hundred and sixteen (216). The examination of information was implemented utilizing descriptive statistics, correlation analysis, linear regression as well as content analysis. Strategy implementation was discovered to have no impact significantly on the performance of private securities in Nairobi. The recent investigation was done

on supermarkets functioning in Nairobi although the previous study conduction was on private securities company.

Avigoke, Auma and Ng'ong'a (2021) assessed how strategic implementation influences Kakamega teachers Savings and Credit Cooperative Society (SACCOs), Kenya. Research utilized primary and secondary data collection method. Data gathering with primary method occurred utilizing interview guide conducted for the top managers while the secondary data was sourced from relevant publications at Kakamega teachers SACCOs which includes mails, notes and letters. evaluation of sourced data was undertaken through applying content analysis. Outcome of the research proved that strategic implementation does not possess a positive impact the Kakamega teachers SACCOs. The aforesaid study was carried out on Savings and Credit Cooperative Society. Hence, the present study was carried out on supermarkets.

Gabow (2019) investigated how management strategy techniques of Kenya commercial banks situated at Nairobi City County are affected performances. The research design utilized was the descriptive layout of study. Secondary as well as primary information were used. Primary information was obtained via questionnaires usage from one hundred and forty-two (142) employees in the bank while the secondary data was gathered utilizing of document review. By the means of statistical techniques of descriptive and inferential, the research findings depicted that strategy implementation has positively significant effect upon evaluation of commercialized banking establishments in the County of Nairobi City. Investigation was mainly on commercial banks while the present survey made use of selected Nairobi City County's supermarkets in Kenya.

Shichenga (2021) analyzed the mode at which implementation practices affect Guaranty Trust Bank (GTB) performance in Kenya. Descriptive design was set out and gathered primary information via the aid of questionnaires administered to one hundred and eighteen (118) respondents out of the population of one hundred and sixty-eight (168) management level staff targeted in Guaranty Trust Bank (GTB). It was revealed at the end of the scrutinization that strategy implementation impacts the potentials of Guaranty Trust Bank (GTB) positively. However, the aforementioned study was focused on a particular commercial service bank. Therefore, the current study applied emphasis on selected supermarkets.

2.3.3 Strategy Evaluation and Operational Performance

Odedeh (2016) investigated the link amongst management strategies and the performance achieved by the Kenya's National Irrigation Board. Data was obtained primarily through in-depth interviews of six (6) top members and secondary data through reports of performance s documented on an annual basis. The data sourced was assessed by content analysis method. The research rulings stated that a positively significant influence exists between strategic evaluation and National Irrigation Board of Kenya performance. The study accomplished its purpose using National Irrigation Board in Kenya. The new study was executed using selected the County of Nairobi City's supermarkets Kenya.

Ngiwiri (2016) performed an assessment on the strategic evaluation and organizational performance using PZ Cussons as a case study. Qualitative design method was utilized. Secondary and primary sources of data were both adopted. Data sources primarily through conducting one on one interviews with the middle level managers, process managers and purchasing managers. Utilizing qualitative content analysis, the findings made a deduction that strategy evaluation affected the organization performances of PZ Cussons. A qualitative design was implemented previously while a descriptive design served as the design for the current study.

Issack and Muathe (2017) assessed tactics of strategic evaluation influence on the County of Mandera health-related establishments performance in Kenya. The survey employed mixed method research. Fifty (50) health institutions that were public were used and a total of fifty-one (51) respondents were available for the questionnaire administering in order to obtain primary data. The census technique approach was adopted and the examination of result was carried out with inferential statistics. At the end of the research, it was discovered that evaluation strategies have a way of affecting the performances of public health institutions in a positive manner. The aforementioned study employed the use of a mixed research approach and the present investigation applied descriptive design research.

Mwangi (2020) researched on the impact of evaluation procedure on the performances of Kenya's retirement benefit schemes. Through the aid of a descriptive research layout, the population targeted consist of one thousand three hundred and thirty-nine (1339) people. The sample size comprises of two hundred and ninety-nine (299) individuals. The distribution of questionnaires was performed to obtain primary results. On the other hand, secondary data was gotten by means

of resource manuals and publications. Qualitative and quantitative analysis methods were used which includes descriptive, inferential statistics and content analysis. Evaluating strategy influences the performances of Kenya's retirement benefit schemes from the finished study. The study focused on evaluation procedure only whereas this study equally investigated strategy formulation and implementation as well.

2.4 Summary of Literature Review and Research Gaps

This segment summarizes existing researches on practice of strategic management such as strategic formulation, strategic implementation, strategic evaluation and operational performance. This provides an overview of the key findings emerged from the existing researches. It as well highlighted the current knowledge gaps and identifies areas for future research, providing a foundation for the proposed study. The table below gives an explicit summary of the study's literatures reviewed.

Table 2.1: Summary of Literature and Research Gaps

Author	Main Goal	Main Outcomes	The Gaps in Research	Focus of this Study
Odedeh (2016)	correlation among the practices of strategic management and operational efficiency in the context of the National Irrigation Board of Kenya	It was discovered that strategy evaluation significantly influences the performance	National Irrigation Board of Kenya was the scope	The geographical scope of this research is confined to Nairobi City County, Kenya, with a specific focus on supermarkets within this jurisdiction

Issack and Muathe (2017)	assessed the influence of tactics of strategic evaluation on the effectiveness of health-related establishments in Mandera County, Kenya.	it was discovered that evaluation strategies have a way of affecting the performances of public health institutions in a positive manner.	mixed approach research was employed	To elucidate the phenomena under investigation research endeavor study utilized a descriptive research approach
Gabow (2019)	inquired the interplay between financial productivity in commercial banks situated in Nairobi City County and strategic management practices.	Strategy implementation significantly affects commercial banks positively	research targeted commercial banks as the analysis unit	The present investigation was carried out on supermarkets
Wafula & Muathe (2019)	Investigated the role of strategic management and how Turkana County Government, Kenya performed with its utilization	The study findings revealed that strategic formulation impacts Turkana County positively	The aforesaid was based on Turkana County	The City of Nairobi County was the recent survey focus
Mwangi (2020)	Management practices and retirement benefit scheme performance in Kenya was scrutinized.	Strategy evaluation significantly impacts the performance of retirement benefit scheme in Kenya.	The survey focused on evaluation only.	This study equally investigated strategy formulation and

				implementation as well.
Shichenga (2021)	Guaranty Trust Bank served as a paradigmatic case: impact of strategy implementation on the commercial banks' performance metrics.	Guaranty Trust Bank's performance showed a positive relationship with strategy implementation, as revealed by the investigation's findings	Commercial banks were the previous work focus	Supermarkets was the present study context
Kanano & Wanjira (2021)	Examined how strategic management practices affects the supermarkets in Nakuru County	a pronounced correlation was realized	Although the study was based on supermarkets, it focused on Nakuru County	Hence, the City of Nairobi County was the recent survey base
Karimi (2021)	Elucidated the magnitude of the relationships between strategic management practices and the performance outcomes of NHIF programs.	Empirical outcomes suggest a substantive association between the strategic formulation and performance outcomes	The investigation centered on the application of NHIF programs	The current study focused on Supermarkets

Source: Researcher, 2023

2.5 Conceptual Framework

The conceptual framework illustrates the relationship between the independent variables; strategy formulation, strategy implementation, and strategy evaluation and the dependent variable, operational performance of supermarkets. The framework shows how these strategic management practices are expected to influence operational performance, measured through revenue growth and workflow efficiency

