

**STRATEGY IMPLEMENTATION PRACTICES AND GROWTH OF
DARAJA MICRO FINANCE BANK IN NAIROBI CITY COUNTY, KENYA**

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**A RESEARCH PROJECT SUBMITTED TO THE SCHOOL OF BUSINESS,
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DECLARATION

I declare that this research project is my original work and it has not been submitted for the award of any degree or diploma in any other institution. No part of the project should be reproduced without the authority of the author and/or Kenyatta University.

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This research project is submitted for examination with my approval as the appointed university supervisor.

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DEDICATION

I take this opportunity to dedicate this research project to my family.

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I acknowledge my supervisor Dr. Lucy Kavindah for taking his time to guide me through this research project. I also acknowledge the colleagues whom we were in the same class and Kenyatta University community for providing us with a conducive learning environment throughout this process. Thanks all and God bless you.

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ABBREVIATIONS AND ACRONYMS

ANOVA	Analysis of Variance
CEEC	Central and Eastern European
CFA	Confirmatory Factor Analysis
GDP	Gross Domestic Product
ISO	International Standard Organization
KWFT	Kenya Women Microfinance Bank
MFI	Microfinance Institutions
NACOSTI	National Commission for Science, Technology and Innovation
OCPD	Officer Commanding Police Department
OCS	Office Commanding Station
RBV	Resource Based View
ROI	Return on Investment
SEM	Structural Equation Modeling

OPERATIONAL DEFINITION OF TERMS

Organizational Culture	Refers to the shared values, beliefs, norms, and behaviors that exist within an organization. It was measured in terms of responsive, adjustable and dynamic.
Organizational Growth	Refers to the process of growing and increasing the size, scope, and reach of a company or business. It was measured in terms of customer base, profitability and branch network.
Organizational Structure	Refers to the way in which a company is organized in terms of its hierarchy, reporting relationships, communication channels, and division of responsibilities. It was measured in terms of centralization, decentralization and span of control.
Resource Allocation	refers to the process of distributing and assigning available resources, such as financial capital, human capital, equipment, and time, to various activities, projects, departments, or individuals within the organization.
Strategy practice	Implementation Refers to the process of translating a strategic plan into action. It involves putting the strategies and objectives outlined in a strategic plan into practice through various activities,

initiatives, and decisions within an organization.. It was measured in terms of top management support, organizational structure, resource allocation and organizational culture

Top management support

Refer to the MFIs executive engagement in translating the policy into goals, objectives, and strategies, and projects a shared-vision of the future. It was measured in terms of planning, motivation and organizing

ABSTRACT

Micro Finance Institutions (MFIs) have continued to play an important role in the economy especially improving the living standards of the poor. However, the ever changing environment has necessitated the Micro finance institutions to adopt strategies in order to make them grow and survive in the ever changing environment. These institutions have ever encountered several challenges in the implementation of the strategies due many other players in the same sector. The general objective of this study was to determine the strategy implementation practices on the growth of Daraja Microfinance Bank. The study's specific objectives were to establish the influence of top management support, organizational structure, resource allocation and organizational culture on the growth of Daraja Microfinance Bank. The study was guided by scientific management theory, Resource based view theory, McClelland's achievement theory and contingency theory. This study adopted a descriptive survey design. The target population for this study was Daraja Micro Finance Bank. The targeted respondents were 59 comprising of 4 managers and 55 employees. A census method was carried out to select the entire population and form a sample size of 59 respondents. The research instruments to be employed in the study were questionnaires for the employees and interviews for the managers. Content analysis technique was used to analyze qualitative data collected using interview schedules and reported in narrative form along with quantitative presentation. Quantitative data was analyzed using descriptive statistics such as mean, standard deviations, frequencies and percentages. The analyzed data was presented in form of tables, pie-charts and bar-graphs where applicable. The study conducted a multiple regression analysis. The study established a positive significance relationship between top management support, organizational structure, resource allocation, organizational culture and organizational growth. On top management support, the study concludes that top management team of the organization controls decision making that affects every member within the organization and ultimately, those decisions affect the success of the organization. On organizational structure, the study concludes that an efficient organizational structure helps the organization in making it easier to delegate responsibility and effect change throughout the organization. On resource allocation, the study concludes that resources are an essential factor that influences the growth of an organization. The resources are considered essential for organizations as it can help to develop the capabilities that are urgently needed to adapt to their external environment and in turn facilitate organizations to enjoy better performance. On organizational culture, the study concludes that the organization culture is the main picture of the organization and defines the type and style of organization structure. On top management support, the study recommends that the top managers should exercise competent delegation of decision-making power to leaders from different levels of the organizational structure, take action aimed at reducing the resistance of employees by involving them in the organization's undertakings. On organizational structure, the study recommends that the organization should have an organizational structure that supports objectives, clear vision and priorities, cohesive leadership team and clear roles and accountabilities for decisions. On resource allocation, the study recommends that the organization need to secure sufficient resources in terms of capital, labour, materials and equipments to be able to operate efficiently and implement internal growth strategies to promote the performance of the organization. The management of Daraja Microfinance Bank should adopt a culture that is dynamic, flexible and adaptive.

CHAPTER ONE

INTRODUCTION

1.1 Background to the Study

The significance of possessing a financial institution that performs at a higher level is multifaceted and can have a profound impact on individuals, businesses, and the overall economy (Steinherr & Huveneers, 2018). Zagorchev and Gao (2022) observe that possessing a financial institution that performs at a higher level is significant as it promotes financial stability, enhances the customer experience, drives economic growth, fosters financial inclusion, and builds trust and confidence in the financial system. Therefore, by efficiently allocating financial resources, such institutions facilitate entrepreneurship, innovation, and productivity gains, which are essential drivers of economic progress.

Nwachukwu, Hieu, Chladkova and Fadeyi (2019) observe that the correlation between executing a strategy and the overall performance of an organization is crucial for its success because well-thought-out strategy serves as a roadmap for the organization, guiding its actions and decisions towards achieving its goals and objectives. However, the mere existence of a strategy is not enough; it must be effectively implemented and executed to yield positive results. According to Mwanthi (2022) when a strategy is effectively executed, it can lead to improved performance in various aspects of the organization, such as increased revenue, market share, customer satisfaction, and employee engagement. Therefore, by aligning the efforts of all employees towards a common goal, executing a strategy can create a sense of purpose and direction within the organization, driving motivation and productivity.

Microfinance institutions (MFIs) play a crucial role in providing financial services to low-income individuals and small businesses in Pakistan. The success of these

institutions is dependent on their ability to effectively implement application strategies that align with their organizational goals and objectives (Khan, 2020). Iqbal, Tufail, Mohsin and Sandhu (2022) observe that some key factors that can influence the success of application strategy implementation in MFIs include the alignment of the strategy with the institution's mission and vision, the availability of resources and technology to support the strategy, the skills and training of staff members involved in the implementation process, and the monitoring and evaluation mechanisms in place to track the progress and impact of the strategy.

Babajide, Taiwo and Adetiloye (2017) Microfinance institutions in Nigeria have shown significant growth and development in recent years. These institutions play a crucial role in providing financial services to the unbanked and underserved population in the country, particularly in rural areas where traditional banks have limited reach. Nwachukwu, Chladkova and Zufan (2021) indicate that some examples of outstanding Microfinance institutions in Nigeria that have demonstrated exceptional success through strategic practices include LAPO Microfinance Bank, Accion Microfinance Bank, and Grooming Centre. These institutions have effectively implemented strategic practices such as customer-centric approaches, innovative product offerings, efficient risk management, and strong partnerships with stakeholders to achieve remarkable results in serving the financial needs of low-income individuals and small businesses.

Microfinance institutions in Kenya have played a crucial role in providing financial services to low-income individuals and small businesses in both rural and urban areas. These institutions have been successful in reaching out to underserved populations and empowering them economically (Ngumo, Collins & David, 2020). According to Ngari (2022) one key strategy employed by microfinance banks in Kenya is the expansion of outreach. This involves reaching out to underserved communities and individuals in

remote areas, where access to financial services is limited. Microfinance banks establish branches or mobile banking units in these areas to provide convenient and accessible financial services to the target population. The successful execution of this strategy requires careful planning, market research, and effective communication to raise awareness and build trust among potential clients.

1.1.1 Strategy Implementation Practices

Strategy implementation practice refers to the process of translating a strategic plan into action. It involves the execution of various activities, allocation of resources, and monitoring of progress to ensure that the organization's goals and objectives are achieved (Bourgeois & Brodwin, 2019). According to Sonenshein and Dholakia (2022) strategy implementation practice is crucial for the success of any organization. It helps in aligning the actions of employees with the strategic goals of the organization, ensuring that resources are utilized efficiently, and enabling the organization to adapt to changing market conditions. Therefore, organizations can improve their ability to execute their strategic plans and achieve sustainable success by exploring the concept of strategy implementation practice. In this study, strategy implementation practice was measured in terms of top management support, organizational structure, resource allocation and organizational culture.

Njihia (2017) observe that the executive leadership backing is a crucial practice for implementing strategies in enhancing the performance of Microfinance banks. It refers to the active support and involvement of top-level executives in driving and championing strategic initiatives within the organization. This support is essential for the successful execution of strategies and achieving the desired outcomes. According to Ngonjo and Sindani (2022) the top management support ensures the allocation of resources, sets the tone for the organization, overcomes resistance to change, and

enhances accountability. By actively supporting and championing strategic initiatives, top-level executives play a critical role in driving the successful implementation.

The organizational structure of a microfinance bank refers to the way in which the bank is organized and how its various departments, teams, and individuals are structured and coordinated. It encompasses the hierarchy, reporting relationships, and division of tasks within the bank (Cummings & Berger, 2018). According to Lee and Yang (2021) organizational structure plays a crucial role in enhancing the performance of microfinance banks by facilitating clear communication and coordination, efficient decision-making, flexibility and adaptability, resource allocation, and accountability. Therefore, a well-designed organizational structure is essential for the successful execution of strategies and the overall success of microfinance banks.

Resource allocation is crucial for the success of microfinance banks as it directly impacts their ability to effectively implement strategies aimed at enhancing their performance (Danis & Kilonzo, 2020). Mariadoss, Johnson and Martin (2023) observe that Microfinance banks operate in a highly competitive and dynamic environment, where access to financial resources, human capital, technology, and infrastructure are essential for their growth and sustainability. Also, resource allocation enables them to implement strategies that drive performance improvement, achieve their financial and social objectives, and contribute to the overall development of the communities they serve. Therefore, microfinance banks must prioritize effective resource allocation as a key component of their strategic planning and decision-making processes.

