QUALITY MANAGEMENT PRACTICES AND PERFORMANCE OF SELECTED DAIRY FIRMS IN UASIN GISHU COUNTY, KENYA

ZEPHANIAH KIPRUTO TOGOM

D53/CTY/PT/38905/2017

A RESEARCH PROJECT SUBMITTED TO THE SCHOOL OF BUSINESS, ECONOMICS AND TOURISM IN PARTIAL FULFILMENT OF THE REQUIREMENTS FOR THE AWARD OF THE DEGREE OF MASTER OF BUSINESS ADMINISTRATION IN STRATEGIC MANAGEMENT OF KENYATTA UNIVERSITY

JUNE, 2025

DECLARATION

This Research Project is my original work and has not been presented for a degree or any other award in any other university. No part of this Research Project should be reproduced without authority of the author or/and of Kenyatta University.

--- ---------------------------------------

Signature Date

Name: Zephaniah Kipruto Togom

Reg No: D53/CTY/PT/38905/2017

I confirm that the work reported in this Research Project was carried out by the candidate under my supervision as the appointed university supervisor.

--- ---------------------------------------

Signature Date

Prof. Stephen Muathe

Department of Business Administration

School of Business, Economics and Tourism

Kenyatta University

DEDICATION

A special appreciation goes to my wife Dr. Nancy Koech and children Kinsley, Kayla and Ian for their unwavering support, encouragement, and sacrifice that have been instrumental throughout this journey.

ACKNOWLEDGEMENT

I express great thanksgiving to God for giving me strength, wisdom and perseverance to finish the research successfully. I extend the heartfelt appreciation to the supervisor, Prof. Stephen Muathe**,** for the invaluable guidance, continuous support, and constructive feedback throughout this research. The expertise and the encouragement was instrumental in shaping this work. I am grateful to my parents also for their love, prayers, and support, which have been source of motivation. A special appreciation goes to my spouse Dr. Nancy Koech for the patience, encouragement, and their understanding in this academic journey. Additionally, I extend thanks to the colleagues Yusuf Osman, Collins Ingadi and Walter Cheruiyot who dedicated their time, insights, and cooperation, making this study possible. Finally, I appreciate Kenyatta University for provision of the resources and a conducive environment to carry out the research.

TABLE OF CONTENTS

Table of Contents

LIST OF TABLES

LIST OF FIGURES

OPERATIONAL DEFINITION OF TERMS

Continuous Improvement This is an ongoing process of improving quality for products or services over period of time in dairy firms in Uasin Gishu County.

Customer Focus This is whereby the dairy firms pay keen attention to create satisfaction of customers which leads to customer retention and loyalty, whereas increasing profitability of the dairy firms. It involves employees looking at the product or services from customers' point of view and incorporating customer's opinions.

Performance This is essentially the level at which dairy firms meets its set goals from their strategic plans and activities. It also refers to efficiency and effectiveness of dairy firms exploiting its resources to make profit and maximize shareholders' wealth.

Quality Management It is a technique that dairy firms certifies themselves that all the activities required in designing, developing and implementations of products and services which are efficient and effective in respect to systems and performance.

Selected Dairy Firms It refers to dairy processing plants in Uasin Gishu County that will be used for this study.

Top Management Commitment This refers to direct involvement by top managers and executives of dairy firms on organization's activities. This comprises formulation and establishment of quality policies, setting objectives, allocation of resources, training employees, overseeing implementation and evaluating results achieved at all levels of the firm.