Independent Variables

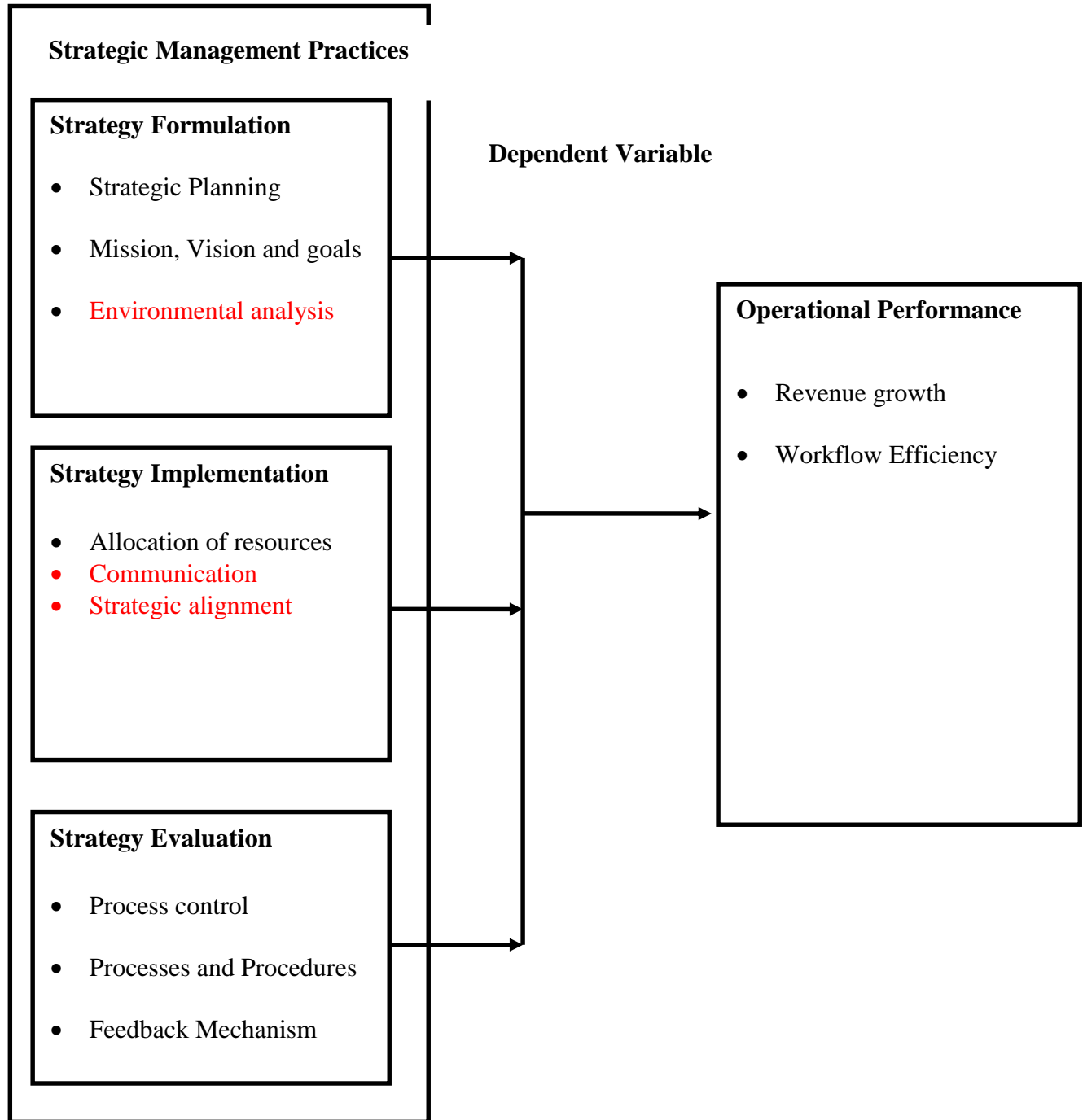


Figure 2.1: Conceptual Framework

Source: Researcher (2023)

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter presented the research design, target population, sampling design, data collection instruments, pilot study, data collection procedure, data analysis, and ethical considerations. The chapter also described the steps taken to ensure the reliability and validity of the research instruments and the procedures followed during data collection.

3.2 Research Design

The research design is referred to as the concept that highlights the steps required during the assemblage, analysis as well as the presentation of data (Kisare, 2016). The study adopted a descriptive research design, which enabled the researcher to gather detailed information about strategic management practices and operational performance without manipulating variables (Kothari, 2004). Descriptive research design gives accurate research variable features at a particular time duration and states the direction of a population target as regards the what, who and why of the research (Mugenda and Mugenda, 2013). This design was appropriate as it provided an in-depth understanding of the relationships between strategy formulation, implementation, evaluation, and operational performance in selected supermarkets.

3.3 Target Population

As opined by Mugenda and Mugenda (2013), the population target can be best explained as the entirety of an object or people set needed for a research based on the presence of certain noticeable characteristics. Target population indicates the exact set of objects, people or events extracted from a given desired population for research (Oguda, 2015). The 104 supermarket outlets in Nairobi City County, Kenya that were completely functional from 2015 to 2022 was the research's target demographic that gave the necessary data on the research region, the staff members of these supermarkets were the intended demographic. These employees involved line supervisors, upper management, sales support staff, and supermarket personnel. Line supervisors who coordinate day-to-day operations in the supermarket, upper management because they are directly involved in decision making in the supermarket, sales support staff because they perform a central task in ensuring the efficient functioning of the sales team, enhancing customer relationships, and contributing to the overall success of the supermarket's sales operations, and supermarket

personnel because they facilitate the supermarket to run smoothly and efficiently while putting the needs of the patrons first, resulting in a pleasurable shopping experience for a These respondents were chosen because they are directly involved in implementing and executing strategic management practices in the supermarkets. The unit of observation was the individual respondent, not the supermarket firm itself.

3.4 Sampling Design

A sample simply explains the population of a scientific study (Ojiambo, 2018). Sampling design is the method through which the sample technique, frame and size selected for a study is based on (Creswell, 2017). Sample size refers to the sample units utilized for a study (Ojiambo, 2018). Purposive sampling was used in this experiment to choose samples from 104 City of Nairobi County’s supermarkets in Kenya that were open from 2015 to 2021. This study is a good candidate for using purposeful sampling because it enabled the selection of only participants who comprehend the study’s goals and who have knowledge that is pertinent to those goals. A total of 10 supermarkets were selected based on their operational stability and willingness to participate. From these supermarkets, the following respondents were sampled:

Table 3.1: Sampling Design

Category	Population	Sample Size	Percentage%
Supervisors	104	15	14.42%
Upper management	104	24	23.08%
Sales support staff	104	35	33.65%
Supermarket personnel	104	30	28.85%
Total	416	104	100%

Source: researcher

3.5 Data Collection Instrument

The investigation utilized the administering of semi-structured questionnaires as a process of obtaining primary data. The questionnaire was constructed utilizing five-point Likert scale. Survey question consisted of close ended inquiries which enables the interviewee to be able to select from a span of five (5) feasible alternative answers. The questionnaire was divided into two (2) vital parts. The first part was based on the personal profile of the employees while the second part consisted of questions about information which aligns with the learning objectives, then further subdivided into four segments on questions pertaining to the key elements of strategic management practices such as strategy formulation, implementation, evaluation and performance. The administration of questionnaires was achieved by operating the drop and pick system to which the questionnaire was dropped off and picked back up by the researcher. Prior to the survey conduction, reliability and validity tests are going to be carried out.

3.6 Pilot Study

Preliminary investigation, known as a pilot study is a small-scale preliminary investigation designed to test and refine research methods, instruments, and procedures, ensuring their effectiveness before conducting a more extensive and in-depth study (Kessler & Glasgow, 2011). A pilot study was conducted in one supermarket not included in the main study. Ten respondents representing all staff categories participated. The purpose was to test clarity and relevance of questionnaire items, identify ambiguous or confusing questions, ensure the instrument captured all required information. Feedback from the pilot test was used to refine and adjust the questionnaire for the main study.

3.6.1 Validity of Research Instrument

The trustworthiness and accuracy of research data hinge on the rigor of research validity, a vital consideration in study design (Mugenda & Mugenda, 2003). Assessing validity involves a thorough investigation of the research instrument's ability to capture the intended data, and an evaluation of the dependability of the conclusions drawn, to guarantee that the investigation measures what it purports to gauge and that the outcomes are credible and reliable. Questionnaire development necessitates comprehensive validity testing, involving content validity, face validity and construct validity assessments, to ensure the instrument's reliability and precision in measuring the targeted constructs and achieving its intended research goals

To establish content validity, a multi-faceted approach was employed, incorporating literature review, expert consultation, pilot testing, item analysis, and iterative refinement (Mugenda & Mugenda, 2003). A pilot study was performed with a representative sample from the population target to assess the questionnaire's effectiveness and identify potential errors or ambiguities. The findings from the literature review, expert input, pilot study, and item analysis were integrated to revise and refine the questionnaire, ensuring its content validity. By adopting this rigorous process, we can confirm that the questionnaire possesses adequate content validity, a crucial prerequisite for generating reliable and credible research findings.

3.6.2 Reliability of Research Instrument

Research tool reliability denotes the degree of internal consistency and stability in measuring the intended constructs (Shanghverzy, 2003). Ensuring the accuracy and precision of the research instrument is crucial. Assessing internal consistency is a crucial aspect of research instrument evaluation, and the Cronbach Alpha index is a widely accepted and appropriate measure for achieving this goal, particularly useful for assessing the mean value of a study variant (Anastasiadou, 2006). The internal consistency of the questionnaire items was assessed to evaluate the survey instrument reliability, with Cronbach's Alpha statistical test employed to determine the extent of consistency and stability in producing a reliable score.

A satisfactory level of internal consistency and reliability of the questionnaire, indicated by a Cronbach-Alpha coefficient of 0.7 or higher, was deemed acceptable for this study. This threshold ensures that the research instrument demonstrates a sufficient degree of consistency and stability, which is essential for generating valid and reliable research findings. By establishing this threshold, we can confirm the reliable questionnaire tool for measuring the intended constructs, thus enhancing the credibility and trustworthiness of the survey's results.

3.7 Data Collection Procedure

The researcher obtained a research License from NACOSTI (License No. NACOSTI/P/24/414141). Official permission was sought from the management of the selected supermarkets. The survey distribution was given personally to the participants. The researcher also gave detailed information of the objectives of the questionnaire and request for the opinion of the respondents while assuring them of confidentiality. The data collection instruments were

administered and retrieved by the investigator through a two-stage process, involving initial distribution followed by subsequent collection at a later date. Respondents were assured of confidentiality and voluntary participation. Completed questionnaires were collected after a follow-up visit. Data were carefully organized and securely stored for analysis.

3.8 Data Analysis and Presentation

Prior to processing the replies from the survey forms, the information was prepared by organizing, correcting, and inputting information. Data encryption was carried out using relevant software. Following the collation of the data, descriptive and inferential statistics were used to evaluate information. Utilizing frequency ranges, proportions, averages, along with standard deviations, quantitative data was evaluated. Regression analysis and other inferential statistics were used to ascertain the association among the research parameters.

The Regression Model is shown below:

$$Y = \beta_0 + \beta_1SF + \beta_2SI + \beta_3SE + \varepsilon$$

Where:

P = Supermarket Performance

SF = Strategic Formulation

SI = Strategic Implementation

SE = Strategic Evaluation

β_0 = Constant Term

β_1 - β_4 = Beta Coefficients

ε = Error term

The result of the descriptive statistics was illustrated in charts while the outcome of the multiple regression analysis was illustrated in tables.

3.9 Ethical Considerations

Ethics that regards confidentiality, integrity and privacy were ensured by the researcher and also by the study. The research investigator ensured that the approval of the management of the selected supermarkets is obtained before the questionnaires are being administered. The processes for getting participants' permission and securing NACOSTI permissions was rigorously followed by the investigator.

CHAPTER FOUR

DATA ANALYSIS AND DISCUSSION

4.1 Introduction

This chapter presents the findings, analysis, and interpretation of data collected on the relationship between strategic management practices and operational performance in selected supermarkets in Nairobi City County, Kenya. The analysis is structured according to the study objectives, which examined the effects of strategy formulation, strategy implementation, and strategy evaluation on operational performance.