Akpa, Asikhia and Nneji (2021) observe that organizational culture plays a crucial role in the success of Microfinance banks in implementing strategies to enhance their performance because a strong and positive organizational culture can create a

supportive environment where employees are motivated to work towards common goals and objectives. Similarly, Ahmad (2022) observes that a strong organizational culture can foster innovation and creativity, which are essential for Microfinance banks to stay competitive in a rapidly changing market. Additionally, a positive organizational culture can also improve communication and collaboration within the bank, leading to better decision-making and problem-solving.

1.1.2 Organization Growth

Organizational growth refers to the process of growing and increasing the size, scope, and reach of a company or business. This can involve expanding into new markets, opening new locations, increasing production capacity, diversifying product offerings, or acquiring other businesses (Starbuck, 2019). According to Cameron, Kim and Whetten (2022) organizational growth is often driven by the desire to increase revenue, market share, and profitability, as well as to capitalize on new opportunities for growth and development. It requires careful planning, strategic decision-making, and effective execution to ensure success and sustainability in the long term. In this study, organizational growth was measured in terms of customer base, profitability and branch network.

Measure of organizational growth in terms of customer based involves tracking the growth of a company's customer base over a specific period of time. This can be measured in various ways, such as through the number of new customers acquired, the retention rate of existing customers, or the overall increase in the total number of customers (Goodstein & Butz, 2018). Slater and Narver (2021) observe that by analyzing these metrics, businesses can gain valuable insights into their market reach, customer satisfaction, and overall performance in attracting and retaining customers.

This data can then be used to inform strategic decisions and initiatives aimed at further expanding the organization's customer base and increasing its market share.

Achim (2020) observe that the profitability of a company plays a crucial role in determining its organizational growth as it directly impacts the company's ability to invest in new opportunities, expand its operations, and attract investors. When a company is profitable, it generates excess revenue that can be reinvested into research and development, marketing, and infrastructure, allowing the company to innovate and stay competitive in the market. According to Ramezani, Soenen and Jung (2022) profitability also enables a company to expand its operations by opening new branches or acquiring other businesses. Therefore, with a strong financial position, a company can take advantage of growth opportunities in different markets or industries, diversifying its revenue streams and reducing its dependence on a single market or product.

A strong branch network can provide an organization with increased visibility, accessibility, and market reach. By strategically establishing branches in key locations, an organization can tap into new markets, attract new customers, and strengthen relationships with existing clients (Ioannou, Karakerezis & Mavri, 2022). According to Stovel and Savage (2023) a well-developed branch network can help to improve operational efficiency, as it allows for better distribution of resources, streamlined communication, and faster decision-making processes. Overall, the expansion of an organization is often dependent on the success and growth of its branch network

1.1.4 Daraja Microfinance Bank

Daraja Microfinance Bank was conceived in August 2008 during the Investment Cell Limited strategy retreat. Investment Cell Limited is an investment club founded by

friends that met at the Rotary Club of Lang'ata. They launched a capital call two years later in 2010 and invited friends and associates who included Investment Cell shareholders and members of the Rotary Club of Lang'ata. Daraja Microfinance Bank has opened its first branch at Dagoretti Division, Nairobi. The bank aims at creating a bridge between its customers and their goals by being a financial partner that offers personalized solutions and approaches to managing finances.

Daraja Microfinance Bank offers financial solutions encompassing banking services, deposits, loans, and other related services. Established in 2008, the institution is headquartered in Nairobi, Kenya. The banking industry has experienced a trend of market consolidation primarily fueled by the motivation of microfinance banks to expand, advance, and enhance their financial strength. UMBA Inc. (UMBA) from the State of Delaware, United States of America, obtained a 66.06 percent stake in Daraja Microfinance Bank Limited (Daraja MFB) on May 23, 2022, in accordance with Section 19 (4) of the Microfinance Act. This acquisition was sanctioned by the Cabinet Secretary for the National Treasury and Planning on June 10, 2022, under Section 19(3)(b) of the Microfinance Act. Within the limited peer group, both Choice MFB and Daraja MFB observed a shift in market share from negative figures of 0.2 and 0.0 in 2021 to positive values of 0.5 and 0.4 respectively in 2022. Furthermore, these microfinance banks attracted investments from strategic stakeholders who provided additional financial resources.

As per the 2022 financial report, daraja microfinance bank exhibited enhanced performance. More specifically, the institution disclosed a total profit before tax of Ksh. 339 million on December 31st, 2022, a rise from Ksh. 331 million recorded on December 31st, 2021. The upturn in performance was predominantly ascribed to an 8.0 percent surge in interest income, equivalent to Ksh.0.83 billion. Interest income

represented 78.3 percent of the overall income. Consequently, the bank unveiled an enhanced return on assets and equity ratio standing at negative 0.4 percent and negative 3.0 percent. In comparison, the return on assets and equity ratio as of December 31st, 2021, stood at negative 2.0 percent and negative 13.8 percent, respectively.

1.2 Statement of the Problem

Micro Finance Institutions (MFIs) have continued to play an important role in the economy especially improving the living standards of the poor. However, the ever changing environment has necessitated the Micro finance institutions to adopt strategies in order to make them grow and survive in the ever changing environment. These institutions have ever encountered several challenges in the implementation of the strategies due many other players in the same sector (Cater & Pucko, 2018). Microfinance institutions (MFIs) face several obstacles when it comes to enhancing their growth. According to Boateng (2018) MFIs often struggle to secure sufficient funding to support their expansion plans. They rely heavily on external sources such as grants, loans, and investments, which may be difficult to obtain, especially for smaller or newer institutions. Satar and Kassim (2020) observe that even when MFIs can access funding, they often face high interest rates or stringent repayment terms, which can strain their financial resources and limit their ability to expand. In addition, MFIs require skilled staff to manage their operations, assess creditworthiness, and provide financial education. However, attracting and retaining qualified personnel can be challenging, especially in rural areas where job opportunities may be limited.

The deteriorating performance of Daraja Microfinance Bank in Kenya is a cause for concern. This downward trend has been evident consistently from 2016 to 2022. For example, Daraja microfinance institutions experienced an overall decrease in performance, resulting in a combined pre-tax loss of Ksh. 622 million for the fiscal year

ending on December 31, 2017. This marked a decline from the performance recorded on December 31, 2016, when Daraja Microfinance Bank posted a pre-tax loss of Ksh. 377 million. The drop in profitability was primarily linked to a 7.0 percent reduction in financial income amounting to Ksh. 1.0 billion. Consequently, the sector observed diminished returns on assets and equity, with ratios of -0.9 percent and -5.5 percent, respectively, compared to 3.2 percent.

Customer deposits decreased by 3.2 percent, declining from Ksh. 40.2 billion in 2016 to Ksh. 38.9 billion. The reduction in deposits can be attributed to an increased demand for higher interest returns by customers, amidst strong competition from commercial banks complying with the law on interest rate capping. Similarly, the net loan portfolio saw an 8.9 percent decrease, dropping from Ksh. 47.0 billion in 2016 to Ksh. 42.8 billion. The contraction of the loan portfolio was partly due to a deliberate effort by many institutions to curtail lending. This was influenced by the uncertainties surrounding the election period as well as the impact of interest rate capping, which led to a shift of customers towards more affordable options offered by commercial banks.

There are number of studies that have been done in relation to the strategy implementation practices and organizational growth. For instance; Kihia (2017) investigated the influence of strategic management practices effect on growth of small and medium enterprises in Nairobi and found that a strategic management system cannot achieve its full potential until it is integrated with the budgets and reward systems. However, the study focused on SME sector. Muchomba (2018) examined the influence of strategy implementation on the growth of saving and credit cooperative societies in Tharaka Nithi County. Regression results revealed that the growth of the Trans Nation SACCO can be attributed to product development strategies, market development strategies, and direct sales strategy. However, the study presents a

contextual gap as it was a case of Trans Nation Sacco. Ben and Reuben (2021) examined the influence of strategy implementation practices on the growth of commercial banks in Kenya and found that the top management support has a positive significant impact on the growth of commercial banks in Kenya. However, the study presents a contextual gap as it focused on the Guaranty Trust Bank Kenya Limited. Therefore, this study sought to investigate the influence of strategy implementation practices on growth of Daraja micro finance bank in Nairobi City County, Kenya

1.3 Objectives of the Study

1.3.1 General Objective

The general objective of this study was to determine the strategy implementation practices on the growth of Daraja Microfinance Bank in Nairobi City County, Kenya.

1.3.2 Specific Objectives

- i. To establish the influence of top management support on the growth of Daraja Microfinance Bank in Nairobi City County, Kenya.
- ii. To examine the influence of organizational structure on the growth of Daraja Microfinance Bank in Nairobi City County, Kenya.
- iii. To identify the influence of resource allocation on the growth of Daraja Microfinance Bank in Nairobi City County, Kenya.
- iv. To find out the influence of organizational culture on the growth of Daraja Microfinance Bank in Nairobi City County, Kenya.

1.4 Research Hypotheses

H0₁: Top management support does not have significant influence on the growth of Daraja Microfinance Bank in Nairobi City County, Kenya.

H0₂: Organizational structure does not have significant influence on growth of Daraja Microfinance Bank in Nairobi City County, Kenya.

H0₃: Resource allocation does not have significant influence on growth of Daraja Microfinance Bank in Nairobi City County, Kenya.

H0₄: Organizational culture does not have significant influence on growth of Daraja Microfinance Bank in Nairobi City County, Kenya.

1.5 Significance of the Study

The results obtained on strategy implementation practices on the growth of microfinance institutions could provide valuable insights to management of the Daraja Microfinance bank understanding the relationship between strategy implementation practices and growth can help microfinance institutions and be able to identify the most effective approaches to achieve their growth objectives. The management of Daraja Microfinance bank could use the findings to make informed decisions about which practices to adopt or modify in order to maximize their institution's growth potential. This could include aspects such as setting clear goals, aligning resources, monitoring progress, and adapting strategies as needed.

The findings on examination of strategy implementation practices in microfinance institutions could offer several advantages to the national government and policy makers in terms of fostering growth through providing valuable insights into the effectiveness of different strategies employed by microfinance institutions in promoting financial inclusion and poverty reduction. The government and policy makers could use the findings to identify best practices and replicate them in other regions or institutions. This could help in formulating policies and regulations that are conducive to the growth

of the microfinance sector, leading to increased access to financial services for the unbanked population.

The researchers could identify best practices and areas for improvement by analyzing the strategies that are implemented by these institutions and their impact on growth. This can help inform future research and policy recommendations in the field of microfinance. The researchers could contribute to the development of new theories and frameworks in the field of strategic management by examining how different strategies are implemented and their effects on growth.