ABBREVIATIONS AND ACYRONYMS

DCT – Dynamic Capability Theory

EFQM – European Foundation for Quality Management

FCS – Farmers' Cooperative Society

GoK – Government of Kenya

KDB – Kenya Dairy Board

OP – Organizational Performance

QIT – Quality Improvement Theory

QM – Quality Management

QMPs – Quality Management Practices

RBV – Resource Based View Theory

SMEs – Small and Medium Enterprises

SPSS – Statistical Package for Social Science

TQM – Total Quality Management

ABSTRACT

Organizational performance in the dairy sector remains critical measure of firm success, incorporating both financial and non-financial dimensions such as profitability, market share, productivity, and customer satisfaction. Despite the presence of management teams, the performance of selected dairy firms in Uasin Gishu County has shown declining trend. This study sought to examine the influence of Quality Management practices on the performance of selected dairy firms. Specifically, the study focused on three key quality management practices: continuous improvement, customer focus, and top management commitment. The study was anchored on Resource-Based View Theory, Quality Improvement Theory, and Dynamic Capabilities Theory. A descriptive research design was adopted, targeting 134 employees from five selected dairy firms in Uasin Gishu County. Proportionate stratified and simple random sampling was used to select a sample of 103 respondents. Primary data was collected through structured questionnaires, and analyzed using SPSS to generate descriptive statistics, correlation, and regression outputs. The results revealed that continuous improvement, customer focus and top management commitment had statistically significant positive effect on the performance of dairy firms in Uasin Gishu County. The study observed ethical considerations such as informed consent, confidentiality, and voluntary participation. The findings underscore critical role of quality management practices in enhancing firm performance, with top management commitment emerging as the most influential factor. The study recommends that dairy firms should institutionalize quality management practices by embedding continuous training, customer feedback systems, and strategic leadership initiatives into their operational frameworks. Further research is suggested to explore other moderating variables and apply the model across other agricultural-based industries in Kenya.

CHAPTER ONE

INTRODUCTION

1.1 Background of Study

Performance is categorized into two; financial and non-financial dimensions. Financial performance includes profitability, growth, and market value, while non-financial/strategic performance measures customer satisfaction, employee satisfaction, and environmental and social performance (Abuya, 2015). Firms measure their performance by evaluating results of their strategies and quantifying their activities into money value. Financial performance refers to change in financial position or financial results arising from decisions made by managers and their application within the firm (Wickham, 2010).

Quality Management (QM) is a key factor in firm long-term success. QM execution has been vital for improving performance of firm. The relationship between QM and the performance is studied by several intellectuals. When exploring the link among QM and performance researchers have employed various categories of performance such as operational, financial and performance quality. Current study on the management quality has explored link between QM and performance of firm. To meet customer needs and provide superior customer value QM aims on continuous process enhancement within firms (Garakhani & Davood,2013).

QM being an integrated management philosophy applies to both private and public firms. This enables a culture of the continuous improvement over which successful firms are determined to meet customers' needs (Sadikoglu & Olcay, 2014).

Globally, Quality Management Practices (QMP) have become indispensable in enhancing firm competitiveness and operational efficiency. As markets become increasingly dynamic and customer expectations rise, organizations must continuously improve internal processes to remain viable (Oakland, 2014). Quality management approaches such as customer focus, continuous improvement and strong leadership have been linked to enhanced organizational performance across industries (Deming, 1986; Psomas & Jaca, 2016).

In developing economies, QMP adoption has been increasingly emphasized in manufacturing and agribusiness sectors as part of strategic development frameworks (Goetsch & Davis, 2016). Specifically, in Kenya, quality assurance systems have been integrated into national business strategies to improve productivity, meet export standards, and drive value creation (Muthoni & Ogollah, 2020). However, while manufacturing and service sectors have made substantial strides in adopting quality systems, the agriculture-based dairy industry has lagged, often relying on informal quality control mechanisms and inconsistent management practices.

The Kenyan dairy sector plays a critical role in rural livelihoods and food security, contributing significantly to Gross Domestic Product (GDP) and employment. Uasin Gishu County, located in the Rift Valley region, is one of Kenya’s leading milk-producing areas, with both large-scale and cooperative-based dairy firms (Githinji, 2021). Despite the sector's economic potential, many dairy firms face persistent challenges such as low productivity, quality inconsistency, and poor customer satisfaction. These challenges have been attributed to weak implementation of structured QMPs and limited top management involvement in quality initiatives.