Both descriptive and inferential statistical techniques were utilized to analyze the data collected from the respondents. Descriptive statistics such as frequencies, percentages, means, and standard deviations were used to summarize and describe the characteristics of the data, while inferential statistics, including correlation and regression analyses, were applied to determine the nature and strength of the relationships between the variables.

4.1.1 Response Rate

Table 4.1 provide key perspectives into participant engagement in the study, detailing the number of individuals who completed the research instrument, thereby indicating the response rate, as well as those who chose not to participate, reflecting the non-response rate. This data is crucial for assessing the representativeness of the study's findings and for recognizing any potential biases that may arise from the absence of certain participants.

Table 4.1: Response Rate

Rates	Frequency	Percent
Response	83	79.8
Non-Response	21	20.2
Total	104	100

Source: Field Survey (2024)

Table 4.1 regarding the response rate for the study on strategic management practices and operational performance indicated a strong level of engagement, with 83 participants responding, representing 79.8% of the total sample. Conversely, the non-response rate stands at 20.2%, with 21 individuals not participating in the research. This relatively high response rate suggests that the majority of targeted participants were willing to share their insights, which is essential for ensuring the study's findings reliability and validity.

4.1.2 Reliability Analysis

The questionnaire reliability utilized in this study was thoroughly evaluated to ensure that the measurement tools effectively capture the constructs associated with operational performance. The assessment employed the Cronbach's Alpha method, a recognized statistical approach for gauging the internal consistency of survey instruments, with reliability coefficients ranging from 0 to 1.00. A Cronbach's Alpha value nearing 1.00 signifies greater reliability, indicating that the items in the questionnaire consistently ascertained the same concept. Conversely, values falling below 0.7 are typically seen as raising concerns about reliability, warranting further review or modification of the questionnaire items. The estimated results of the survey's reliability coefficient are offered in Table 4.2.

Table 4.2: Reliability Analysis

Variables	Reliability Cronbach's Alpha
Operational Performance	.702
Strategy Formulation	.916
Strategy Implementation	.884
Strategy Evaluation	.863

Source: Field Survey (2024)

Table 4.2 indicated the varying levels of internal consistency among the different variables related to practices of strategic management and these selected supermarkets operational performance. The Cronbach's Alpha values showed that "strategy formulation" has the highest reliability at 0.916, followed closely by "strategy implementation" at 0.884 and "strategy evaluation" at 0.863, all of which are considered to have strong reliability, as they exceed the commonly accepted threshold of 0.70. In contrast, "operational performance" has a lower reliability score of 0.702, which, while still acceptable, suggests that there may be some variability in how this construct is perceived or measured among respondents. This variation in reliability could reflect differences in the clarity or comprehensiveness of the operational performance metrics used compared to the more clearly defined strategic management practices, highlighting the need for further refinement in evaluating operational performance to ensure that it aligns effectively with the strategic objectives of the supermarkets.

4.2 Demographic Information

The demographic information of interviewees is crucial for understanding the background characteristics that may influence their responses and perspectives. This section typically covers variables such as age, gender, education, and other relevant factors, providing context for the study's findings. By analyzing these demographics, the researcher ensures that the data represents a diverse population and draw more accurate and generalizable conclusions.

4.2.1 Gender of the Respondent

The respondents’ gender distribution offers perspectives into the representation and inclusivity of the study. Understanding the proportion of male and female participants helps assess whether the findings reflect diverse perspectives or are skewed towards a particular gender. This demographic characteristic also enables the analysis of gender-specific trends or differences, contributing to more nuanced conclusions. The interviewees’ distribution is displayed in Table 4.3.

Table 4.3 Gender of the Respondent

	Frequency	Percent
Male	56	67.5
Female	27	32.5
Total	83	100.0

Source: Field Survey (2024)

Table 4.3 revealed the gender distribution of respondents indicating a predominance of male employees, who make up 67.5% of the total respondents, compared to 32.5% female employees. This disparity suggests that the supermarket sector may still be experiencing gender imbalances in its workforce, which could be reflective of broader societal norms and employment practices within the region. The significant representation of male employees may impact strategic management practices and operational performance, as diverse perspectives are crucial for fostering innovation and addressing the varied needs of a diverse customer base; thus, supermarkets may benefit from implementing initiatives aimed at promoting gender equity and inclusivity in their hiring practices to enhance overall organizational effectiveness.

4.2.2 Age Bracket

Age of the respondents provides valuable perspectives into the demographic composition of employees within selected supermarkets. This age diversity suggests that the supermarkets benefit from a blend of youthful perspectives and seasoned experience, which can enhance operational

performance and inform strategic management practices in a competitive retail environment. The outcomes regarding the interviewees age are documented in Table 4.4.

Table 4.4 Respondents Age Bracket

	Frequency	Percent
20 – 30 yrs	13	15.7
31 – 40yrs	30	36.1
41 – 50 yrs	18	21.7
Above 50 yrs	22	26.5
Total	83	100.0

Source: Field Survey (2024)

Table 4.4 regarding the age brackets of participants in selected supermarkets illustrated a diverse workforce, with the largest group falling within the 31 to 40 years age range, comprising 36.1% of the entire participants. Additionally, 26.5% of respondents are over 50 years old, while 21.7% are aged between 41 and 50 years, and 15.7% are between 20 and 30 years old. This distribution suggests that the supermarkets benefit from a mix of youthful energy and seasoned experience, which can enhance operational performance through a blend of innovative ideas and established practices. The significant representation of employees aged 31 to 40 may indicate that supermarkets are effectively attracting and retaining mid-career professionals who can contribute to strategic management practices, while the presence of older employees may provide valuable insights into customer service and operational efficiency based on their extensive industry experience.

4.2.3 Highest education qualification

This segment of the study provides information into the educational backgrounds of employees within selected supermarkets. This emphasis on higher education qualifications may enhance the supermarkets' ability to implement strategic initiatives and adapt to the competitive retail

environment, ultimately contributing to improved organizational outcomes. The outcome on the educational distribution of the respondents is displayed in Table 4.5.

Table 4.5 Respondent education qualification

	Frequency	Percent
Diploma	28	33.7
Bachelor’s Degree	49	59.0
Masters	5	6.0
PhD	1	1.2
Total	83	100.0

Source: Field Survey (2024)

Table 4.5 regarding the education qualifications of respondents in selected supermarkets revealed a predominance of employees with higher educational attainment, as 59.0% hold a Bachelor’s degree, while 33.7% possess a Diploma. Only a small fraction of respondents has advanced degrees, with 6.0% holding a Master’s and a mere 1.2% having a PhD. This distribution indicates that the workforce is largely composed of individuals equipped with relevant academic backgrounds that can contribute to effective practices of strategic management and enhance the supermarkets operational performance. The high percentage of Bachelor’s degree holders may reflect the supermarkets' preference for hiring individuals with comprehensive knowledge and skills necessary for navigating the competitive retail landscape, while the lower representation of advanced degrees suggests that further opportunities for professional development could be beneficial in fostering a more strategically adept workforce capable of driving innovation and efficiency in operations.

4.2.4 Years of service

Service years highlighted the distribution of employee tenure within the selected supermarkets. The data reveals a significant proportion of long-serving staff, indicating that many employees possess extensive experience and familiarity with the operational practices and strategic management processes of their organizations. This concentration of experienced personnel is crucial for enhancing operational performance, as it allows for the effective application of strategic

initiatives and fosters a stable work environment that can adapt to the challenges of the competitive retail landscape. The outcomes regarding this are demonstrated in Table 4.6.

Table 4.6 Respondents years of service

	Frequency	Percent
1-3 years	4	4.8
4-6 years	8	9.6
7-9 years	15	18.1
10-12 years	40	48.2
12 and above	16	19.3
Total	83	100.0

Source: Field Survey (2024)

Table 4.6 indicated that 48.2% of respondents have served between 10 to 12 years, while 19.3% have over 12 years of service, collectively accounting for nearly 68% of the workforce surveyed. In contrast, only 4.8% have served for 1-3 years, 9.6% for 4-6 years, and 18.1% for 7-9 years, highlighting that less than one-third of respondents have relatively shorter tenures. This distribution suggests that the supermarkets benefit from a stable and knowledgeable workforce that can leverage their extensive experience to enhance operational performance and implement strategic management practices effectively. The predominance of long-serving employees may reflect successful retention strategies within these supermarkets, as well as the importance of experienced staff in navigating the complexities of retail operations and maintaining high standards of customer service in a competitive market environment.

4.2.5 Area of Services

The area of services refers to the specific roles and functions that employees occupy within an organization, which can significantly influence operational efficiency and customer satisfaction. Understanding the distribution of personnel across various service areas, such as upper management, supervisors, and operational staff, provides insights into how strategic management practices are implemented at different levels of the supermarket. This knowledge is essential for identifying strengths and weaknesses in service delivery and ensuring that all employees are

aligned with the organization's strategic objectives to enhance overall performance. Findings regarding this are denoted in Table 4.7.

Table 4.7 Respondents area of service

	Frequency	Percent
Upper Management	6	7.2
Supervisor	8	9.6
Sales Support Staff	33	39.8
Supermarket Personnel	36	43.4
Total	83	100.0

Source: Field Survey (2024)

Table 4.7 indicated that 43.4% of respondents identified as supermarket personnel, while 39.8% were sales support staff, collectively accounting for over 83% of the total responses. In contrast, only a small percentage of respondents held upper management (7.2%) or supervisory positions (9.6%), suggesting that insights into strategic management practices are primarily derived from those directly engaged in day-to-day operations rather than from higher-level strategic decision-makers. This distribution may reflect a common trend in retail environments where operational staff have firsthand experience with customer interactions and service delivery, thus providing valuable perspectives on the effectiveness of the practices of strategic management in enhancing operational performance.