1.6 Scope of the Study

This study was carried out in Daraja Microfinance Bank in Nairobi County, Kenya. The study focused on how top management support, organizational structure, resource allocation and organizational culture influence the growth of Micro financial institutions in Kenya. The growth of Daraja microfinance bank was measured in terms of customer base, profitability and branch network. The study adopted descriptive research design. The unit of analysis was Daraja Microfinance Bank and the unit of observation was managers and support staff of Daraja Microfinance Bank. Data was collected using questionnaires for the support study and interview schedules for the managers. A census method was used. The study was carried out in the month of September to December in the year 2018. The study focused on the growth of Daraja Microfinance Bank for the last 5 years (2013 – 2017).

1.7 Limitations of the Study

The study relied on questionnaires with both closed and open ended questions to collect data. Closed ended questions have the disadvantage of limiting the responses whereby the respondent is compelled to answer questions according to the researcher's choice.

However, to overcome this, the researcher ensured that the questions are well thought out and comprehensive enough to cover all important aspects of the study objectives. The study focused on some of the very busy senior managers and scheduling appropriate timings might be a challenge which might lead to continuous re-scheduling of meetings. However, the researcher kept to appointments by the management.

1.8 Organization of the Study

This study was organized in five chapters. Chapter one constitutes the background of the study, statement of the problem, objectives, significance, scope, limitations and organization of the study. Chapter two comprises of the theoretical literature review, empirical literature review, summary of literature review and research gaps and conceptual framework. Chapter three encompasses the methodology which presents the research design, target population, sampling design, research instrument, data collection procedure, data analysis and ethical considerations. Chapter four constitutes the research findings and discussion which presents the response rate, background information, descriptive statistics, inferential statistics and analysis of qualitative data. Chapter five presents the summary, conclusion, recommendations for policy and practice, and recommendations for further study.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter shows that review of the literature which is structured in the following sections; Theoretical literature review, empirical literature review, summary of the literature reviewed and research gaps and conceptual framework.

2.2 Theoretical Review

This section presents theories that are used in guiding the study variables. These theories include; scientific management theory, Resource based view theory, McClellands achievement theory and contingency theory.

2.2.1 Balance Scorecard Model

The balanced scorecard model, as proposed by Kaplan and Norton (1996), serves as a strategic tool for managing organizational performance in a comprehensive and balanced manner. It offers a structured approach for organizations to harmonize their goals, metrics, targets, and actions across various perspectives such as financial, customer, internal processes, and learning and growth. An essential aspect highlighted by Kaplan and Norton (1996) is the holistic insight it provides into organizational performance. By considering diverse viewpoints, organizations can avoid the limitations of solely concentrating on financial metrics, which might not present a complete picture of their performance. Through the balanced scorecard, organizations can evaluate their performance from different angles, ensuring all crucial operational aspects are duly considered.

Burtseva and Chausow (2018) point out that the balanced scorecard model aids organizations in translating their strategies into tangible objectives and metrics. It establishes a transparent framework for establishing targets and monitoring progress towards strategic aims. By connecting metrics to strategic goals, organizations can guarantee that their endeavors are in harmony with their overarching strategy and are advancing towards desired outcomes. As highlighted by Bostan and Grosu (2021), the balanced scorecard model fosters communication and alignment within the organization. Thus, by offering a shared language and structure for performance evaluation, the balanced scorecard promotes communication and comprehension across various organizational departments and hierarchies.

The pertinence of this model to research lies in its capacity to enable organizations to monitor and control performance promptly. Through regular monitoring and evaluation of performance indicators, organizations can pinpoint areas for enhancement and undertake corrective measures as needed. This proactive performance management approach enables organizations to remain adaptable and responsive to shifting market dynamics. Therefore, by embracing the balanced scorecard model, organizations can elevate their performance levels and realize their strategic objectives. ng measures to strategic objectives, organizations can ensure that their efforts are aligned with their overall strategy and that they are making progress towards their desired outcomes. According to Bostan and Grosu, (2021) balanced scorecard model promotes communication and alignment within the organization. Therefore, by providing a common language and framework for performance measurement, the balanced scorecard facilitates communication and understanding among different departments and levels of the organization.

This model is relevant to the study because it enables organizations to monitor and manage performance in a timely manner. By regularly tracking and reviewing performance measures, organizations can identify areas of improvement and take corrective actions when necessary. This proactive approach to performance management helps organizations stay agile and responsive to changing market conditions. Therefore, by adopting the balanced scorecard model, organizations can enhance their performance and achieve their strategic objectives.

2.2.2 Resource Based View Theory

This study was based on Resource Based View (RBV) theory by Grant (1991). According to Grant (1991) the Resource Based View (RBV) theory approach to competitive advantage contends that internal resources are greater crucial for a firm than external factors in accomplishing and maintaining aggressive advantage. In this view, organizational overall performance is normally determined by way of internal resources such as physical assets, human sources and organizational sources. The mix, type and quantity and nature of a company's inner assets have to be considered first and predominant in devising strategies that could lead to sustainable aggressive advantage. Handling strategically in line with RBV entails developing and exploiting a company's unique resources, abilities, usually preserving and strengthening the sources.

Mahoney and Pandian (2018) observe that the resource-based view theory can be applied to organizational development and human resource management. By investing in developing and nurturing their employees' skills, knowledge, and capabilities, organizations can build a strong and sustainable competitive advantage based on their human capital. Barney and Arikan (2020) observe that the utilization of the resource-based view theory in organizations can help them identify and leverage their unique

resources and capabilities to achieve sustainable competitive advantage and long-term success in the marketplace.

The theory was relevant to the study as it suggests the benefit of the resources that allows the corporation to pursue strategy implementation practices in a unique way so as to be competitive that other financial organization. Daraja Microfinance bank can utilize the resource-based view theory in several ways to enhance their competitive position. Firstly, they can conduct a thorough analysis of their internal resources and capabilities to identify their strengths and weaknesses. Secondly, organizations can use the resource-based view theory to guide their decision-making processes, such as resource allocation, investment, and strategic planning. By aligning their resources and capabilities with their strategic goals and objectives, organizations can create a competitive advantage that is difficult for competitors to replicate. This theory explained the resource allocation variable.

2.2.3 McClelland's Achievement Theory

This study was grounded on McClelland's achievement theory by McClelland (1980) who based the theory which classified humans' desires inside the company in three categories which he called motivational needs; desire for affiliation, success and authority. Desire for affiliation is associated with workers on the lower stage of the organizational hierarchy and meant that people want meaningful relationships and workplaces are considered to provide the floor upon which workers are trying to find to strike worthy relationships. Desire for fulfillment was associated with center- degree people and involve people desire to be visible as attaining more to the business enterprise. Desire for authority was related to the top management and was observed that employees at this level are pushed with the aid of sturdy preference to adjust the

course of events or make robust effect on others and events hence want to be in control of conditions and human being.

In practice, organizations can implement McClelland's achievement theory by providing employees with challenging goals and opportunities for growth and advancement, recognizing and rewarding their accomplishments, and fostering a supportive and collaborative work environment. By aligning employees' individual needs with the organization's goals and values, leaders can create a more motivated and productive workforce (Arnolds & Boshoff, 2017). Arogundade and Akpa (2023) observe that organizations can use McClelland's achievement theory to inform their recruitment and selection processes, performance management systems, and leadership development programs. By understanding employees' motivations and designing strategies to meet their needs, organizations can create a more engaged and high-performing workforce.

This theory is appropriate to the study because study is based on reasons that the intention that top management support is carried out to perform tasks in sure ways which is also Mc Clelland's essential preoccupation within the theory. In order to increase employee productivity in organizations, employees at any level of organization hierarchy should be made to feel that their needs are catered for with the intention to get inspired for higher productivity. The senior managers within the organization should also negotiate that workers must be handled on the premise of their needs as opposed to universally to boost their performance. The theory explained the variable on top management support.

2.2.4 Contingency Theory

This study was anchored by Contingency Theory proposed by McMahon (1972). According to McMahon (1972) a contingency theory is an organizational theory that claims that there is no best way to organize a corporation, to lead a company, or to make decisions. Instead, the optimal course of action is contingent (dependent) upon the internal and external situation. Proponents of the contingency theory argue that there is no one or single best way or approach to manage organizations. Organizations should then develop strategy based on the situation and condition they are experiencing (David, 2005).

Contingency theory is a management approach that suggests there is no one best way to organize and lead a company. Instead, the most effective way to manage an organization depends on various factors, such as the external environment, the size of the organization, the technology used, and the skills and preferences of the employees (Neilsen, 2017). Shala, Prebreza and Ramosaj (2021) observe that by embracing contingency theory, organizations can become more flexible and responsive to change, as they are able to adjust their practices to meet the unique challenges and opportunities they face. This can lead to improved performance, increased employee satisfaction, and a more sustainable competitive advantage in the marketplace.

Aulakh and Kotabe (2009) suggested a contingency approach by associating two or more independent variables with a dependent outcome to explain the effects of strategy-structure alignment on organizational performance. Following the contingency argument, this study proposes the competitive advantage through an identified variable must match strategic factors, and organizational capabilities, and this fit is the critical determinant of the organizational growth. This theory explained the organizational structure theory.

2.3 Empirical Review

2.3.1 Top Management Support and Organizational Growth

Njenga, Kariuki and Wanjohi (2023) investigated the influence of top management support on performance of State Corporations in Kenya. The study adopted the descriptive research design method to ascertain and describe the characteristics and status of the variables. A sample size of 264 respondents selected from State Corporations in Kenya was reached, and a semi-structured questionnaire was used to collect primary data. Data was analyzed using the SPSS software. The study findings showed that top management support has a positive and significant relationship with performance. The study also found out that management's commitment determines the level of organizational success, thus performance and that the policies defined by the government in conjunction with the State Corporations influence the degree of performance. However, the study focused on the performance of State Corporations in Kenya thus presenting a contextual gap.

Al-Omouh (2021) investigated the role of top management support and organizational growth capabilities in achieving e-business entrepreneurship. Data were collected through a self-administered questionnaire from 26 manufacturing firms with a sample of 282 respondents. Data were analyzed using SmartPLS. The results show a significant impact of top management support on e-business entrepreneurship. The findings also show a direct impact of organizational capabilities, involving organizational agility and organizational learning on the e-business entrepreneurship. Moreover, the results of the study highlight the pivotal role of top management in preparing an organizational environment that fosters organizational learning and organizational agility capabilities to establish e-business entrepreneurship. However, the study presents a contextual gap as it focused on manufacturing firms.