This study focused on selected dairy firms in Uasin Gishu County to assess how QMPs specifically, customer focus, continuous improvement, and top management commitment affect organizational performance. These variables were identified based on theoretical underpinnings (Deming, 1986; Teece *et al.*, 1997) and prior empirical studies (Wambugu *et al.*, 2020; Githinji, 2021), which highlight their relevance in performance improvement strategies. By narrowing the focus to a specific geographical and sectoral context, the study seeks to fill contextual and empirical gaps on QMP application in Kenya's dairy industry. to adopt the funnel approach: beginning globally with quality management relevance, narrowing to Kenyan manufacturing and agribusiness sectors, and finally focusing on the dairy sector in Uasin Gishu County. This layered structure helps contextualize the study. Each study variables were justified using scholarly literature (e.g., Deming, 1986; Psomas & Jaca, 2016; Githinji, 2021) to ensure authoritative grounding.

1.1.1 Organization Performance

According to Richard (2009), organizational performance is accomplishment of the authoritative goals and objectives. It is estimated not only as far being piece of pie, profit from speculation and monetary benefit, and however ought to incorporate both the subjective and quantitative boundaries of estimation. Lusthaus (2000) categorized association execution into adequacy, effectiveness, pertinence, and monetary practicality. Adequate refers to an organization's ability to provide best assistance or item within best construction, effectiveness measures its progress towards achieving its main goal, and pertinence measures its endurance and financial practicality.

Organizational performance refers to the firms' ability in achieving its goals through having sound management, good governance, and determined commitment to achieving outcomes. (Sakka, 2013). Most countries in the world is concerned with improving the performance of dairy firms. Researchers and experts worry about the performance of firms due to the exploitation of invisible and visible resources. Invisible resources are important for efficiency and achievements than visible resources (Al-Swidi & Mahmood, 2011). The profitability, efficiency, and effectiveness of an organization reflect a firm's performance (Machuki & Aosa, 2011).

The rationale of organization performance is founded on relationship between beneficial resources and returns to investors. The idea of firm performance is founded on the assumption that organization is link between productive asset and investors who anticipates to get value in return (Barney, 2001). Therefore, the resource mobiliser is the one who designates value as the criteria for ascertaining total performance. Multidimensional concept of organizational performance incorporates both financial and marketplace performance (Richard *et al.,* 2009)

Financial performance is efficiency of firm in using its assets to generate returns (Ajwag, 2012). It can be measured using various approaches, including cash flows, operating income, membership growth, asset growth, cost-to-income ratios, capitalization, deposits, and total unit sales. Ratio analysis is also a crucial tool for evaluating financial performance. Technological upgrading has become a significant determinant of performance in recent years (Wamae, 2016). All these methods must be applied in accretion.

Estimating the presentation of associations isn't direct particularly for firms with various goals of client maintenance, efficiency, benefit, capacity to become acquainted with the always differing climate, representative fulfillment, development, and social obligation among extra objectives. Authoritative execution has for the most part been conceptualized on the basis of money values. A few scholars have encouraged more extensive performance build which joins the part of the non-monetary estimates, for instance, adequacy, quality and effectiveness (Waiganjo, Mukulu & Kahiri, 2012).

1.1.2 Quality Management Practices

Total quality management (TQM) refers to a management practice has been adopted by many business entities with objective of improvement of quality by targeting areas of the business organizations. This approach has improved the processes that encompasses the business organizations individuals and groups of people (Kanji & Asha, 1996). This approach which is interdependent and practices which include top management committee, supply quality management, long-range thinking, continuous improvement, customer focus, team work, increased employee motivation and empowerment (Ross, 1993). Therefore, TQM is adherence to specific goods and services through deliberate and systematic activities (Oaklanda, 2013). It is also a management style where all resources involved in producing goods and services are improved constantly so as to meet the required standards in order to achieve organization objectives. Thus, TQM is not practice of the quality assurance system but if implemented successfully, it will develop the quality control measures which are established with objective of reducing operations cost and management aspects that improves the customer value and quality.

Quality management practices grants strategic option and a unified management philosophy for firms to effectively and efficiently meet their objectives thus gaining justifiable advantage over their rivals (Goldberg & Cole, 2002). The development of management quality since its inception shows foundations were laid long time before but its progress involved different strand (Mawby, 2005). Since primary focus of management quality is inspection of the final goods and standards in the pursuit of eliminating failure of the product. Previously, QM rationale shifted from place of work to other grounds. It has become clear that every business function contribute to the outcome where needs are subjected to the standard quality (Gitlow, 2000). In addition, the jargon of management quality from period known as inspection transformed to the control of quality that changed to assurance quality which continue to date (Hoyle, 2007). This research explored more on previous researches and establish the most critical QM practices employed by the dairy firms in County of Uasin Gishu.