4.3 Descriptive Analysis

Analysis descriptively focuses on the methods and techniques used to summarize and interpret information effectively. It emphasizes the importance of descriptive statistics in providing a clear overview of the main features of a dataset, including central measures of tendency such as variability measures and mean like deviation standard. Given this, five-point Likert scale was deployed where the responses of the participants were recorded.

4.3.1 Strategy Formulation

This segment highlights how effective strategy formulation involves analyzing the competitive landscape, identifying strengths and weaknesses, and aligning organizational goals with market opportunities to enhance overall performance. By establishing a well-defined strategic framework, supermarkets can better navigate challenges and leverage their resources to achieve sustainable growth and maintain a retail sector competitive edge. The feedback collected from the participants is recorded in Table 4.8.

Table 4.8: Descriptive Statistics of Strategy Formulation

Item	Responses					Mean	St. Dev
	SD	D	N	A	SA		
	%	%	%	%	%		
The supermarket has a clear mission and vision	2.4	7.2	8.4	63.9	18.1	3.879	.8751
The supermarket takes deliberate actions to create strategic plans that meet with the visions, missions and goals	1.2	8.4	7.2	61.4	21.7	3.939	.8603
Staff take part in making sure the visions and missions are met	4.8	6.0	2.4	69.9	16.9	3.879	.9291
The supermarket identifies with essential strength, weakness, opportunity and threat of their environment	1.2	2.4	1.2	67.5	27.7	4.180	.6833
The supermarket selects and formulates specific strategies to meet with the competition	3.6	7.2	10.8	59.0	19.3	3.831	.9476

Strategy formulation helps the supermarket to be at competitive advantage	2.4	4.8	6.0	62.7	24.1	4.012	.8481
						0	5

Av. Mean = 3.9538; Av. St. Dev =0.85729

Source: Field Survey (2024)

Examined in Table 4.8, 63.9% of respondents agreed that the supermarket has a clear mission and vision, while 18.1% strongly agreed. The findings further unveiled that 8.4% of respondents remained neutral, suggesting they neither agree nor disagree with the statement, while 7.2% disagreed and 2.4% disagreed strongly. This distribution designates that whereas a significant majority supports the notion of a clear mission and vision, there is still a small minority expressing skepticism or lack of clarity regarding these guiding principles. The score of 3.8795 mean and deviation of 0.87510 standards suggests that, on average, participants believe that the supermarket has a well-defined mission and vision, reflecting a favorable view of the statement. These findings highlight a strong consensus among respondents that the supermarket possesses a clear mission and vision that guides its strategic direction.

Findings demonstrated that 61.4% of respondents agreed that the supermarket engages in deliberate actions to create strategic plans, while 21.7% agreed strongly. However, there is a notable portion of respondents expressing uncertainty or disagreement; 7.2% remained neutral while a combined total of 9.6% disagreed (8.4% disagreed and 1.2% strongly disagreed). This distribution suggests that while there is considerable support for the supermarket's strategic planning efforts, a small minority may have reservations or lack clarity regarding how these plans are developed and implemented. The score mean of 3.9398 and standard of 0.86037 deviation signifies that, on average, participants believe that the supermarket takes intentional steps to develop strategic plans that are consistent with its overarching objectives. These findings highlight a strong consensus among respondents that the supermarket actively engages in creating strategic plans aligned with its vision, mission, and goals.

Regarding staff participation in ensuring that the supermarket's visions and missions are met, 69.9% of respondents agreed that staff play a role in meeting the supermarket's visions and missions, while 16.9% strongly agreed. However, 4.8% of respondents strongly disagreed and

6.0% disagreed while 2.4% remained neutral. This distribution suggests that while a significant majority supports the idea of staff participation in achieving strategic goals, there is a minority expressing skepticism or uncertainty about the extent of their involvement. The score mean of 3.8795 and deviation of 0.92917 standards suggests that, on average, participants believe that staff are actively involved in efforts to achieve the supermarket's strategic objectives.

Concerning the supermarket's ability to identify essential strengths, weaknesses, opportunities, and threats (SWOT) in its environment Table 4.8 unveiled that 67.5% of participants aligned that the supermarket identifies its SWOT elements, while 27.7% strongly agreed. Conversely, 2.4% of respondents disagreed and a minimal percentage—1.2%—strongly disagreed. Additionally, only 1.2% of respondents remained neutral indicating that nearly all participants had a clear opinion on this matter. The score of 4.1807 mean and deviation of 0.68333 standards suggests that, on average, interviewees believe that the supermarket effectively recognizes and analyzes these critical factors. These findings highlight a strong consensus among respondents that the supermarket is adept at identifying its essential strengths, weaknesses, opportunities, and threats within its operational environment.

Findings unveiled that 59.0% of respondents agreed that the supermarket formulates specific strategies to contend with competition, while 19.3% strongly agreed. However, there are notable percentages indicating some uncertainty or disagreement; 10.8% of respondents remained neutral while a combined total of 10.8% disagreed (7.2% disagreed and 3.6% strongly disagreed). This distribution suggests that while many participants recognize the supermarket's efforts to formulate competitive strategies, there is a significant minority expressing uncertainty about the effectiveness or clarity of these strategies. The score of 3.8313 mean and deviation of 0.94765 standards indicates that, on average, participants believe that the supermarket is effective in developing strategies aimed at addressing competitive challenges.

Outcomes displayed that 62.7% of respondents agreed that strategy formulation helps the supermarket gain a competitive advantage, while 24.1% strongly agreed. However, there are notable percentages indicating some uncertainty or disagreement; 6.0% of respondents remained neutral while a combined total of 7.2% disagreed. This distribution suggests that while a significant majority recognizes the benefits of strategic formulation for enhancing competitive advantage, there is still a small minority expressing skepticism or uncertainty about its effectiveness. The

score mean of 4.0120 and deviation of 0.84815 standards designates that, on average, respondents believe that effective strategy formulation contributes significantly to the supermarket's competitive positioning. These findings highlight a strong consensus among respondents that strategy formulation is crucial for enabling the supermarket to maintain a competitive edge in the marketplace.

The average mean is 3.9538, indicating an overall positive perception regarding strategic formulation practices within these supermarkets, particularly in areas such as identifying SWOT elements and aligning actions with the mission and vision. The outcomes underline the significance of effective strategic formulation in driving organizational success of the supermarkets surveyed. The results align with those of Owich, Katuse, and Ngari (2018), who demonstrated that strategy formulation influences the companies listed performance on the NSE. Similarly, Wafula and Muathe (2019) established that strategic formulation has a significant effect on the Turkana County Government performance in Kenya. Karimi (2021) discovered a strong connection between strategy formulation and the performance of NHIF. Additionally, Kanano and Wanjira (2021) concluded that strategy formulation positively impacts the performance levels of supermarkets.

Qualitative responses were collected from the key informants the respondents observed that strategy formulation plays a fundamental role in enhancing operational performance by providing a structured approach for organizations to define their goals, allocate resources effectively, and align their activities with market demands. Through a well-designed strategic plan, companies can identify key performance indicators and set clear objectives that guide decision-making processes across all levels of the organization. The respondents noted that this alignment not only fosters a cohesive direction but also enables organizations to respond proactively to changes in the competitive environment, thereby improving efficiency and productivity. Moreover, effective strategy formulation encourages innovation by allowing firms to explore new opportunities and adapt their operations to meet evolving customer needs. Therefore, when organizations invest time and resources into crafting robust strategies, they lay a solid foundation for achieving superior operational performance and gaining a competitive edge in their respective markets.

4.3.2 Strategic Implementation

This section highlights the importance of effectively managing change and aligning organizational resources to ensure that strategic objectives are met, ultimately driving operational success. It also addresses the challenges faced during implementation, such as resistance to change and the need for effective communication, underscoring the necessity for strong leadership and a supportive organizational culture to facilitate successful strategy execution. The responses of the participants are displayed in Table 4.9

Table 4.9: Descriptive Statistics of Strategy Implementation

Item	Responses					Mean	St. Dev
	SD	D	N	A	SA		
	%	%	%	%	%		
Resources are allocated to achieve strategy implementation	2.4	3.6	3.6	66.3	24.1	4.060	.8016
The supermarket strategy is always assessed to be sure that they are been implemented	0	3.6	1.2	74.7	20.5	4.120	.5925
The supermarket has plans in place to execute strategies	1.2	2.4	4.8	68.7	22.9	4.096	.6916
Strategic implementation has increased customer service	0	1.2	6.0	65.1	27.7	4.192	.5938
Strategic implementation has placed the supermarket at competitive edge	2.4	6.0	8.4	65.1	18.1	3.903	.8498
Strategic implementation increases performance	1.2	3.6	14.5	63.9	16.9	3.915	.7523
Av. Mean = 4.0482; Av. St. Dev =0.71366							

Source: Field Survey (2024)

As contained in Table 4.9, 66.3% of respondents agreed that resources are allocated for strategy implementation, while 24.1% strongly agreed. Conversely, 3.6% of respondents disagreed and another 2.4% disagreed strongly, with 3.6% remaining neutral. This distribution suggests that while most participants recognize the importance of resource allocation for successful strategy implementation, there is a minor segment expressing skepticism or uncertainty. The score of 4.0602 mean suggests that, on average, participants believe that adequate resources are allocated to effectively achieve strategy implementation, as this score is significantly above the midpoint of the scale. The deviation of 0.80167 standards reflects a variability level in responses, signifying some differences in opinion among participants. This highlights a strong consensus among respondents that resources are generally allocated effectively to support strategy implementation within these supermarkets.