A study carried out by Karungani and Ochiri (2017) focused on the effect of leadership and management support to the procurement function on organizational performance. The research was conducted based on a quantitative research design and it employed a survey strategy. Convenience sampling was used to select 87 employees in the procurement and finance department of Nairobi County Government. Data was collected using questionnaires. The findings of this research show that leadership and management support towards procurement positively impact on organizational performance. The top management is charged with the responsibility of formulating policies, vision and goals of the organization; ensuring that employees are committed to organizational goals; provide guidance to support staff and providing direction to the entire organization. However, the study used cross-sectional research design thus presenting a methodological gap.

2.3.2 Organizational Structure and Organizational Growth

Udayanga (2020) investigated the effect of organizational structure on growth: an Empirical Study of Small and Medium Enterprises in Sri Lanka. This study examines the impact with respect to the different theories, models and approaches. Taking into account the Lumpkin and Dess model as well as the Resource-Based View of the establishment, a conceptual model was formulated. A structured survey questionnaire was used to collect data from a sample of 383 Small and Medium Enterprise holders. On collecting empirical survey data within the Sri Lankan Small and Medium Scale industry, a structural equation modeling was done to evaluate the measures and test the hypotheses formed on the impact of the main two constructs. a statistically significant impact was shown by the five dimensions of the organizational structure on Performance of Small and Medium Enterprises while statistically insignificant effect

was illustrated by the dimensions of Formalization and Coordination. However, the study focused on Small and Medium Enterprises in Sri Lanka.

Onono (2018) investigated the impact of organizational structure on growth of general electric Africa. A descriptive research design was used in this study. The target population was 290 employees at General Electric in the Sub Sahara Africa region based in four General Electric sites locations in Nairobi in Kenya, Lagos in Nigeria, Luanda in Angola and Johannesburg in South Africa. Structured questionnaire was used to collect quantitative data. Data was analyzed using descriptive statistics and SPSS version 21. The study conducted Pearson correlation to establish the relationship between organizational structure and growth, results revealed that there was a strong and positive relationship between organizational structure and growth. However, the study present a contextual gap as it focused on growth of general electric Africa.

Eze, Bello and Adekola (2017) examined the effects of organizational structure on the growth of organizations. The research adopted quantitative design and applied mono method which brought about numerical data generated from questionnaire administered. The population of this study comprises of all staff of Covenant Micro Finance Bank as well as the customers of the banks. Total sum of 354 sample size comprising of both employees (51) and customers (303) of Covenant Micro Finance Bank is the sample size. The study found that there is a positive significant relationship between organizational centralization and organizational growth. However, the study focused on growth of organization between the year 2012 to 2016 thus presenting a contextual gap.

2.3.3 Resource Allocation and Organizational Growth

Kogan, Papanikolaou, Seru and Stoffman (2017) study on technological innovation, resource allocation, and growth. The study combined patent data for US firms from 1926 to 2010 with the stock market response to news about patents to assess the economic importance of each innovation. The innovation measure predicted productivity and output at the firm, industry and aggregate level. Furthermore, capital and labor flow away from non-innovating firms towards innovating firms within an industry. There exists a similar, though weaker, pattern across industries. Cross-industry differences in technological innovation are strongly related to subsequent differences in industry output growth. However, the study focused on the growth of US firms from 1926 to 2010 thus presenting a contextual gap.

Gitau, Abayo and Kibuine (2020) investigated the influence of organizational resource allocation on organizational growth of selected supermarkets in Nairobi County. The study adopted a descriptive research design and it targeted 27 supermarkets operating in Nairobi County and its management staff who included the operations and human resource managers. The target respondents were 54, two from each of the supermarkets. A census was used thus all of the 54 respondents were included in the study. Hence, the unit of analysis was the 27 supermarkets in Nairobi County while the accessible population was the operations and human resource managers. The researcher collected information using structured questionnaires. The study established that monitoring and control of strategies had the largest effect on organizational growth followed by strategy communication, organizational resource allocation and lastly senior management support. However, the study focused on growth of selected supermarkets in Nairobi County thus presenting a contextual gap.

Odak and Aila (2023) investigated the effect of resource availability on the performance of Energy and Petroleum Sector State Corporations in Kisumu County, Kenya. The study employed explanatory research design. The target population was 99 senior managers from 11 energy and petroleum sector state corporations in Kisumu County. Data was collected using structured questionnaire and secondary data schedule. SPSS was used for data analysis. Descriptive and inferential statistics were used for the analysis of quantitative data. Percentages, standard deviation and mean was used in descriptive while, correlation (r) and regression analysis were used for hypothesis testing at 95% confidence interval in in inferential statistics. Organization structure had statistically significant with organization growth. However, the study used explanatory research design thus presenting a methodological gap.

2.3.4 Organizational Culture and Organizational Growth

Joyce (2019) investigated the influence of organizational culture on performance of commercial banks in Kenya. The study was based on a descriptive survey design. The target population consisted of employees of 42 commercial banks in Nairobi County. The study sample was selected through stratified random sampling techniques. A sample of 120 respondents was picked for the study. A questionnaire was used to collect data. Data was analyzed using descriptive and inferential statistics and the results presented in Tables. The study conclude that commercial banks had organization culture that determined how things were done, employees were like-minded and held similar beliefs and values. However, the study focused on performance of commercial banks in Kenya thus presenting a contextual gap.

Misigo (2020) investigated the influence of organizational culture on performance of public Water Companies in Kenya. The study used descriptive and correlational research designs with a population of 84 public water companies. A statistical of sample

of 17 water companies was selected with 185 respondents. Primary data was collected using questionnaires while secondary data was obtained from the relevant published documents of the water companies. Data collected was sorted and analyzed using descriptive, diagnostic and inferential analyses. Inferential statistics including correlation, analysis of variance and multiple linear regression models were used to establish the association involving the independent and dependent variables. Results of the study show that organizational culture has an influence on performance of public water companies in Kenya. However, the study focused on the performance of public Water Companies in Kenya thus presenting a contextual gap.

Muchenje and Sifile (2020) investigated the influence of organizational culture on firm growth: Lessons from the Retail Sector in Zimbabwe. The study conducted a cross-sectional survey of 140 retail management employees in Chinhoyi, Zimbabwe. Data was collected from retail business employees in Chinhoyi, Zimbabwe in February 2020. The study employed the structural equation modelling to test the hypotheses. Results indicated that leadership, communication employee involvement and external stakeholders' involvement positively influence firm performance. However, the study used a cross-sectional survey thus presenting a methodological gap.

2.4 Summary of Literature Reviewed and Research Gaps

Table 2.1: Summary and Literature Reviewed and Research Gaps

Author	Focus of the Study	Findings	Knowledge gap	Focus of the current study
Njenga, Kariuki and Wanjohi (2023)	Influence of top management support on performance of State Corporations in Kenya	Management's commitment determines the level of organizational success, thus performance	The study focused on the performance of State Corporations in Kenya thus presenting a contextual gap	The study focused on the growth of Daraja Microfinance Bank
Al-Omoush (2021)	Role of top management support and organizational growth capabilities in achieving e-business entrepreneurship	The pivotal role of top management in preparing an organizational environment that fosters organizational learning and organizational agility capabilities to establish e-business entrepreneurship	The study presents a contextual gap as it focused on manufacturing firms	The study focused on the growth of Daraja Microfinance Bank
Karungani and Ochiri (2017)	Effect of leadership and management support to the procurement function on organizational performance	The top management is charged with the responsibility of formulating policies, vision and goals of the organization	The study used cross-sectional research design thus presenting a methodological gap	The study used descriptive research design

Udayanga (2020)	Effect of organizational structure on growth: an Empirical Study of Small and Medium Enterprises in Sri Lanka	A statistically significant impact was shown by the five dimensions of the organizational structure on Performance of Small and Medium Enterprises	The study focused on Small and Medium Enterprises in Sri Lanka	The study focused on the growth of Daraja Microfinance Bank
Onono (2018)	Impact of organizational structure on growth of general electric Africa	There was a strong and positive relationship between organizational structure and growth.	The study present a contextual gap as it focused on growth of general electric Africa	The study focused on the growth of Daraja Microfinance Bank
Eze, Bello and Adekola (2017)	Effects of organizational structure on the growth of organizations	There is a positive significant relationship between organizational centralization and organizational growth	The study focused on growth of organization between the year 2012 to 2016 thus presenting a contextual gap	The study focused on the growth of Daraja Microfinance Bank between the year 2017 to 2021
Kogan, Papanikolaou, Seru and Stoffman (2017)	Technological innovation, resource allocation, and growth.	Cross-industry differences in technological innovation are strongly related to subsequent differences in industry	The study focused on the growth of US firms from 1926 to 2010 thus presenting a contextual gap	The study focused on the growth of Daraja Microfinance Bank between the year 2017 to 2021

		output growth		
Gitau, Abayo and Kibuine (2020)	Influence of organizational resource allocation on organizational growth of selected supermarkets in Nairobi County	Monitoring and control of strategies had the largest effect on organizational growth followed by strategy communication, organizational resource allocation and lastly senior management support	The study focused on growth of selected supermarkets in Nairobi County thus presenting a contextual gap	The study focused on the growth of Daraja Microfinance Bank
Odak and Aila (2023)	Effect of resource availability on the performance of Energy and Petroleum Sector State Corporations in Kisumu County, Kenya	Organization structure had statistically significant with organizational growth	The study used explanatory research design thus presenting a methodological gap.	The study used descriptive research design
Joyce (2019)	Influence of organizational culture on performance of commercial banks in Kenya	Commercial banks had organizational culture that determined how things were done, employees were like-minded and held similar beliefs and values	The study focused on performance of commercial banks in Kenya thus presenting a contextual gap	The study focused on the growth of Daraja Microfinance Bank
Misigo (2020)	Organizational culture on performance of	Organizational culture has an	The study focused on the	The study focused on the growth of Daraja