1.1.3 Dairy Firms in Uasin Gishu County

Kenya's dairy sector has evolved significantly from the colonial roots, when dairy farming was largely a preserve of settler communities, to modern commercially driven industry that contributes approximately 4% to the national GDP (Kenya Dairy Board, 2022). Initially centered in central highlands, dairy production has expanded into Rift Valley counties such as Uasin Gishu, where Agro-ecological conditions favor both smallholder and large-scale farming.

The industry has grown in scale and sophistication, with increased investments in processing technology, quality control, and milk marketing cooperatives. Despite this growth, the sector continues to face key performance challenges. These include limited access to quality feeds, poor cold chain systems, low value addition, and inconsistent adherence to quality standards (Githinji, 2021). A major barrier remains the inadequate implementation of structured quality management practices, which limits competitiveness both locally and in export markets.

The Kenya Dairy Board (KDB), was established under the Dairy Industry Act (Cap 336), to serve as main regulatory body tasked with licensing, market regulation, quality assurance, and promotion of dairy development. However, enforcement of standards remains uneven across the sector, especially among mid-sized processors and cooperatives. This has led to variable product quality, inconsistent service delivery, and limited adoption of management systems such as ISO 22000 or TQM.

Therefore, investigating how QMP particularly customer focus, continuous improvement, and top management commitment affect firm performance is essential in addressing these sector-wide challenges and promoting sustainability among dairy firms in Uasin Gishu County. It outlines the growth from subsistence to commercial dairy farming roles of the KDB as a regulator, and industry challenges such as inconsistent quality control, inefficient management practices, and low adoption of quality management practices.

Kenya's dairy industry similar to other industries is dynamic and plays important role in economic growth as well as providing nutritional role to many people ranging from processors, milk vendors, consumers and dairy farmers both large scale and small scale. Kenya is among the largest dairy industry globally. According to census report of 2023 carried out by Livestock and Development Ministry through its extension officers, the field statistics reports found out that dairy cattle are 10.2 million (GoK, 2023).

Liberalization of dairy industry has been growing drastically since its inception in the year 1992 and it has led to development of unregistered milk business that comprises of smallholder players dealing in selling of unprocessed milk. (Karanja, 2003) suggests there is progress of new measures in collection of milk, processing and retailing of milk through small association, brokers, and trade formations like restaurants and small dairy firms. Besides, the Kenyan government estimates that 70% of milk sold in Kenya is controlled by informal milk market (Government of Kenya 2023). The contributing factor for informal milk markets is driven by people's favorites for unprocessed fresh milk and its relative lower prices.

According to Barasa (2014) dairy firms are organized in forms of Co-operatives and it is estimated that it creates an employment of 100 employees worldwide which is 14 million more as compared with total number of employees employed in multinational corporations. Globally 50 percent of agricultural produce is estimated to be marketed through cooperatives.
County of Uasin Gishu is found in former Rift Valley Province and currently located in North Rift region and is county number 027 of the 47 counties in Kenya. Its headquarters is based in Eldoret town which has the largest population in the region and it acts as administrative and commercial center. This county has got favorable climatic conditions for dairy farming since the cost of producing animals' feeds is low by virtue of availability of fertile land and reliable rainfall which encourages the communities to concentrate on farming activities.

1.2 Statement of the Problem

Despite vital role played by the dairy sector in Kenya's economy, many dairy firms continue to experience suboptimal performance. This has been attributed to operational inefficiencies, inconsistent product quality, and weak customer retention all of which point to deficiencies in quality management systems. Several recent studies (Githinji, 2021; Wambugu, Njihia & Ochieng, 2020) have shown that QMPs, including customer focus, continuous improvement, and top management commitment, can significantly influence organizational performance. However, the majority of the studies focused on manufacturing and service firms, with limited emphasis on agribusinesses, particularly dairy firms. Additionally, while some studies have linked QMPs to performance, they often overlook contextual factors specific to mid-sized dairy firms in Uasin Gishu County. Most fail to provide an integrated model that captures how various QMP dimensions simultaneously influence firm-level outcomes such as efficiency, profitability, and product quality.