Findings unveiled that 74.7% of respondents agreed that supermarket strategies are regularly assessed for implementation, while 20.5% agreed strongly. Only 3.6% of respondents disagreed as none of the respondents showed strong disagreement with 1.2% being neutral. The score of mean 4.1205 indicates that, on average, participants believe that there is a consistent and effective assessment of strategies in place, as this score is significantly above the midpoint of the scale. The standard deviation of 0.59259 reflects changeability in responses, suggesting that most respondents share a similar view on the effectiveness of this assessment process.

Regarding the statement that the supermarket has plans in place to execute strategies 68.7% of respondents agreed that the supermarket has plans in place to execute its strategies, while 22.9% strongly agreed. Conversely, 4.8% of respondents remained neutral and 2.4% disagreed, with 1.2% strongly disagreeing. This distribution suggests that while there is a strong belief in the existence of strategic execution plans, a small minority may have reservations or uncertainties regarding their effectiveness. The score of mean 4.0964 suggests that, on average, participants believe that there are effective plans in place for executing strategies, as this score is significantly above the midpoint of the scale. The standard of 0.69167 deviations reflects changes in responses, representative that while most respondents share a similar view, there is some diversity in opinions.

Findings demonstrated that 65.1% of respondents agreed that strategic implementation has increased customer service, while 27.7% strongly agreed. Also 1.2% of respondents disagreed with none strongly disagreeing and a small percentage (6.0%) remained neutral indicating that very few

participants expressed disbelief about the benefits of strategic implementation for customer service. The mean score of 4.1928 indicates that, on average, participants believe that strategic implementation has significantly enhanced customer service, as this score is well above the midpoint of the scale. The standard deviation of 0.59383 connotes the responses variability, signifying a strong consensus among respondents regarding the effectiveness of strategic implementation in improving customer service.

Outcomes revealed that 5.1% of respondents agreed that strategic implementation has enhanced the supermarket's competitive edge, while 18.1% firmly agreed. However, a notable percentage of respondents expressed disbelief, with 8.4% remaining neutral and a combined total of 8.4% disagreeing (6.0% disagreed and 2.4% strongly disagreed). This distribution indicates that while many participants recognize the benefits of strategic implementation for gaining a competitive edge, there is still a significant minority that is uncertain or unconvinced. The score mean of 3.9036 advocates that the participants believe that strategic implementation has contributed to placing the supermarket at a competitive advantage, as this score is above the midpoint of the scale. However, the standard of deviation 0.84988 indicates responses changes, suggesting that views on this matter are somewhat diverse.

Table 4.9 revealed that 63.9% of the interviewees settled that strategic implementation increases performance, while 16.9% strongly agreed. However, 14.5% of the respondents remained neutral and a combined total of 4.8% disagreed. This distribution suggests that while there is considerable support for the idea that strategic implementation enhances performance, a significant minority either does not have enough information to form a clear opinion or does not fully endorse this belief. The mean of 3.9157 detailed that, on average, participants believe that strategic implementation contributes to improved performance, as this score is above the midpoint of the scale. With a standard deviation of 0.75231, the responses show a moderate level of variation. This suggests that while a majority of respondents hold similar views, there are some differences in perspectives.

The average mean is 4.0482 with deviation of 0.71366 standards, signifying an overall positive view regarding the effectiveness of strategy implementation practices within these supermarkets, particularly in areas such as resource allocation, assessment processes, and execution planning. However, the lower mean scores for competitive edge and performance imply that there may be

avenue for improvement in how these aspects are perceived or communicated to staff. This implies that implementation of strategy plays a central task in enhancing the operational performance of these supermarkets. These findings align with those of Gabow (2019), which disclosed implementation has a significantly positive effect on the Nairobi City County’s performance of commercial banks. Similarly, Shichenga (2021) found that his analysis discovered a positive effect of strategy implementation on the capabilities of Guaranty Trust Bank (GTB).

The qualitative views of the respondents were gathered noting that “we can confidently assert that the supermarket has been effective in the implementation of its strategic plan”. The management has demonstrated a strong commitment to executing the outlined initiatives, ensuring that all employees are well-informed and engaged in the process. Regular training sessions and workshops have been conducted to equip staff with the required skills and knowledge, fostering a culture of accountability and collaboration. Furthermore, performance metrics have been established to monitor progress and make data-driven adjustments as needed, which has led to noticeable improvements in operational efficiency and customer satisfaction. Therefore, the successful execution of the strategic plan has positioned the supermarket to adapt to market changes effectively and maintain a competitive advantage.

4.3.3 Strategy Evaluation

Strategy Evaluation focuses on the critical assessment of strategic management practices and their effectiveness in achieving desired operational outcomes within selected supermarkets in Nairobi City County, Kenya. This evaluation process involves analyzing the results of implemented strategies to determine their impact on performance metrics such as sales, customer satisfaction, and overall efficiency. By systematically reviewing these strategies, supermarket management can identify areas for improvement, make informed adjustments, and ensure that their strategic initiatives align with the dynamic market conditions and consumer expectations. The responses outcomes are in Table 4.10

Table 4.10: Descriptive Statistics of Strategy Evaluation

Item	Responses	Mean	St. Dev
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	SD	D	N	A	SA		
	%	%	%	%	%		
Precise level of activity evaluation is monitored closely	1.2	2.4	1.2	67.5	27.7	4.180	.6833
						7	3
The appraisal of the employees is done based on their level of activity	2.4	1.2	0	78.3	18.1	4.084	.6663
						3	5
Objectives of the supermarket are developed from derived targets	1.2	1.2	2.4	74.7	20.5	4.120	.6128
						5	2
Procedures are placed to make sure all strategies that has been created are carried out	1.2	2.4	1.2	73.5	21.7	4.120	.6514
						5	1
Measures are put in place to evaluate strategies	2.4	2.4	2.4	69.9	22.9	4.084	.7523
						3	1
The supermarkets reviews and checkmates its strategies	14.5	14.5	6.0	61.4	3.6	3.253	1.198
	5					0	00
Strategic evaluation is good for good performance	1.2	0	2.4	71.1	25.3	4.192	.5938
						8	3

Av. Mean = 4.0052; Av. St. Dev =0.73686

Source: Field Survey (2024)

Concerning the monitoring of activity evaluation in selected supermarkets as contained in 4.10 Table, 67.5% of respondents agreed that the evaluation of activities is closely monitored, while an impressive 27.7% strongly agreed. Furthermore, 1.2% of respondents strongly disagreed and 2.4% disagreed, indicating disbelief regarding the effectiveness of the monitoring process. Additionally, 1.2% remained neutral suggesting that while most respondents have a clear opinion, there are a few who may not have enough information to form a definitive stance. The score mean of 4.1807 and deviation standard of 0.68333 denotes a strong belief that there is a precise level of activity evaluation being closely monitored, significantly above the midpoint of the scale. This suggests that, on average, participants feel confident about the effectiveness of these evaluation practices.

Regarding the appraisal of employees based on their level of activity, 78.3% of respondents agreed that employee appraisals are based on their level of activity, while 18.1% strongly agreed. Contrastingly, 2.4% of respondents disagreed and 1.2% strongly disagreed, indicating disbelief about the effectiveness of this appraisal method. Notably, there were no neutral responses suggesting that all participants had a clear opinion on this matter. The score mean of 4.0843 and deviation standard of 0.66635 indicates that, on average, respondents believe that employee evaluations are effectively conducted with a focus on their activity levels, as this score is significantly above the midpoint of the scale. This suggests a strong consensus that the appraisal process is aligned with performance metrics related to employee activities.

Finding unveiled that 74.7% of respondents agreed that supermarket objectives are developed from derived targets, while 20.5% strongly agreed. Conversely, 2.4% of respondents remained neutral and a minimal percentage (1.2%) disagreed or strongly disagreed suggesting that there is little disbelief regarding the effectiveness of this approach. The score of 4.1205 mean identifies that, participants believe that the objectives of the supermarket are effectively formulated from specific targets, as this value is notably above the midpoint of the scale. A deviation standard of 0.61282 indicates minimal variation in responses, suggesting that most respondents hold closely aligned views on this issue.

Outcomes showed that 73.5% of respondents agreed that there are procedures in place to ensure the implementation of strategies, while 21.7% strongly agreed. In contrast, 1.2% of respondents expressed neutrality and a minimal percentage—1.2%—disagreed as 1.2% disagreed strongly, suggesting that there is little skepticism about the effectiveness of these procedures, The mean score of 4.1205 indicates that, on average, participants believe that effective procedures are in place to ensure that all developed strategies are carried out, as this score is significantly above the midpoint of the scale. With a deviation standard of 0.65141, the responses show little variation, suggesting a strong agreement among respondents on the effectiveness of these procedures.

The responses showed that 69.9% of respondents agreed that measures are in place to evaluate strategies, while 22.9% strongly agreed. Conversely, 2.4% of respondents remained neutral with an equal percentage (2.4%) disagreeing and strongly disagreeing. This distribution suggests that while most participants recognize the importance of evaluation measures, there is a small minority that expresses skepticism or uncertainty about their effectiveness. The mean score of 4.0843

suggests that, on average, participants believe that effective measures are established to evaluate the strategies in place, as this score is significantly above the midpoint of the scale. The deviation standard of 0.75231 reflects responses inconsistency, indicative of that while there is general agreement, some respondents may hold differing views on this matter.

Regarding the review and monitoring of strategies by supermarkets, 61.4% of respondents agreed that supermarkets review and monitor their strategies, while 3.6% strongly agreed. However, a notable portion of respondents expressed disbelief, with 14.5% disagreeing and another 14.5% strongly disagreeing with 6.0% remained neutral. The score of 3.2530 mean connotes a somewhat slightly positive belief that supermarkets actively review and check their strategies, as this score is just above the midpoint of the scale. The deviation standard of 1.19800 suggests a relatively high responses variability level, indicating that views on these issues are diverse among participants. This suggest that while there is a majority perception that supermarkets engage in reviewing and monitoring their strategies, significant skepticism exists among a portion of respondents.