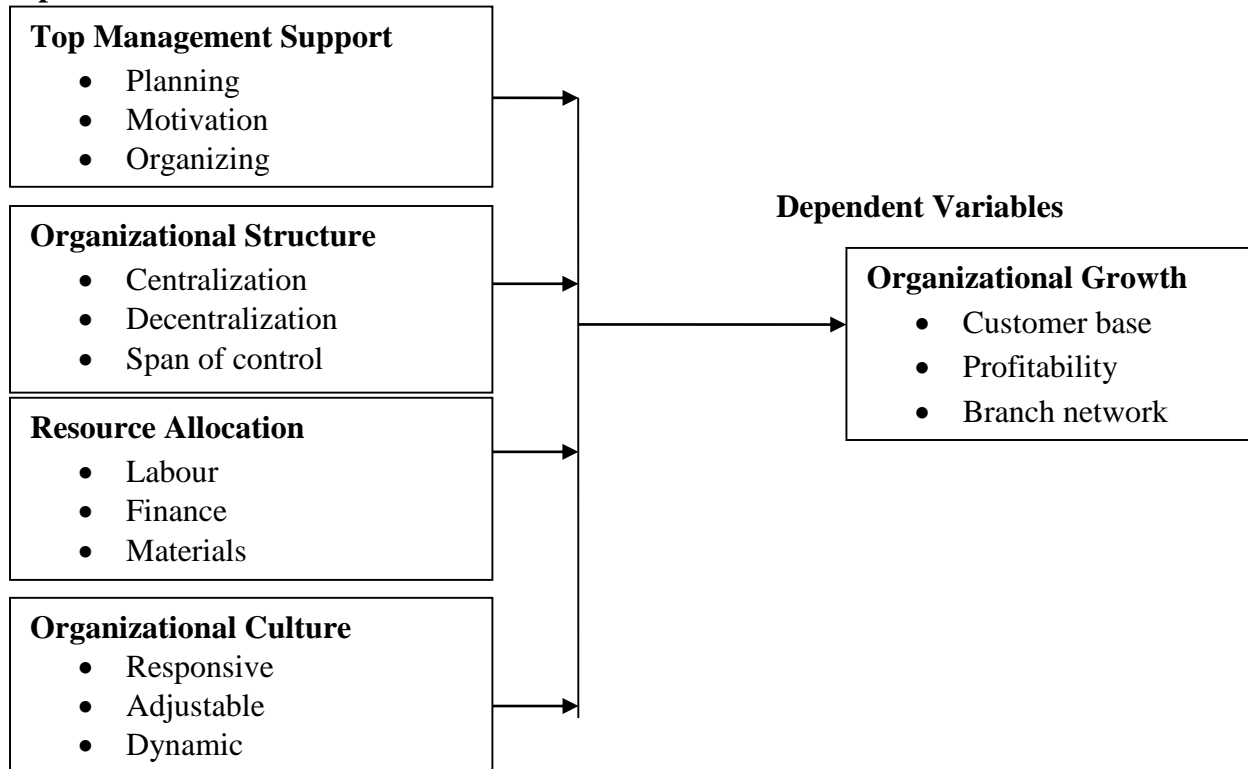
	public Water Companies in Kenya	influence on performance of public water companies in Kenya	performance of public Water Companies in Kenya thus presenting a contextual gap	Microfinance Bank
Muchenje and Sifile (2020)	Influence of organizational culture on firm growth: Lessons from the Retail Sector in Zimbabwe.	Leadership, communication employee involvement and external stakeholders , involvement positively influence firm performance	The study used a cross-sectional survey thus presenting a methodological gap.	The study used descriptive research design

Source: Researcher (2024)

Conceptual Framework

A conceptual framework in a research investigation is a theoretical structure that guides the research process by providing a clear understanding of the key concepts, variables, relationships, and assumptions that underlie the study (Tamene, 2020). Therefore, the way in which the study variables are related are described in the following Figure 2.1.

Independent Variables



Source: Researcher (2018)

Figure 2.1: Conceptual Framework

Figure 2.1 shows the relationship between independent and dependent variables. The independent variables are the top management support, organizational structure, resource allocation and organizational culture and the dependent variable is the organizational growth. When top management is supportive, it provides clear direction and alignment for the entire organization. This helps employees understand the goals and objectives of the organization, leading to increased productivity and efficiency. organizational structure provides a solid foundation for a company to operate

effectively and efficiently, leading to improved performance and success in the long run. Resource allocation is a dynamic and ongoing process that requires careful planning, analysis, and decision-making to ensure that the organization's resources are utilized optimally to achieve its goals and objectives. The essence of organizational culture lies in its ability to shape employee attitudes, behaviors etc. A strong organizational culture can enhance employee morale and engagement, leading to increased productivity and retention rates.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter comprises of the research design, target population, sampling design and sample size, data collection instruments, pilot study, data collection procedures, data analysis and presentation and ethical issues.

3.2 Research Design

The research design refers to the overall strategy the study will choose to integrate the various components of the study in a coherent and logical manner, ensuring the researcher will effectively address the research problem. It also serves as the blueprint for data collection, measurement, and analysis (Abutabenjeh & Jaradat, 2018). The type of research design that was used in this study was descriptive research design. According to Dulock (2019), descriptive research provides an accurate portrait of people, events, or situations. This approach provides researchers with a profile of described relevant components of the phenomenon of interest from an individual, organizational, and industry-oriented standpoint. As a result of this research methodology, the study was able to collect data from a diverse group of respondents on the influence of strategy implementation practices on the growth of Daraja Microfinance Bank in Nairobi City County, Kenya.

3.3 Target Population

The target population for this study was Daraja Micro Finance Bank. The targeted respondents were 59 respondents comprising of 4 managers and 55 support staff.

Table 3.1: Target Population

Respondents category	Population
Managers	4
Support staff	55
Total	59

Source: Daraja Micro Finance Bank, HRM Department report (2018)

3.4 Sampling Design and Sample Size

According to Gay (2002), a researcher selects a sample due to various limitations that may not allow researching the whole population. Stratified sampling will be used to identify the respondents from each department. Mugenda and Mugenda (2003), observe that in a situation where the study population there is no need to sample otherwise the total population should be studied. A census method was carried out to select the entire population and form a sample size of 59 respondents.

3.5 Data Collection Instrument

The research instruments to be employed in the study were questionnaires for the employees and interviews for the managers. The questionnaire was preferred over other methods of collecting data because of its ability to extract information from the respondents as well as giving a better understanding and a more insightful interpretation of the results from the study (Creswell, 2003). Questionnaires were also preferred because they enabled the study obtain more up to date information as well as elicit information which might not be captured in the other data collection techniques (Marshall & Rossman, 2005). This study used a questionnaire containing both open and close-ended questions so as to be able to capture more information from the

respondents. The close-ended question was on 5-point likert scale. Likert scale is the most widely used approach to scaling responses in survey research (Borg & Gall, 1989).

A face to face interview was conducted with the project managers because they provide in-depth data which is not possible to get using a questionnaire, they guide against confusing the questions since the interviewer can clarify and explain the questions and the interviewer can convince the respondents about the importance of the research thus, respondents can give honest and more information (Gay, 2002). A structured interview schedule was conducted where the interviewer asked a set of predetermined questions in a specific order which allowed for consistency across interviews and makes it easier to compare responses between participants.

3.6 Pilot Study

Pilot study is an activity that assists the research in determining if there are flaws, limitations, or other weaknesses within the research instrument design and allows him or her to make necessary revisions prior to the implementation of the study (Orodho, 2005). A pilot study was carried out on Kenya Women Microfinance Bank (KWFT) comprising of 10 respondents.

3.6.1 Validity of Instruments

Validity is the degree to which the research instruments will appropriately and accurately measure what they are supposed to measure (Orodho, 2005). Based on the analysis of the piloting, modification and removal of ambiguous or unclear items such as questions, inaccurate responses or indicated weaknesses was done to attract appropriate responses from the respondents. Borg and Gall (1989) assert that content validity of an instrument is improved through expert judgment and as such the

researcher sought assistance of the university supervisors to find out whether the instruments would measure what it intends to measure.

3.6.2 Reliability of Instruments

Reliability provides a definition of research reliability that concerns the precision of the research measurements its intended target or the precision of the research findings (Cooper & Schindler, 2011). In order to evaluate reliability, the Cronbach's alpha coefficient was employed. This coefficient serves as an estimation of the amount of consistent or systematic variation within a given set of test scores. The Cronbach alpha score test was utilized to examine all statements that are structured on a Likert scale. As it rises, the alpha value, which ranges from 0 to 1, shows increasing reliability. A coefficient between 0.6 and 0.7 denotes acceptable reliability, according to Mugenda and Mugenda (2003), a coefficient of 0.7 or above indicates satisfactory reliability. Therefore, the objective of this study is to attain a coefficient of 0.8. In the event that the study obtains a low alpha value, the number of questions was augmented, and efforts was made to enhance the interconnectedness between items or heterogeneous constructs. The study strived for high reliability, with a correlation coefficient value ranging from 0.70 to 0.90.

Table 3.2: Results of Reliability Tests

Variable	α-value	Remarks
Top management support	0.785	Reliable
Organizational structure	0.801	Reliable
Resource allocation	0.821	Reliable
Organizational culture	0.779	Reliable
Organizational growth	0.752	Reliable
Aggregate score	0.788	Reliable

Source: Pilot Study (2022)

The results shown in Table 3.2, which show that every variable had a Chronbach's alpha value greater than 0.7, show the reliability of the questionnaire items. The aggregate score of 0.788, as per Mugenda & Mugenda (2003), adds more evidence to support this conclusion.

3.7 Data Collection Techniques

The researcher initially contacted the administration of the Daraja microfinance bank to confirm the intention to conduct the study and to clarify the significance of the study and the management's commitment necessary. Self-administered questionnaires were distributed to each responder and collected two weeks later. The researcher contacted the respondents via phone and visit them before the deadline to remind them of the necessity of responding to the questionnaire.

3.8 Data Analysis and Presentation

Data from the study was both qualitative and quantitative. The qualitative data was analyzed and presented in narrative form utilizing a content analysis technique. With the use of the Statistical Package for Social Sciences (SPSS) version 20.0, quantitative data was evaluated using descriptive statistics such as mean and standard deviation and displayed in the form of tables, pie charts, and bar graphs when applicable. Inferential statistics, such as correlation analysis and multiple regressions, was used in the study to determine the link between variables. The regression equation too the following form.

The regression equation was: $Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + \epsilon$

Whereby Y = Organizational growth

X_1 = Top management support

X_2 = Organizational Structure

X_3 = Resource allocation

X_4 = Organizational Culture

$\beta_1, \beta_2, \beta_3, \beta_4$ and β_5 = coefficients of determination

ε is the error term.

3.9 Ethical Consideration

Prior to the commencement of data collection, the researcher obtained all the necessary documents, including an introduction letter from the school of Business, Kenyatta University. A research permit was obtained from National Commission for Science, Technology and Innovation (NACOSTI). Thereafter, the management offices of each bank were contacted before the start of the study. The researcher personally administered the questionnaires to the respondents who were assured that strict confidentiality would be maintained in dealing with the responses. The respondents were given about one week to fill in the questionnaires after which the filled-in questionnaires were collected.

CHAPTER FOUR

RESEARCH FINDINGS AND DISCUSSION

4.1 Introduction

This chapter presents the results of analysis of descriptive and multiple regression analysis derived from the research data collected from the managers and support staff of Daraja Micro Finance Bank. The chapter also provides a discussion of the research findings with reference to the empirical literature review.