This study addressed the gaps by examining how customer focus, continuous improvement, and top management commitment affected the performance of selected dairy firms in Uasin Gishu County. It adopted quantitative approach and customized conceptual framework, thereby providing both empirical and contextual value. The findings aim to inform firm-level strategy, industry regulation, and policy frameworks targeting agribusiness development in Kenya. This links dairy firm performance to the absence or weakness of structured quality management practices. The study therefore established effects of the QM practices on performance of selected dairy farmers in Uasin Gishu County

1.3 Objectives of Study

The general purpose of the research was to establish effects of the QM practices on performance of selected dairy farmers in Uasin Gishu County.

1.3.1 Specific Objectives of the Study

i. To determine the effects of the continuous improvement on the performance of selected dairy firms in Uasin Gishu County.
ii. To evaluate the effects of customer focus on the performance of selected dairy firms in Uasin Gishu County.
iii. To find out the effects of top management commitment on the performance of selected dairy firms in Uasin Gishu County.

1.3.2 Research Questions

i. What are the effects of the continuous improvement on performance of selected dairy firms in Uasin Gishu County?
ii. To which extend does the customer focus affects performance of selected dairy firms in Uasin Gishu County?
iii. How does top management commitment affect the performance of selected dairy firms in Uasin Gishu County?

1.4 Significance of Study

The research will support shareholders of selected dairy firms in formulation of polices and implementation of strategic plan with respect to quality management practices in dairy industry. The investors will be able to get adequate information which they can rely in making informed decisions on quality management practices suggested. Furthermore, it will benefit managers and policy makers of selected dairy firms in decision making polices and recommendations of QM practices and performance. Thus, decision making will be achieved and informed in the study. In addition, the study will also enlighten scholars on the connection of management quality practice on the performance of selected dairy firms by giving them more information on quality practices and how they can be incorporated in the organization. Lastly, it will become beneficial to the students and the academicians who will utilize in conducting research in same field since they will be able to highlight areas for further investigation.

1.5 Scope of Study

The scope of the study is defined across three dimensions: methodological, contextual, and geographical. Methodologically, the research adopted descriptive design and employed quantitative approach to examine how QM practices influence the performance of dairy firms. This approach allowed for systematic data collection using structured questionnaires and enabled objective analysis of relationships between study variables. Contextually, the study focused on three core QM practices; customer focus, continuous improvement, and top management commitment as informed by theoretical foundations and empirical studies. These dimensions were selected due to their established relevance in contributing to organizational performance, particularly in the manufacturing and agribusiness sectors.

Geographically, the study was confined to selected dairy firms operating within Uasin Gishu County, Kenya because of its strategic role in dairy production and the existence of both cooperative and private sector players. This specific focus provided a manageable and meaningful context for evaluating the effect of QMP on firm performance. By clearly delineating methodological, contextual, and geographical parameters, the study ensures academic rigor, practical relevance, and clarity in interpretation of the findings. The study focused on employees of five selected dairy firms in the Uasin Gishu county licensed and registered by Kenya Dairy Board.

1.6 Limitations of study

Like all empirical studies, this research faced certain limitations that may affect the generalizability and interpretation of its findings. First, the study relied exclusively on data collected through structured questionnaires. This method, while efficient, is prone to response bias, where respondents may provide socially desirable rather than entirely truthful answers. To mitigate this, the researcher ensured confidentiality and anonymity, encouraging respondents to answer honestly.

Secondly, study was limited to selected dairy firms in Uasin Gishu County, which restricts generalizability of findings to other regions or industries. However, this geographical focus was intentionally chosen to allow for deeper contextual analysis. Thus, future studies should expand scope to multiple counties or conduct comparative analyses. Third, time and resources constrained use of longitudinal data because it captured perception at single time, which does not fully reflect dynamic organizational performance trends.