Findings unveiled that 71.1% of respondents agreed that strategic evaluation is good for performance, while 25.3% strongly agreed. Conversely, 1.2% of the respondents disagreed firmly and no respondents opposed as 2.4% maintained neutrality. The score of mean 4.1928 describes that, participants believe that strategic evaluation significantly contributes to achieving good performance, as this score is well above the midpoint of the scale. The standard deviation of 0.59383 reflects responses inconsistency, indicative of a high degree of agreement amongst respondents concerning the effectiveness of strategic evaluation. These outcomes underline a robust consensus among respondents that strategic evaluation plays a crucial role in enhancing performance within these supermarkets.

With an average mean of 3.6843 and a deviation standard of 0.85662, the findings suggest a generally positive perception of how strategic management practices enhance operational performance in supermarkets. Respondents particularly recognized improvements in productivity, workflow efficiency, and customer retention through repeat purchases. This highlights the crucial role of strategy evaluation in strengthening operational performance in Kenyan supermarkets. These results align with previous research, such as Odedeh (2016), who identified a strong positive relationship between strategic evaluation and the performance of the National Irrigation Board of

Kenya. Similarly, Ngiwiri (2016) found that strategy evaluation significantly influenced the organizational performance of PZ Cussons. Issack and Muathe (2017) further confirmed that evaluation strategies positively impact public health institutions, while Mwangi (2020) established that strategic evaluation plays a vital role in shaping the performance of retirement benefit schemes in Kenya.

In depth perception was collected from the respondents observing that “we can affirm that the strategy evaluation practice of the supermarket has been quite effective in enhancing overall performance and operational efficiency.” The management has implemented a systematic approach to regularly assess the effectiveness of strategic initiatives, allowing for timely adjustments based on performance metrics and market feedback. This ongoing evaluation process has fostered a culture of accountability, ensuring that all departments remain aligned with the supermarket's goals and objectives. Additionally, by utilizing customer feedback and sales data, the supermarket can identify areas for improvement and capitalize on successful strategies. This proactive approach to strategy evaluation has not only improved decision-making but also contributed to sustained growth and customer satisfaction within the supermarket.

4.3.4 Operational Performance

This section analyzes the dependent variable, operational performance which reflects how effectively supermarkets achieve their objectives through enhanced productivity, workflow efficiency, revenue generation, customer satisfaction, and repeat purchases. The findings underscore the critical role of effective strategic management in driving operational excellence and fostering customer loyalty within a competitive retail environment. Findings from the participants’ responses are recorded in Table 4.11

Table 4.11: Descriptive Statistics of Operational Performance

Item						Mean	St. Dev
	SD	D	N	A	SA		
	%	%	%	%	%		

Strategic management practices	2.4	6.0	9.6	67.5	14.5	3.855	.8283
enhance productivity						4	5
Strategic management practices	4.8	9.6	10.8	61.4	13.3	3.686	.9868
improve revenue generation						7	4
Strategic management practices	14.	32.5	9.6	37.3	6.0	2.879	1.233
results increase customers satisfaction	5					5	65
Strategic management practices	0	3.6	3.6	72.3	20.5	4.096	.6171
improve workflow efficiency						4	2
Strategic management practices	0	6.0	6.0	79.5	8.4	3.903	.6171
support more purchase by customers repeatedly						6	2

Av. Mean = 3.6843; Av. St. Dev =0.85662

Source: Field Survey (2024)

The results in Table 4.11 show a generally positive perception of operational performance in relation to strategic management practices. A mean score of 3.8554 for productivity implies that respondents moderately agree that strategic management practices enhance productivity. The mean score of 3.6867 for revenue generation further indicates that strategic management contributes to improved financial outcomes. However, the mean of 2.8795 for customer satisfaction suggests a weaker perception that strategic practices directly translate to enhanced customer satisfaction. In contrast, workflow efficiency (mean = 4.0964) and repeat purchases (mean = 3.9036) scored highly, showing strong agreement that these areas benefit significantly from effective strategic management practices. The percentage breakdown further elucidates this sentiment as 67.5% of respondents agreed that strategic management practices enhance productivity, while 14.5% strongly agreed with 9.6% being neutral. Conversely, 6.0% and 2.4% of respondents disagreed and strongly disagreed, respectively, highlighting a strong consensus in favor of the effectiveness of strategic management practices.

The overall aggregate mean of 3.6843 indicates that respondents, on average, moderately agreed that strategic management practices positively affect operational performance in the selected supermarkets. Breaking down the percentage responses further illuminates this sentiment as 61.4%

of respondents agreed that strategic management practices enhance revenue generation, while 13.3% strongly agreed with 10.8% of the respondents being neutral. In contrast, 9.6% and 4.8% disagreed and strongly disagreed, highlighting a strong majority in favor of the effectiveness of strategic management practices in boosting revenue. This demonstrates that strategic management plays an important role in driving operational efficiency, though some areas particularly customer satisfaction require improvement.

The aggregate standard deviation of 0.85662 reflects a moderate level of variation in responses. This suggests that while most respondents hold similar opinions about the influence of strategic management practices, there are some differences in perception. The general consistency in responses supports the reliability of the results and underscores a shared recognition of strategic management's role in enhancing supermarket operations.

The perception of strategic management practices on revenue generation revealed a mean score of 3.6867 that designates a positive view among respondents that these practices contribute to improving revenue generation, as it is above the midpoint of the scale as further acknowledged by the deviation standard of 0.98684.

Concerning practices of strategic management impact on customer satisfaction the mean score of 2.8795 was obtained indicating a disagreement of the perception among respondents, suggesting that, on average, they do not strongly believe that strategic management practices significantly enhance customer satisfaction. The deviation of 1.23365 standards reflects a higher responses inconsistency, indicating that views on this issue are diverse among the participants. Examining the percentage distribution further clarifies this sentiment with 6.0% of respondents strongly agreed that strategic management practices improve customer satisfaction, while 37.3% agreed with 9.6% of the participants being indifferent. Conversely, a notable 32.5% of the participants disagreed with another 14.5% disagreed strongly with the statement, indicating many respondents disbelieved regarding the effectiveness of these practices in enhancing customer satisfaction.

The outcome in Table 4.11 confirmed that 72.3% of respondents agreed that strategic management practices improve workflow efficiency, while an additional 20.5% strongly agreed. This overwhelming majority reflects a strong consensus among participants regarding the positive impact of these practices. Notably, only 3.6% of respondents remained neutral or disagreed with

the statement, indicating minimal disbelief about the effectiveness of strategic management practices in this area. The mean score of 4.0964 indicates that, on average, participants believe that these practices significantly enhance workflow efficiency, as this value is well above the midpoint of the scale. The deviation of 0.61712 standard advocates least responses variability, representative that most participants share a similar view on the effectiveness of strategic management practices in improving workflow efficiency.

Outcomes uncovered that 79.5% of respondents agreed that strategic management practices lead to more frequent purchases by customers, while 8.4% strongly agreed. In contrast, 6.0% of participants remained neutral or disagreed with the statement, reflecting disbelief about the positive impact of these practices. The mean of 3.9036 score reflects that, participants believe that these practices significantly support customer loyalty and repeat purchases, as this value is well above the midpoint of the scale. With a deviation standard of 0.61712, the responses show minimal variability, suggesting a strong consensus among participants regarding the effectiveness of strategic management practices in encouraging repeat business.

The average mean for the items is 3.6843 with corresponding average deviation standard of 0.85662, which suggests an overall positive perception of the role of strategic management practices in enhancing operational performance in these supermarkets, particularly in areas like productivity, workflow efficiency, and customer loyalty through repeat purchases. These findings emphasize the importance of effective strategic management in driving operational success while also pointing to specific areas for potential enhancement within supermarket operations in the County of Nairobi City.

The qualitative views of the respondents notes that “we would describe the strategic management practices currently employed in our supermarket as comprehensive and adaptive, designed to meet the dynamic needs of the retail environment. Our approach begins with thorough market analysis and customer insights, which inform our strategic planning process and help us identify key opportunities for growth. We prioritize effective strategy formulation by setting clear objectives and aligning resources to ensure that all teams are working towards common goals. Implementation is supported by regular training and communication, fostering a culture of collaboration and innovation among staff. Additionally, we emphasize continuous evaluation of our strategies, using performance metrics and customer feedback to refine our practices and

respond swiftly to market changes. These strategic management practices enable them to maintain a competitive edge while enhancing operational efficiency and customer satisfaction.

The findings of this study are consistent with those of Mutemi (2019), who established that strategic management practices significantly improve operational efficiency in retail firms. Similarly, Njoroge and Muathe (2020) found that the integration of strategy into daily operations enhanced productivity and resource utilization among medium-sized enterprises.

However, the weaker link between strategic management practices and customer satisfaction contrasts with Wekesa (2018), who found that strategy-driven organizations in Kenya's retail sector experienced improved customer experiences and brand loyalty. This difference may arise from contextual factors, such as customer engagement approaches or variations in operational focus across supermarkets.

Overall, the results reaffirm that strategic management practices are vital drivers of operational performance, particularly through improved workflow efficiency, productivity, and customer retention.

4.4 Inferential Analysis

Inferential analysis examines the statistical methods employed to draw conclusions about the connections between strategic management practices and operational performance in selected supermarkets in Nairobi City County, Kenya. This analysis incorporates techniques such as correlation and regression, which assess the significance and strength of these relationships. By doing so, it enables broader inferences about the entire population of supermarkets based on the sample data. Inferential analysis was carried out to test the study hypotheses and determine the nature and strength of the relationship between strategic management practices and operational performance. The results are presented in two parts: correlation analysis and regression analysis.

4.4.1. Correlation Analysis

This analysis reveals the strength and direction of associations between variables, providing depth into how effective strategic practices, such as formulation, implementation, and evaluation,

correlate with operational outcomes. The findings highlight the interconnectedness of these strategic practices, suggesting that improvements in one area can positively influence overall operational performance in the competitive supermarket sector. The findings are obtained in Table 4.12.