4.2 Response Rate

The study targeted a sample size of 59 respondents comprising of 4 managers and 55 support staff. The response rate is given in Table 4.1.

Table 4.1: Response Rate

Category	Frequency	Percentage
Response	56	94.9
Non-response	3	5.1
Total	59	100

Source: Research Data (2018)

As show in Table 4.1, out of 59 respondents, 56 returned their fully filled in questionnaires which made a response rate of 94.9%. 3 respondents out of the 59 respondents did not return their questionnaire forming a non response rate of 5.1%. Mugenda and Mugenda, (2003) observe that a response rate of 50% is adequate for analysis and reporting, a response rate of 60% is good and that of 70% and above is

very good. This therefore meant that the response rate of 94.9% was appropriate for the study.

4.3 Background Information

On the background information of the respondents, the researcher was interested in knowing the gender, education level and work experience. The findings are shown as follows.

4.3.1 Gender

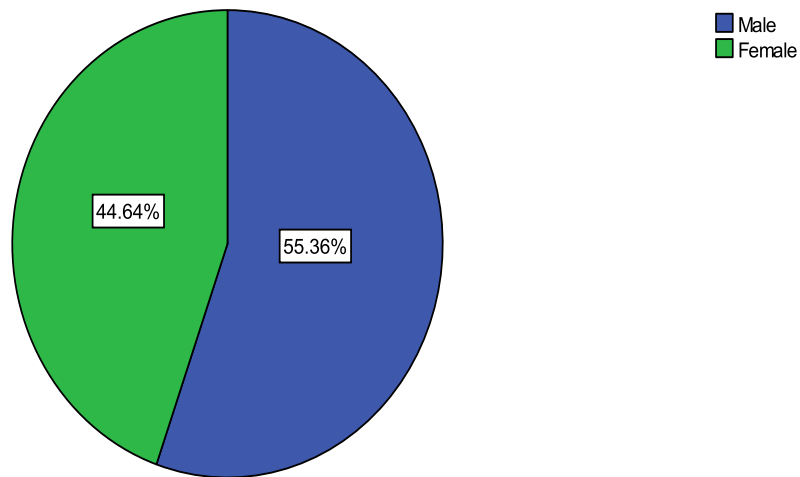


Figure 4.1: Respondents' Gender

Source: Research Data (2018)

Figure 4.1 show that majority (55.36%) were male while 44.64% were female. This is an indication that both genders were involved in this study and thus the finding of the study did not suffer from gender bias. Gender of the respondents was necessary to show a true representative of both men and women in the study to ensure equal chance of each gender. Understanding the demographics of the respondents in terms of gender can provide valuable insights into how male and female may perceive or experience certain issues differently.

4.3.2 Education Level

Table 4.2: Respondents' Education Level

		Frequency	Percentage
Valid	Diploma	13	19.6
	Bachelor Degree	29	51.8
	Master's Degree	11	23.2
	Post Graduate Diploma	3	5.4
	Total	56	100.0

Source: Research Data (2018)

Table 4.2 shows that majority (51.8%) of the respondents had attained a bachelor degree level of education, 23.2% master's degree, 19.6% diploma and 5.4% post graduate diploma. This shows that majority of the respondents had attained a degree level of education and would therefore contribute adequately to the study. Additionally, understanding the educational background of participants can help researchers interpret the data more accurately and make informed conclusions based on the diverse perspectives and experiences of the participants.

4.3.3 Work Experience

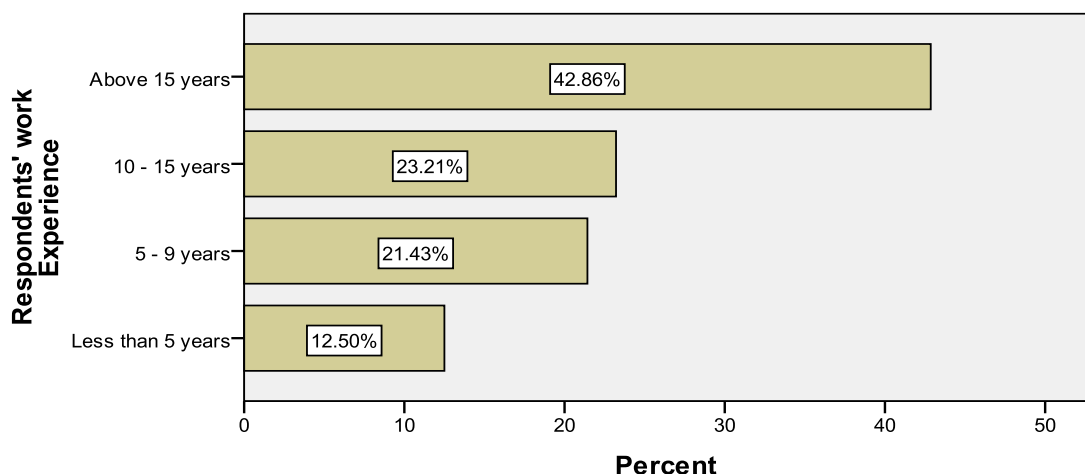


Figure 4.2: Respondents' Work Experience

Source: Research Data (2018)

Figure 4.2 shows that majority (42.86%) of the respondents had worked for a period of above 15 years, 23.21% between 10 to 15 years, 21.43% between 5 to 9 years and 12.50% for less than 5 years. This is an indication that majority of the respondents had worked for a period long enough and had a wealth experience to contribute to the study effectively. The wide range of work experience suggests that the study captured participants at different stages of their careers, which may have influenced the results and should be considered when interpreting the findings.

4.4 Descriptive Statistics

Descriptive statistics such as means and standard deviations were used to present that quantitative data with the use of Statistical Package for Social Sciences (SPSS) version 17.0. These were presented as per the study objectives as follows.

4.4.1 Top Management Support

The respondents were given a list of statements describing the influence of top management on organizational growth to indicate their level of agreement based on likert scale (5- Strongly Agree, 4 – Agree, 3- Neither Agree nor Disagree, 2 – Disagree, 1 – Strongly Disagree). The findings are shown in Table 4.3.

Table 4.3: Top Management Support

Statements	Mean (M)	Standard Deviation (SD)
Management recognizes the various departmental responsibilities	4.21	0.706
Employees are recognized for initiative and creativity	4.34	0.815
Employees are given leadership opportunities through delegation	3.68	1.029
Employees freely interact with management	4.09	0.920
There is too much power vested on supervisors	4.25	0.837
Employees are recognized or rewarded when they reach their goals	3.79	1.124
Employees are provided with new ways of looking at puzzling things	3.82	0.993
Aggregate Score	4.03	0.918

Source: Research Data (2018)

The results in Table 4.3 show that the respondents agreed that top management support influences growth of Daraja Microfinance Bank as indicated by aggregate mean of 4.03 with significance variance of 0.918. These findings are supported by the findings of a study carried out by Karungani and Ochiri (2017) which focused on the effect of leadership and management support to the procurement function on organizational performance and found that leadership and management support towards procurement positively impact on organizational performance.

The respondents strongly agreed on the statements that employees are recognized for initiative and creativity, there is too much power vested on supervisors and that management recognizes the various departmental responsibilities as indicated by mean score of 4.34, 4.25 and 4.21 respectively with significance variance of 0.815, 0.837 and 0.706 respectively. These findings are in line with the findings of Tomsic *et al.* (2016) study on the influence of leadership factors on the implementation of ISO 14001 in organizations and found that vision, credibility, collaboration, accountability and action

orientation are the dominant leadership factors to be considered by top managers in achieving sustainable development.

The respondents agreed on the statements that employees are provided with new ways of looking at puzzling things, employees are recognized or rewarded when they reach their goals and that employees are given leadership opportunities through delegation as indicated by mean score of 3.82, 3.79 and 3.68 with significance variance of 0.993, 1.124 and 1.029 respectively. These findings agree with Al Shaar *et al.* (2015) study which examined the effect of top management support on innovation and the results showed that top management support affects the synergy between organizational structure and information technology.

4.4.2 Organizational Structure

The respondents were given a list of statements describing the influence of organizational structure on organizational growth to indicate their level of agreement based on likert scale (5- Strongly Agree, 4 – Agree, 3- Neither Agree nor Disagree, 2 – Disagree, 1 – Strongly Disagree). The findings are shown in Table 4.4.

Table 4.4: Organizational Structure

Statements	Mean (M)	Standard Deviation (SD)
There is top-down communications	3.84	1.041
There is lateral communication in the organization	3.79	0.986
Employees are allowed to contribute ideas	3.50	0.953
The organization structure is decentralized	3.39	1.003
The organization structure is centralized	3.82	0.917
There is proper alignment of structure and strategy	3.75	0.720
There is a proper span of control to department	4.02	0.798
Aggregate Score	3.73	0.917

Source: Research Data (2018)

The results in Table 4.4 show that the respondents agreed that organizational structure influences growth of Daraja Microfinance Bank as indicated by aggregate mean of 3.73 with significance variance of 0.917. The mean of 4.02 indicated that it was strongly agreed that there is a proper span of control to department which varied significantly as shown by standard deviation of 0.798. These findings are in line with the findings of Chiu and Chang (2009) study which found that organization structure influences efficiency and competence building, has a positive effect on commercialization and also shows positive effect on efficiency but not on competence building; and tech-support has its positive effect to improve competence building.

The respondents agreed on the statements that there is top-down communications, the organization structure is centralized, there is lateral communication in the organization, there is proper alignment of structure and strategy and employees are allowed to contribute ideas as shown by mean score of 3.84, 3.82, 3.79, 3.75 and 3.50 respectively with significance variance of 1.041, 0.917, 0.986, 0.720 and 0.953 respectively. These findings concur with the findings of Meijaard *et al.* (2011) study which looked at how organizational structure affects performance in Dutch small firms and found that organizational structure indeed matters and that it deserves to be taken into account in models and future analysis of small firm performance.

The respondents were neutral on the statement that the organization structure is decentralized as shown by mean score of 3.39 which varied significantly as shown by standard deviation of 1.003. These findings contradict with the findings of Njiru (2014) study which examined how organizational structure affects financial performance of commercial state corporations in Kenya. and the results indicated that one unit change in organizational size results in 0.971 units increase in financial performance.

4.4.3 Resource Allocation

The respondents were given a list of statements describing the influence of resource allocation on organizational growth to indicate their level of agreement based on likert scale (5- Strongly Agree, 4 – Agree, 3- Neither Agree nor Disagree, 2 – Disagree, 1 – Strongly Disagree). The findings are shown in Table 4.5.