Lastly, although the research focused on key QMPs it did not explore other potentially influential variables such as employee training intensity, innovation capacity, or supply chain integration. These were deliberately excluded to maintain clarity and focus. However, despite these limitations, the study adopted mitigation strategies and maintained methodological rigor to ensure validity, reliability, and relevance of findings within defined scope.

1.7 Organization of Study

This study is organized into five chapters. Chapter one presents background of study, the research problem, objectives, scope, significance, limitations, and organization of study. Chapter Two reviews relevant theoretical and empirical literature, identifies research gaps, and presents the conceptual framework. Chapter Three describes the research methodology, including the research design, target population, data collection instruments, validity, and data analysis procedures. Chapter Four presents data analysis, results, and interpretation based on the study objectives. Finally, Chapter Five provides summary, conclusions, recommendations, and suggestions for further research.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter presents the theoretical review, empirical literature review, identified gaps, and the conceptual framework guiding the study.

2.2 Theoretical Framework

This section explore different theories used to illuminate the investigation on relationship between management quality practice and performance of selected dairy farmers in Uasin Gishu County. The investigation was anchored by Quality improvement theory, Resource Based View theory and Dynamic Capabilities theory.

2.2.1 Resource Based View (RBV) Theory

The RBV theory was developed by Wernerfelt (1984) and is founded on work of Penrose (1959) and later expanded by Barney (1991). It postulates that the firms gains competitive advantage through internal valuable resources, inimitable, and non-substitutable. In the study, QM practices are viewed as internal capabilities that enhance dairy firms' performance. The resources which include human capability and the physical utilities required in attaining organization targets. According to Barney (2001), the resources of the organization need to align well so that the outcomes isn't imitated by competitors.

The theory applies to valuable resources of firm and the objective is identification of the potential resources that fulfills evaluability and the competition the firm faces in the operational are. However, the theory has a drawback since it assumes immobility of the resources and heterogeneity of firms (Thompson et. al, 2007). It is attributed to organizations having their own resources rather they copy from the competitors, limiting organization competitive advantage. Therefore, meaning that diversification of the resources is owned by the firms. This theory tries to link the resources which are available at the small dairy firms as a major determinant of performance. Therefore, for effective performance of the dairy firms, management should be structured and customers need to focus on the product, thereby enabling higher performance of the dairy firms. In this study, quality management practices are viewed as internal capabilities that enhance dairy firms' performance.

2.2.2 Quality Improvement Theory (QIT)

It is rooted in the works of Deming (1986), who emphasized systematic process control, continuous feedback, and staff involvement. The theory argues that organizations must continuously improve their systems and processes to meet customer expectations. Furthermore, it suggests that a factor of management quality places obligations concerning making relations at entry of top management. Additionally, the theory argues that organizations must continuously improve their systems and processes to meet customer expectations. This theory support the inclusion of the continuous improvement and customer focus as core study variables influencing performance.

The theory explains management playing vital role in the frameworks, which produce 80% of matters in the firms (Hill, 1995). Deming, (1986) stated that top administration need to take full responsibility for quality administration framework to succeed. The administration organizes resources into policies and procedures, chose service providers, instill corporate culture and grow long haul connection. The theory helps firms to remove controls which are of low quality through employing successful management systems. The administration's behavior forms the entity attitude and illustrates what is vital for the accomplishment and continued existence of the organization.

The hypothetical approach is supported by Hubert, (2000) in respect to framework of quality administration. This envision production of hierarchic framework that inspires the participation and encourages implementation of process administration practices. Therefore, it stimulates the consistent change of policies, processes, administrations and procedures, therefore leading to worker satisfaction which are fundamental to growth of customer base and helps in organization survival. The theory put standards in a specific manner to address critical reasoning and progressed known as Plan Do Check Act cycle (PDCA). The unending change of the cycle is embracing quality changing idea which aim at enhancing implementation, thus decline in difference between prerequisite of client and implementation of the processing firms.

According to (Anderson *et al.*, 1994) the study explained that the theoretic core of this theory is to focus on the quality worries in the development of a convincing ground that nurtures culture and participation which encourage the use of the process administration practice, which lead to growth. Oakland (2004) emphasize that duties of high-level management is to lead teams in transforming frameworks and procedures. Management undertakes critical part by making sure achievement of administration because top administration obligation is to ensure and inform vision to steer the organization toward executing change. This study tries to link up performance and top management commitment of the small dairy firms in Uasin Gishu County Kenya.