Table 4.12 Correlation Results

		Operational Performanc e	Strategy Formatio n	Strategy Implementatio n	Strategy Evaluatio n
Operational Performance	Pearson Correlatio n Sig. (2- tailed)	1			
Strategy Formation	Pearson Correlatio n Sig. (2- tailed)	.481**	1		
Strategy Implementatio n	Pearson Correlatio n Sig. (2- tailed)	.544**	.508**	1	
Strategy Evaluation	Pearson Correlatio n Sig. (2- tailed)	.405**	.620**	.435**	1

Source: Field Survey (2024)

Table 4.12 revealed a coefficient for operational performance with strategy formulation as 0.481, indicating a moderate positive correlation, which is statistically significant ($p < 0.001$). This designates that enhancements in strategy formulation are linked with better operational performance. The results align with those of Owich, Katuse, and Ngari (2018); Wafula and Muathe (2019); Karimi (2021) and Kanano and Wanjira (2021) who concluded that strategy formulation positively impacts the performance levels of supermarkets significantly.

Furthermore, the correlation between operational performance and strategy implementation is even stronger, with a coefficient of 0.544, also statistically significant ($p < 0.001$). This finding emphasizes that effective execution of strategies is crucial for achieving operational success in supermarkets, reinforcing the notion that well-implemented strategies lead to tangible improvements in performance metrics such as sales and customer satisfaction. These findings align with those of Gabow (2019) and Shichenga (2021) who found a positive association of strategy implementation with the capabilities of Guaranty Trust Bank (GTB).

Additionally, the correlation between operational performance and strategy evaluation is 0.405, indicating a moderate positive relationship, which suggests that regular assessment of strategies can contribute to better performance outcomes, although this effect is less pronounced compared to implementation. The findings align with those of Odedeh (2016); Ngiwiri (2016); Issack and Muathe (2017); and Mwangi (2020) noted that the evaluation of strategy affects significantly the performance.

4.4.2. Regression Analysis

This outlines the statistical technique utilized to evaluate the connection among multiple explanatory factors and a single explained factor, allowing for understanding of how various factors contribute to an outcome. This analysis involves estimating coefficients for each independent variable, which indicate their individual effect on the explained factor whereas controlling for the effects of other factors. The regression model summary is obtained in Table 4.13.

Table 4.13: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.598 ^a	.358	.333	.49194

Source: Field Survey (2024)

As contained in Table 4.13, the correlation coefficient (R) of 0.598 was revealed indicative of a moderate positive linkage amongst the independent variables related to strategic management practices and operational performance, denoting that as the practices of strategic management improve, operational performance has a tendency to improve as well. The value of 0.358 R Square indicates that 35.8% changes in operational performance is explained by the strategic management practices included in the model, highlighting the relevance of these practices in influencing supermarket performance. These results underscore the importance of implementing effective strategic management practices to enhance operational performance in supermarkets.

The Analysis of Variance outcomes presented in Table 4.14 provided the statistical significance of the regression model employed to examine the connection among various strategic factors and operational performance, as revealed in this table.

Table 4.14 ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	10.651	3	3.550	14.671	.000 ^b
	Residual	19.118	79	.242		
	Total	29.770	82			

Source: Field Survey (2024)

Table 4.14 provided a comprehensive overview of the linkage among the practices of strategic management and operational performance in selected supermarkets. The outcome noted an F-statistic of 14.671, with a significance level (p-value) of 0.000, displayed that the model is

significant, suggesting that the strategic management practices included in the analysis have a meaningful effect on operational performance. The high F-value coupled with a significance level of 0.000 strongly supports the hypothesis that strategic management practices significantly enhance operational performance in these supermarkets, highlighting the importance of effective strategy formulation, implementation, and evaluation in driving business success within this context.

Having interpreted the outcome from analysis of variance, the effect of the individual regression factors was assessed with the findings obtained in Table 4.15.

Table 4.15: Regression Results

Model		Unstandardized		Standardized	t	Sig.
		Coefficients		Coefficients		
		B	Std. Error	Beta		
1	(Constant)	.620	.661		.938	.351
	Strategy	.186	.102	.223	1.828	.071
	Formulation					
	Strategy	.408	.112	.388	3.648	.000
	Implementation					
	Strategy	.169	.202	.098	.836	.405
	Evaluation					

Source: Field Survey (2024)

Table 4.15 demonstrated that the constant term is 0.620, suggesting that when all independent variables are held constant, the operational performance score would be approximately 0.620. However, the significance level (p-value) of 0.351 indicates that this constant is not significant. Among the independent variables, strategy implementation showed a strong positive effect on operational performance, evidenced by a coefficient of 0.408 implying that as strategy implementation increase, operational performance would improve by 0.408%. The significance

level of 0.000 further confirms that strategy implementation is a significant predictor of operational performance in the context of these supermarkets.

In contrast, strategy formulation has a coefficient of 0.186 and a significance level of 0.071. While this indicates a positive effect of strategy formulation on operational performance, the p-value suggests that it is not significant at conventional levels ($p < 0.05$). The outcome suggests that as strategy formulation increase, the operational performance would insignificantly improve by 0.186% in the supermarkets. Strategy evaluation presented a coefficient of 0.169 and a significance level of 0.405, indicating no significant effect on operational performance. This implies that an increase in strategy evaluation would results in operational performance being enhanced by 0.169% in the supermarkets.

4.5 Discussion of Findings

In view of the precise objective which sought to find out the effect of strategy formulation of operational performance of these supermarkets, the outcome unfolded that strategy formulation has an insignificant effect on the operational performance of these supermarkets. This suggests that simply developing strategic plans does not necessarily translate into improved performance outcomes. This could be accredited to the potential disconnect between strategic planning and actual implementation in the supermarkets. Additionally, the competitive landscape in Nairobi may require supermarkets to prioritize strategy implementation over formulation, as the rapid changes in consumer preferences and market dynamics necessitate agile responses rather than lengthy planning processes. Moreover, if the formulated strategies are not aligned with the specific operational realities or customer needs of the supermarkets, their impact on performance may be diminished. The findings are inconsistent with those from Owich, Katuse and Ngari (2018) who revealed that strategy formulation impacts the company performances of enterprises quoted on NSE. Wafula and Muathe (2019) noted that strategic formulation significantly affects the Turkana County Government performance' in Kenya. Karimi (2021) uncovered that strategy formulation was shown to affect the performance of NHIF significantly. Kanano&Wanjira (2021) disclosed that strategy formulation was concluded to exerts a beneficial relationship on the supermarkets'

rate of performance. The different outcomes could be as a result of the different contexts where these studies were performed.

The effect of strategy implementation was examined on the operational performances of selected supermarkets. Findings from this as contained in Table 4.15 demonstrated that strategy implementation has significant effect on the operational performances of these selected supermarkets. This result suggests that when supermarkets successfully translate their formulated strategies into actionable steps, they are more likely to achieve enhanced operational outcomes, such as increased sales, improved customer satisfaction, and overall business efficiency. The outcome could be linked to the effective implementation by the supermarkets which ensure that resources are allocated appropriately and that employees are aligned with the strategic objectives, fostering a cohesive effort towards achieving common goals. Additionally, in a competitive market like Nairobi's retail sector, the ability to adapt quickly and execute strategies in response to changing consumer preferences and market conditions can provide supermarkets with a distinct advantage. These findings are in agreement with those from Gabow (2019) depicted that strategy implementation has positively significant effect upon evaluation of commercialized banking establishments in Nairobi City County. Shichenga (2021) discovered that at the end of the scrutinization that strategy implementation impacts the potentials of Guaranty Trust Bank (GTB) positively. However, the findings conflicted with those of Avigoke, Auma and Ng'ong'a (2021) who disclosed that strategic implementation does not possess a positive impact the Kakamega teachers SACCOs. Osman (2017) who uncovered that Strategy implementation was discovered to have no impact significantly on the Nairobi's private securities performance. The different measurement utilized in these studies could be attributed to the differing outcomes.

Strategy evaluation effect was analyzed on the operational performances of selected supermarkets. Outcomes revealed in Table 4.15 demonstrated that strategy evaluation has an insignificant effect on the operational performances of these selected supermarkets. This suggests that the process of assessing and reviewing strategies may not directly translate into enhanced performance outcomes for these businesses. One possible reason for this result could be that while evaluating strategies is crucial for ensuring alignment with organizational goals and market conditions, the actual impact on operational performance may be limited if the insights gained from evaluations are not effectively integrated into practice. Also, the lack of significant effect may indicate that

supermarkets are not adequately utilizing the evaluation process to inform decision-making or to make necessary adjustments to their strategies. The findings did not corroborate with those from Odedeh (2016) who noted a positively significant influence exists between strategic evaluation and National Irrigation Board of Kenya performance. Ngiwiri (2016) observed that strategy evaluation affected the organization performances of PZ Cussons. Issack and Muathe (2017) disclosed that evaluation strategies have a way of affecting the performances of public health institutions in a positive manner. Mwangi (2020) noted that evaluating strategy influences the performances of Kenya's retirement benefit schemes from the finished study. The variation in the findings could be linked to the contextual changes as well as the method utilized in reaching the conclusion of the studies.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter concludes the survey by bringing together the main findings, recommendations, and concluding thoughts drawn from the survey. In addition to summarizing the results, it contributes significantly to the field by presenting creative suggestions that enrich the existing knowledge body. Notably, the analysis aligned with the specific objectives, thereby strengthening the validity and importance of its conclusions.

5.2 Summary of Findings

The main survey objective was to explore the impact of the practices of strategic management on the County of Nairobi City's operational performance of selected supermarkets in Kenya. Through the application of correlation and regression analysis, the study evaluated the distinct influences of strategy formulation, implementation, and evaluation on these supermarkets' operational effectiveness. To enhance the depth of the investigation, the survey was anchored in three established theoretical frameworks: Resource-based view theory, activity-based costing (ABC) systems theory, balanced scorecard theory, and dynamic capability theory, which collectively offered a strong foundation for the analysis.