Table 4.5: Resource Allocation

Statements	Mean (M)	Standard Deviation (SD)
Adequate equipments are assigned to staff for use during strategy implementation	3.68	0.876
There is enough staff allocation during strategy implementation	3.84	0.848
The bank has human resource management policies towards strategy implementation.	3.75	0.995
There exists periodic budget monitoring to measure expenditures against budget	3.98	0.774
There is approved budget for the strategy implementation	4.01	0.842
The organization provide the right quantity of the right material at the right time for the implementation of strategy	4.13	0.904
Aggregate Score	3.89	0.873

Source: Research Data (2018)

The results in Table 4.5 show that the respondents agreed that resource allocation influences growth of Daraja Microfinance Bank as indicated by aggregate mean of 3.89 with significance variance of 0.873. The respondents strongly agreed on the statements that the organization provide the right quantity of the right material at the right time for the implementation of strategy and that there is approved budget for the strategy implementation as shown by mean of 4.13 and 4.01 respectively with respective variance of 0.904 and 0.842. These findings concur with the findings of Kogan *et al.* (2017) study which found that innovation measure predicted productivity and output at the firm, industry and aggregate level. Furthermore, capital and labor flow away from non-innovating firms towards innovating firms within an industry.

The respondents agreed on the statements that there exists periodic budget monitoring to measure expenditures against budget, there is enough staff allocation during strategy implementation, the bank has human resource management policies towards strategy implementation and that adequate equipments are assigned to staff for use during strategy implementation as shown by mean of 3.98, 3.84, 3.75 and 3.68 with respective significance variance of 0.774, 0.848, 0.995 and 0.876. These findings agree with the findings of a study done by Klingebiel and Rammer (2011) which established that resource allocation increases innovation performance, more so than the amount of resources devoted to each project.

4.4.4 Organizational Culture

The respondents were given a list of statements describing the influence of organizational culture on organizational growth to indicate their level of agreement based on likert scale (5- Strongly Agree, 4 – Agree, 3- Neither Agree nor Disagree, 2 – Disagree, 1 – Strongly Disagree). The findings are shown in Table 4.6.

Table 4.6: Organizational Culture

Statements	Mean (M)	Standard Deviation (SD)
The goals of and incentives for the workforce are aligned with the strategy	3.84	1.041
There is alignment between the culture of the organization and the strategy	3.82	0.876
The bank's culture is responsive	3.89	1.039
The bank's culture is adjustable	4.07	1.173
Our organization culture is dynamic	3.59	0.848
The bank provides a fun and friendly customer-centered environment	3.66	0.978
The management relates well with juniors in my organization	3.73	0.447
Aggregate Score	3.80	0.915

Source: Research Data (2018)

The results in Table 4.6 show that the respondents agreed that organizational culture influences growth of Daraja Microfinance Bank as indicated by aggregate mean of 3.80 with significance variance of 0.915. The mean of 4.07 indicates that the respondents strongly agreed that the bank's culture is adjustable with significant variance of 1.173. These findings concur with the findings of a study carried out by Khosla (2015) on how organisational culture affects organisational performance and found that organizational culture has deep impact on the variety of organizations process, employees and its performance.

The respondents agreed on the statements that the bank's culture is responsive, the goals of and incentives for the workforce are aligned with the strategy, there is alignment between the culture of the organization and the strategy, the management relates well with juniors in my organization

The bank provides a fun and friendly customer-centered environment and that our organization culture is dynamic as shown by mean score of 3.89, 3.84, 3.82, 3.73, 3.66 and 3.59 with respective significance variance of 1.039, 1.041, 0.876, 0.447, 0.978 and 0.848. These findings are in line with the findings of a study carried out by Madu (2012) which concluded that the organizational culture stands out as one of the important components that leaders can employ to sustain performance, build ethical and moral organizations and maintain competitive advantage.

4.4.5 Organizational Growth

The respondents were given a list of statements describing the organizational growth to indicate their level of agreement based on likert scale (5- Strongly Agree, 4 – Agree, 3- Neither Agree nor Disagree, 2 – Disagree, 1 – Strongly Disagree).

Table 4.7: Organizational Growth

Statements	Mean (M)	Standard Deviation (SD)
There is efficiency in operation	4.51	1.003
There is profitability	4.29	0.967
Improved corporate image	4.00	1.275
Quality management	3.78	1.245
High performance management	4.32	0.487
Aggregate Score	4.18	0.995

Source: Research Data (2018)

The results in Table 4.7 show that the respondents strongly agreed that strategy implementation practices influences growth of Daraja Microfinance Bank as indicated by aggregate mean of 4.18 with significance variance of 0.995. Majority of the respondents strongly agreed that there is efficiency in operation (M=4.51, SD=1.003) and that there is high performance management (M=4.32, SD=0.487). These followed by the statements that there is profitability (M=4.29, SD=0.967), improved corporate image (M=4.00, SD=1.275) and quality management (M=3.78, SD=1.275). Thompson and Martin (2010) states that growing the enterprise can be taken to mean crafting and enforcing strategies in an effort to deliver earnings to the economic organisation, attracting and welcoming clients, competing effectively with different competition in the enterprise, engaging in operations and improving the organization's economic and marketplace overall performance.

4.5 Inferential Statistics Results

The inferential statistics were done using correlation analysis and multiple linear regression analysis. The results are shown in the following manner;

4.5.1 Correlation Analysis

Table 4.8: Correlation Analysis

		Top management support	Organizational structure	Resource allocation	Organizational culture	Organizational growth
Top management support	Pearson Correlation	1				
	Sig. (2-tailed)					
	N	56				
Organizational structure	Pearson Correlation	.254**	1			
	Sig. (2-tailed)	.220				
	N	56	56			
Resource allocation	Pearson Correlation	.364**	.247**	1		
	Sig. (2-tailed)	.035	.304			
	N	56	56	56		
Organizational culture	Pearson Correlation	.119	.222	.118	1	
	Sig. (2-tailed)	.214	.200	.450		
	N	56	56	56	56	
Organizational growth	Pearson Correlation	.834**	.706**	.788**	.700**	1
	Sig. (2-tailed)	.001	.000	.001	.000	
	N	56	56	56	56	56

Source: Research Data (2018)

The results presented in Table 4.8 indicates that the correlation coefficients obtained for top management support, organizational structure, resource allocation and organizational culture were 0.834, 0.706, 0.788 and 0.700 respectively. This finding indicates a perfect positive relationship, whereby as top management support, organizational structure, resource allocation and organizational culture increases, the growth of Daraja Microfinance bank in Nairobi City County, Kenya also increases.

Therefore, it can be inferred that the independent variables exhibited a strong correlation with the dependent variable.

4.5.2 Multiple Linear Regression Analysis

Regression analysis was used to model, examine, and explore the relationships between organizational growth and strategy implementation practices which were operationalized as top management support, organizational structure, resource allocation and organizational culture. This was important in measuring the extent to which changes in one or more variables jointly affected changes in another variable.

Table 4.9: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.896 ^a	.803	.795	.0451

Source: Research Data (2018)

The degree to which the regression model fits the data is indicated in the model summary. The dependent variable's R-squared value, which indicates how much of its variance is explained by the independent variables, was higher at 0.803, nearer to 1, indicating a better fit. Therefore, it can be concluded that there was a variation of 80.3% of the growth of Daraja Microfinance bank in Nairobi City County, Kenya which was attributed to the influence of top management support, organizational structure, resource allocation and organizational culture. This indicates that other downsizing strategies not studied account for 19.7%.

Analysis of Variance (ANOVA) was used to determine the linear relationship among the variables under investigation. Using this method, the sum of squares, degrees of

freedom (df), mean square, value of F(calculated) and its significance level was obtained. The results are shown in Table 4.10.

Table 4.10: Analysis of Variance

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	101.453	4	25.363	65.016	.000 ^a
	Residual	20.527	51	0.402		
	Total	121.080	55			

Source: Research Data (2018)

The results in Table 4.10 indicate that F-statistic is 65.016 which is higher than the mean square statistic (25.363). The level of significance is 0.000 which is less than 0.05. Therefore, these conditions confirmed that the model was significant.

Table 4.11: Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	.531	.215		2.469	.000
Top management support	.656	.364	.215	1.802	.001
Organizational structure	.761	.118	.407	6.449	.002
Resource allocation	.540	.226	.227	2.389	.000
Organizational culture	.751	.309	.119	2.430	.001

Source: Research Data (2018)

The results indicated in Table 4.11 show that 0.531 represent a change in the dependent variable (organizational growth) holding all independent variables (top management support, organizational structure, resource allocation and organizational culture) constant. The results show that an improvement in top management support would improve the growth of Daraja Microfinance bank in Nairobi City County, Kenya by 0.656. An improvement in organizational structure would improve the growth of Daraja Microfinance bank in Nairobi City County, Kenya by 0.761. An improvement in resource allocation would improve the growth of Daraja Microfinance bank in Nairobi City County, Kenya by 0.540 and an improvement in organizational culture would improve the growth of Daraja Microfinance bank in Nairobi City County, Kenya by 0.751.

The resulting regression equation is illustrated as follows:

$$\text{Organizational growth} = 0.531 + 0.656 (\text{top management support}) + 0.761 (\text{organizational structure}) + 0.540 (\text{resource allocation}) + 0.751 (\text{organizational culture}).$$

4.5.3 Testing of Hypotheses

4.5.3.1 Top Management Support

H0₁: Top management support does not have significant influence on the growth of Daraja Microfinance Bank in Nairobi City County, Kenya.

The results in Table 4.11 indicate that the top management support variable was found to have a positive significant effect on the growth of Daraja Microfinance Bank in Nairobi City County, Kenya ($\beta=0.215$, $p=0.001$). Therefore, the hypothesis that top management support does not have significant influence on the growth of Daraja Microfinance Bank in Nairobi City County, Kenya was rejected. The finding concurs with Njenga, Kariuki and Wanjohi (2023) who investigated the influence of top management support on performance of State Corporations in Kenya. The study findings showed that top management support has a positive and significant relationship with performance.

4.5.3.2 Organizational Structure

H0₂: Organizational structure does not have significant influence on growth of Daraja Microfinance Bank in Nairobi City County, Kenya.

The results in Table 4.11 indicate that the organizational structure variable was found to have a positive significant effect on the growth of Daraja Microfinance Bank in Nairobi City County, Kenya ($\beta=0.407$, $p=0.002$). Therefore, the hypothesis that organizational structure does not have significant influence on the growth of Daraja Microfinance Bank in Nairobi City County, Kenya was rejected. The finding concurs with Onono (2018) who investigated the impact of organizational structure on growth of general electric Africa. The study conducted Pearson correlation to establish the

relationship between organizational structure and growth, results revealed that there was a strong and positive relationship between organizational structure and growth.