2.2.3 Dynamic Capabilities Theory (DCT)

It was developed by Teese and Pisano in 1997, which states that an organization adapt to its resource based on the organization capability. Furthermore, firms have the ability to reconfigure and integrate the external and internal competencies so as to address the change in the environments. Ochoki, (2007) stated that the adoption of dynamic capabilities by firms helps them in reconfiguring the internal resources and the capabilities to adopt the organizational responsibility which will in turn help them to maintain performance in an atmosphere of hyper rivalry. Ajwag, (2012) presented that capabilities are about an organization's strategies to frequently renewing, reconfiguring integrating and recreating external and internal resources with respect to rapidly and dynamic fluctuating market surroundings so as to attain and sustain competitiveness in the economy. In the study, the dynamic role of top management in adapting quality strategies is linked to sustained organizational performance

Henry, (2013) explained that the dynamic capability framework assumption is to develop long term competition advantage that is essential and that capabilities need to be utilized to alter short-term competitive positions. The writer suggests that firms and their staffs need the ability to understand faster and grow strategic assets if they are to cope up with new challenges or encounters. He further explained that current strategic assets have to be changed while new one for instance skills, client feedback and technology are to be incorporated into the firm to fit the new strategic directions.

Robinson, (2016) posit that dynamic capabilities put an emphasis on corporate ability to sense and the opportunity profile, threats and grasp the openings and work with the objective of sustenance of the organization competitiveness by enhancing and combining organization's tangible and intangible assets. Wickham, (2010) argued that these capabilities give a way of how the firms define, create, exploits and discover opportunities for entrepreneurship in an unstable and complex environment through endeavoring strategy match of market's needs and resources. In the study, dynamic role of top management in adapting quality strategies is linked to sustained organizational performance

2.3 Empirical Literature

This section presents empirical literature for study variables

2.3.1 Continuous improvement and Organizational performance

Continuous improvement involves incremental changes in processes and systems aimed at enhancing efficiency and productivity. According to Psomas and Jaca (2016), firms that adopt continuous improvement report enhanced customer satisfaction and cost-effectiveness. In Kenya, Muthoni and Ogollah (2020) found that dairy firms applying continuous process reviews experienced better performance metrics.

Deming, (1992) investigated TQM on continuous improvement and organization performance. The study employed descriptive research and stated that TQM was employed to tag administration systems that focused on quality. The study found out that quality statistical control, continuous improvement quality, deployment of function quality, total control quality and daily quality work were the items used to designate quality management philosophies. TQM facilitated a basis for executing efficient quality and yield inventiveness that boosted productivity and attractiveness of firms. Furthermore, entities needed to put in place an all-embracing corporate climate that stresses improved goods and the services than short-run financial goals. The study further explained that if many aspects of entity running from managers to worker-relationships and training to system improvement could adhere to such philosophy firms would be better and profitable. The study disapproved entities that based their corporate choices on statistics stressed output over quality, and strongly thought that a well elaborated statistical control process system that is vital TQM tool. Lastly, the study explained that use of statistics managers could precisely know the challenges and look for solutions to address and measure firm's advancement in attaining quality and firms' goals.

Youngless, (2000) investigated on total quality management in manufacturing. The investigation used qualitative research design and found out that TQM inspired a philosophy of not attempting to review quality of products and services after completion but instead doing job right for the first time. The study stated that in order to implement the process an organizational culture and environment that is unique is required. The changes in the firm that occurred were crucial and time consuming and needed patience for completion processes and the results were not seen for a longer time period due to the process not occurring overnight. As per some experts it took a decade to fully achieve the results of executing quality management. The study also explained TQM as an elaborate system approach that worked across a firm, incorporating all the sections and staffs and moving in front and behind comprises both clients and suppliers.