An objective analysis of the effect of strategy formulation on the operational performance of these supermarkets revealed a weak, significant, and positive correlation between the two. However, subsequent regression analysis indicated a positive yet insignificant effect on operational performance. This outcome reinforces the notion that merely enhancing strategy formulation does not guarantee an improvement in the operational performance of these supermarkets.

Regarding strategy implementation effect on the operational performance of these supermarkets, the correlation assessment unveiled a moderately positive and significant connection among the two. The regression analysis provided strong evidence of a positive and significant effect on the

operational performance of the supermarkets. This indicates that enhancing strategy implementation has significantly contributed to improving their operational performance.

In terms strategy evaluation effect on these supermarkets' operational performance, the correlation outputs disclosed a moderately significantly positive linkage with operational performance. However, the analysis of regression indicated a positive effect that was not significant on operational performance. This suggests that although strategy evaluation appears to be associated with better operational performance, the strength of this association is not strong enough to be deemed statistically significant in predicting operational outcomes.

5.3 Conclusion

Based on the specific objective examining strategy formulation effect on Nairobi City County's operational performance of supermarkets in Kenya, the findings revealed that strategy formulation has an insignificant positive effect on the operational performance of these supermarkets. With regard to this outcome, study concludes simply developing strategic plans may not be sufficient to enhance operational outcomes. This indicates that other factors, such as effective implementation, employee engagement, and market dynamics, may play a more critical role in influencing performance. Consequently, it is essential for supermarket management to focus not only on formulating strategies but also on ensuring that these strategies are executed effectively and aligned with the operational capabilities of the organization to achieve desired performance improvements.

Evidence aligning with the survey objective revealed that strategy implementation has a positive and significant effect on the operational performance of these supermarkets. Conclusively, strategy implementation plays a notable role in enhancing the operational performance of these supermarkets underscoring the critical importance of effectively executing strategic plans to achieve desired business outcomes. This result suggests that the successful translation of formulated strategies into actionable initiatives directly enhances operational efficiency, customer satisfaction, and overall performance within these supermarkets. Consequently, it is imperative for management to prioritize not only the development of robust strategies but also their meticulous implementation, ensuring that all levels of the organization are aligned and committed to achieving the strategic objectives that drive competitive advantage in the retail market.

From the effect of strategy evaluation on the operational performance of selected supermarkets, the outcome unveiled a positive yet an insignificant effect of strategy evaluation of operational performance of the supermarkets. In conclusion, this indicates that the process of assessing and reviewing strategic initiatives may not directly contribute to enhancing operational outcomes. This suggests that while evaluating strategies is an essential component of strategic management, it alone may not be sufficient to drive performance improvements without effective implementation and execution. Therefore, supermarket management should consider focusing their efforts on refining their strategy implementation processes and ensuring alignment between strategic goals and operational activities, as these factors are likely more critical in achieving desired performance results in the competitive retail landscape

5.4 Recommendations

Based on the results gathered from the survey, the following recommendations are proposed. The management should prioritize enhancing the implementation of existing strategies rather than focusing solely on the formulation of new ones. This can be achieved by investing in training programs that equip employees with the skills necessary to effectively execute strategic initiatives. Additionally, establishing clear communication channels and feedback mechanisms ensured that all team members are aligned and engaged in the implementation process. Regular monitoring and evaluation of implemented strategies should also be conducted to identify areas for improvement and to adapt to changing market conditions. By concentrating on these areas, supermarkets can better leverage their strategic plans to achieve meaningful operational performance improvements.

The management of supermarkets should invest in comprehensive training programs for their staff to enhance their understanding and execution of strategic initiatives. By empowering employees with the requisite knowledge and skills, supermarkets would make sure that strategies are effectively translated into actionable tasks that drive performance. Additionally, establishing robust communication channels would facilitate better alignment among team members and foster a culture of collaboration in executing strategies. Regular performance reviews should be conducted to monitor the effectiveness of implemented strategies and make adjustments as needed based on real-time feedback. Ultimately, prioritizing these practices enabled supermarkets to harness the full potential of their strategic initiatives, leading to improved operational outcomes.

The management should shift their focus from merely evaluating strategies to enhancing the implementation and execution of those strategies. This can be achieved by fostering a culture of continuous improvement, where feedback from employees at all levels is actively sought and utilized to refine operational processes. Additionally, integrating performance metrics that directly link strategic initiatives to operational outcomes will help ensure that evaluations are more relevant and actionable. Supermarkets should also consider conducting regular workshops to engage staff in discussions about the practical implications of strategies and how they can contribute to their success. By prioritizing these practices, supermarkets can create a more dynamic approach that ultimately leads to better operational performance, even if traditional evaluation methods show limited impact.

5.5 Contribution to Knowledge

This research has significantly enhanced the understanding of how strategic management practices impact Nairobi City County selected supermarkets operational performance in Kenya. The study confirmed the substantial and positive influence of strategy implementation on operational performance, while surprisingly finding that both strategy formulation and strategy evaluation had a negligible effect. By employing an empirical model, several hypotheses regarding the relationship between strategic management practices and operational performance were tested and validated.

5.6 Suggestions for Future Research

This survey evaluated the effect of strategic management practices on the operational performance of selected supermarkets, but the outcomes unveiled that the roles of strategy formulation and strategy evaluation were not statistically significant. Consequently, further research is needed to understand the reasons behind this insignificant effect, utilizing both primary and secondary data sources. Given that this study was performed in Nairobi City County, additional investigations could be carried out in other counties to assess how strategic management practices influence operational performance across different regions in Kenya.

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APPENDICES

Appendix 1: Letter of Introduction

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Department of Business Administration
School of Business, Economics and Tourism
Kenyatta University
Kenya.

RE: Requesting completion of the surveys.

Dear Participants,

I am Amina Zuberi Nyary, a postgraduate scholar at Kenyatta University, currently engaged in research towards the fulfillment of the Master of Business Administration degree. My research endeavors focus on investigating the relationship between strategic management techniques and the performance of supermarkets in Nairobi City. In this regard, I kindly request your expertise and knowledge in completing a survey questionnaire, which aims to solicit your informed opinions and insights in this field. Your participation is greatly appreciated, and I assure you that your responses was treated with the highest level of confidentiality and anonymity. I am grateful for your willingness to participate. Thank you.

Yours faithfully,

AMINA ZUBERI NYARY

Appendix II: Questionnaire

Section A: Participant Details

Instructions

Kindly tick the appropriate option in the spaces provided.

1. Gender: Male () Female ()
2. Age Bracket: 20 – 30 yrs. () 31 – 40yrs () 41 – 50 () Above 50 ()
3. Highest education qualification: Diploma () Bachelor's Degree () Masters () PhD ()
4. Years of service: 1-3 years () 4-6 years () 7-9 years () 10-12 years () 12 and above ()
5. Area of Service: Upper Management () Supervisor () Sales Support Staff () Supermarket Personnel ()

Section B: Strategic Management and Performance

The statements are built on a scale of 1 to 5 which includes 1 (strongly disagree), 2 (disagree), 3 (moderately agree), 4 (agree), 5 (strongly agree)

1. Strategy Formulation

N/O	Statements	1	2	3	4	5
1	The supermarket has a clear mission and vision					
2	The supermarket takes deliberate actions to create strategic plans that meet with the visions, missions and goals					
3	Staff take part in making sure the visions and missions are met					
4	The supermarket identifies with essential strength, weakness, opportunity and threat of their environment					
4	The supermarket selects and formulates specific strategies to meet with the competition					
5	Strategy formulation helps the supermarket to be at competitive advantage					

6	The supermarkets mission, vision and goals are specific, measurable, achievable, relevant and time bound					
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How has strategy formulation been helpful in operational performance?

2. Strategic Implementation

N/O	Statements	1	2	3	4	5
1	Resources are allocated to achieve strategy implementation					
2	The supermarket strategy is always assessed to be sure that they are been implemented					
3	The supermarket has plans in place to execute strategies					
4	Strategic implementation has increased customer service					
5	Strategic implementation has placed the supermarket at competitive edge					
6	Strategic implementation increases performance					

Can you say the supermarket has been effective in implementation of plan

3. Strategy Evaluation

N/O	Statements	1	2	3	4	5
1	Precise level of activity evaluation is monitored closely					
2	The appraisal of the employees is done based on their level of activity					
3	Objectives of the supermarket are developed from derived targets					
4	Procedures are placed to make sure all strategies that has been created are carried out					
5	Measures are put in place to evaluate strategies					
6	The supermarkets reviews and checkmates its strategies					
7	Strategic evaluation is good for good performance					

How effective has been the strategy evaluation practice of the supermarket?

4. Operational Performance

N/O	Statements	1	2	3	4	5
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1	Strategic management practices enhance productivity					
2	Strategic management practices improve revenue generation					
3	Strategic management practices results increase customers satisfaction					
4	Strategic management practices improve workflow efficiency					
5	Strategic management practices support more purchase by customers repeatedly					

5. How would you describe the strategic management practices currently employed in your supermarket?

THANK YOU

Appendix III: List of Selected Supermarkets in Nairobi City County, Kenya

1. Cosby Supermarket, Nairobi City County.
2. Tumaini Supermarket, Nairobi City County.
3. Quickmart Supermarket, Nairobi City County.
4. Eastmatt Supermarket, Nairobi City County.
5. Chandarana Supermarket OTC Branch, Nairobi City County.
6. Spring Valley Supermarket, Nairobi City County.
7. Acacia Supermarket, Nairobi City County.
8. Broadway Supermarket, Nairobi City County.
9. Naivas Ltd, Nairobi City County.
10. Carrefour Supermarket, Nairobi City County.