4.5.3.3 Resource Allocation

H0₃: Resource allocation does not have significant influence on growth of Daraja Microfinance Bank in Nairobi City County, Kenya.

The results in Table 4.11 indicate that the resource allocation variable was found to have a positive significant effect on the growth of Daraja Microfinance Bank in Nairobi City County, Kenya ($\beta=0.227$, $p=0.000$). Therefore, the hypothesis that resource allocation does not have significant influence on the growth of Daraja Microfinance Bank in Nairobi City County, Kenya was rejected. The finding is in line with Gitau, Abayo and Kibuine (2020) who investigated the influence of organizational resource allocation on organizational growth of selected supermarkets in Nairobi County. The study established that monitoring and control of strategies had the largest effect on organizational growth followed by strategy communication, organizational resource allocation and lastly senior management support.

4.5.3.4 Organizational Culture

H0₄: Organizational culture does not have significant influence on growth of Daraja Microfinance Bank in Nairobi City County, Kenya.

The results in Table 4.11 also indicate that the organizational culture variable was found to have a positive significant effect on the growth of Daraja Microfinance Bank in Nairobi City County, Kenya ($\beta=0.119$, $p=0.001$). Therefore, the hypothesis that organizational culture does not have significant influence on the growth of Daraja Microfinance Bank in Nairobi City County, Kenya was rejected. The finding is consistent with Misigo (2020) who investigated the influence of organizational culture

on performance of public Water Companies in Kenya. Results of the study show that organizational culture has an influence on performance of public water companies in Kenya.

CHAPTER FIVE

SUMMARY, RECOMMENDATION AND CONCLUSIONS

5.1 Introduction

This chapter covers that summary of the findings, recommendations for policy and practice, conclusions and recommendations for further studies.

5.2 Summary of Findings

The first research objective sought to establish the influence of top management support on the growth of Daraja Microfinance Bank and established a positive significance relationship between top management support and organizational growth. The employees are recognized for initiative and creativity, there is too much power vested on supervisors and that management recognizes the various departmental responsibilities.

The second research objective sought to examine the influence of organizational structure on the growth of Daraja Microfinance Bank and examined a positive significance relationship between organizational structure and organizational growth. There is a proper span of control to department, there is top-down communications, the organization structure is centralized, there is lateral communication in the organization, there is proper alignment of structure and strategy and employees are allowed to contribute ideas.

The third research objective sought to identify the influence of resource allocation on the growth of Daraja Microfinance Bank and identified a positive significance relationship between resource allocation and organizational growth. The organization provides the right quantity of the right material at the right time for the implementation

of strategy and that there is approved budget for the strategy implementation and that there exists periodic budget monitoring to measure expenditures against budget.

The fourth research objective sought to find out the influence of organizational culture on the growth of Daraja Microfinance Bank and found a positive significance relationship between organizational culture and organizational growth. The bank's culture was found to be responsive, adjustable, the goals of and incentives for the workforce are aligned with the strategy and there is alignment between the culture of the organization and the strategy.

5.3 Conclusions

On top management support, the study concludes that top management team of the organization controls decision making that affects every member within the organization and ultimately, those decisions affect the success of the organization. The top management establishes work procedure and expectations within the organization that would ultimately generate the organizational culture. Implementation of any successful strategy within the organization is totally dependent upon how much the top management is committed towards the success of the organization.

On organizational structure, the study concludes that an efficient organizational structure helps the organization in making it easier to delegate responsibility and effect change throughout the organization. In addition, a strong organizational structure is better able to prepare qualified employees for management. Moreover, the functional units of the organization can work together on a developmental plan to help encourage the training of managerial staff within any department.

On resource allocation, the study concludes that resources are an essential factor that influences the growth of an organization. The resources are considered essential for

organizations as it can help to develop the capabilities that are urgently needed to adapt to their external environment and in turn facilitate organizations to enjoy better performance.

On organizational culture, the study concludes that the organization culture is the main picture of the organization and defines the type and style of organization structure. Creating an organizational culture that is open to change starts with a senior leadership team that communicates an organizations strategic priorities often and effectively.

5.4 Recommendations for Policy and Practice

On top management support, the study recommends that the top managers should exercise competent delegation of decision-making power to leaders from different levels of the organizational structure, take action aimed at reducing the resistance of employees by involving them in the organization's undertakings and have a clear segregation of powers by appointing a person or a special team, whose task will be to monitor and coordinate the strategy management process.

On organizational structure, the study recommends that the organization should have an organizational structure that supports objectives, clear vision and priorities, cohesive leadership team and clear roles and accountabilities for decisions. How individuals, jobs, functions or activities are differentiated and aggregated. A structure that enables leadership that provide guidance and direction across the organization.

On resource allocation, the study recommends that the organization need to secure sufficient resources in terms of capital, labour, materials and equipments to be able to operate efficiently and implement internal growth strategies to promote the performance of the organization. The management of Daraja Microfinance Bank should

to have sufficient funds and enough time to support project implementation on organizational performance.

The management of Daraja Microfinance Bank should adopt a culture that is dynamic, flexible and adaptive. When changing the organization's culture it is critical to examine the whether the performance management matter, decision making respected or there are consequences for non-compliance.

5.5 Suggestions for Further Studies

The study focused on how strategy implementation practices affects the growth of Daraja Microfinance Bank specifically on how top management support, organizational structure, resource allocation and organizational culture influence organizational growth. Therefore, further studies should be carried out focusing on other variables that have not been studied influences the growth of microfinance institutions.

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APPENDICES

Appendix I: Letter of Introduction

Abdinoor Dahir Ahmed

D53/OL/GAR/26809/2015

P.O Box 2178

Garissa

Dear Participant,

RE: A LETTER OF INTRODUCTION

I am a Master of Business Administration (MBA) student in the school of Business, Kenyatta University (Garissa Campus). As part of the requirement for the award of the degree, I am expected to undertake a research study on ‘**Strategy Implementation practices on the growth of Daraja Micro Finance Bank** ’’.

The results of the study will be used for academic purposes only and will be treated with a lot of confidentiality. Only summary results will be made public. I am therefore seeking your assistance to fill the questionnaires hereby attached.

Your cooperation will be appreciated.

Yours Faithfully

Abdinoor Dahir Ahmed

D53/OL/GAR/26809/2015

Kenyatta University, Garissa Campus

Appendix II: Questionnaire for Support Staff

Instruction

Please tick where appropriate

Section A: Background Information

1. Gender: Male Female

2. Your highest education level?
 - Diploma Bachelor Degree
 - Master's Degree Post Graduate Diploma

3. Working Experience
 - Less than 5 years 5-9 Years
 - 10-15 Years Above 15 Years

Section B: Top Management Support and Growth of MFIs

Using a scale of 1-5, please indicate your agreement/disagreement levels with the following statements on the influence of top management support on the growth of MFIs in Kenya. The rating scale indicates agreement levels as follows: 5- Strongly Agree, 4 – Agree, 3- Neither Agree nor Disagree, 2 – Disagree, 1 – Strongly Disagree

Statement	5	4	3	2	1
Management recognizes the various departmental responsibilities					
Employees are recognized for initiative and creativity					
Employees are given leadership opportunities through delegation					
Employees freely interact with management					
There is too much power vested on supervisors					
Employees are recognized or rewarded when they reach their goals					
Employees are provided with new ways of looking at puzzling things					

4. Based on your opinion, how does management support influence the growth of MFIs in Kenya?

.....

Section C: Organization Structure and Growth of MFIs

Using a scale of 1-5, please indicate your agreement/disagreement levels with the following statements on the influence of organizational structure on the growth of MFIs. The rating scale indicates agreement levels as follows: 5- Strongly Agree, 4 – Agree, 3- Neither Agree nor Disagree, 2 – Disagree, 1 – Strongly Disagree

Statement	5	4	3	2	1
There is top-down communications					
There is lateral communication in the organization					
Employees are allowed to contribute ideas					
The organization structure is decentralized					
The organization structure is centralized					
There is proper alignment of structure and strategy					
There is a proper span of control to department					

5. Based on your opinion, how does organization structure influence the growth of MFIs in Kenya?

.....

Section D: Resource Allocation and Growth o MFIs

Using a scale of 1-5, please indicate your agreement/disagreement levels with the following statements on the influence of resource allocation on the growth of MFIs in Kenya. The rating scale indicates agreement levels as follows: 5- Strongly Agree, 4 – Agree, 3- Neither Agree nor Disagree, 2 – Disagree, 1 – Strongly Disagree

Statement	5	4	3	2	1
Adequate equipments are assigned to staff for use during strategy implementation					
There is enough staff allocation during strategy implementation					
The bank has human resource management policies towards strategy implementation.					
There exists periodic budget monitoring to measure expenditures against budget					
There is approved budget for the strategy implementation					
The organization provide the right quantity of the right material at the right time for the implementation of strategy					

6. Based on your opinion, how does resource allocation influence the growth of

MFIs in Kenya?

.....

.....

.....

Section E: Organizational Culture and Growth of MFIs

Using a scale of 1-5, please indicate your agreement/disagreement levels with the following statements on the influence of organizational culture on the growth of MFIs in Kenya. The rating scale indicates agreement levels as follows: 5- Strongly Agree, 4 – Agree, 3- Neither Agree nor Disagree, 2 – Disagree, 1 – Strongly Disagree

Statement	5	4	3	2	1
The goals of and incentives for the workforce are aligned with the strategy					
There is alignment between the culture of the organization and the strategy					
The bank's culture is responsive					
The bank's culture is adjustable					
Our organization culture is dynamic					
The bank provides a fun and friendly customer-centered environment					
The management relates well with juniors in my organization					

7. Based on your opinion, how does the organizational culture influence the growth of MFIs in Kenya?

.....

Section F: Growth of MFIs

Using a scale of 1-5, please indicate your agreement/disagreement levels with the following statements on the influence of strategy implementation practices towards the growth of MFIs in Kenya. The rating scale indicates agreement levels as follows: 5- Strongly Agree, 4 – Agree, 3- Neither Agree nor Disagree, 2 – Disagree, 1 – Strongly Disagree

Statement	5	4	3	2	1
There is efficiency in operation					
There is profitability					
Improved corporate image					
Quality management					
High performance management					

Appendix III: Interview for the Managers

- i. What is the influence of top management support on the growth of Micro Finance Institutions in Kenya?
- ii. What is the influence of organizational structure on the growth of Micro Finance Institutions in Kenya?
- iii. What is the influence of resource allocation on the growth of Micro Finance Institutions in Kenya?
- iv. What is the influence of organizational culture on the growth of Micro Finance Institutions in Kenya?