Ahmad and Schroeder, (2002) conducted investigation on effect of electronic data interchange on delivery performance." The study used qualitative research design and found out that production and operations management was an important yardstick that played crucial role in ensuring TQM success in management of human resource. This is because quality improvement process was based on training of people in an organization and the crucial activities for managing people included professional development, appropriate selection, and reward. The study also found out that training was a major factor for continuous attainment of new skills and knowledge by staffs. In addition, quality management action formed part of quality circle that warrants the smooth operation of a firm. Through executing quality control, reviewing their workflows and assurance strategies, integrating strategic quality management with business planning firms led to evaluation of the quality outputs.

Beer, (2003) investigated on effect of quality improvement on organizational performance. The investigation used descriptive research design and found out that several organizations in the recent years attempted to manage their organizational performance by use of balance score card. This method enabled tracking and measure of performance in several dimensions such as the performance of the firm financially. This was done through a process which was continuous thereby planning, acting, doing and checking is done in a continuous way, with aim of improving the overall system process. However, due to the change of the expectations and customers' needs, it wasn't desirable to have management quality system or philosophy that is stagnant. Thus, the concept of quality brought continuous improvement in the organization.

Bell and Omachonu, (2011) conducted investigation on TQM and organizational performance. The investigation employed descriptive research design and asserted that operation excellence of the global organizations were drove by the TQM practice which were adopted by organizations. The TQM culture had contributed to higher productivity of the firms across the globe. The implementation of computerized system was key in quality circle process since it eased update of documents thus simplifying the operations of the firm. The firm put in place diverse quality management and control approaches which were founded on current policies and situations. The study found out that some entities attained satisfactory results by executing a designed quality circle. This necessitated the involvement of workers when managing the workflows of their firms. Henceforth, the accomplishment of the firm was assured when its workers aggressively obliged themselves to quality management practices.

In brief, proper employees' selection and recruitment policy, together with manpower which is trained, and focused on quality and enhancement of the activities of the firm must have an impact on results and development of the firms' main processes.

2.3.2 Customer focus and performance

Customer focus involves understanding customer needs, feedback, and satisfaction. Studies by Wambugu et al. (2020) and Githinji (2021) show that customer-driven strategies improve service quality and client retention, directly influencing firm performance. Deming, (2006) conducted a study on customer focus and the organizational performance. The investigation used the descriptive research design and explained that customer understand quality as the means to satisfy wants and needs. This study found that quality was level at which particular product satisfied the desires of customers. Furthermore, it found out customer focus improved organization performance when applied as a strategy for to improving performance of the organization. This is because provision of services to customers was critical in effective running of the business. Furthermore, the customers are key players for success in an organization. However, there is difference between success and failure for most firms which are private.

According to Kondo, (2009) quality improvement in a growing global trade enables the organization to reduce costs and increases productivity since through developing, maintaining and implementing proper quality practices you will establish a viable customer base thus implicating on the operational performance. Thus, quality is a vital component in an organization since it is means of retaining and satisfying customers and also a tool for competing in the business environment. Therefore, for a company to compete they need to identify more dimensions of quality so as to give them competitive advantage.

Sakwa, (2014) conducted a study of training influence on development practices of performance of the employees in Kakamega county government. The investigation employed descriptive survey design and found out that most customers nowadays prefer higher service charge rates for faster services, as opposed to services which are slow and free. Hence, this is a requirement for a customer to concentrate in any organization. This makes the organization to respond better to the customers' needs and link marketers to customers through understanding them and their needs.

Ogolla, (2015) conducted investigation on TQM practices adopted by small and medium enterprise that carry business in Nairobi City County. The study employed census survey of 108 construction firms and first hand data collection was done through questionnaires admisntration. Regression analysis conducted and found out relationship between total quality managemnet and firm perfomance was positive. It was therefore important in focusing on demand and customers need in order to realize a high perfomance of the organization. The findings were that production with focus on custmers contributed largely to the peromamnce of the organization through retention and acquisition of customers. Furthermorre, it was evident of relationship between TQM and organization perfomance. Thus, it was crucial for company to ensure customers' needs are considered in order to realize highest profits and growth.

The literature exists globally that tries to link the focus of the customer focus of entities that are owned by the government and the performance operations. Study on improvement in delivery of services in the government is critical subject that has been done. However, Kenya has concentrated much on management quality practices in other organizations. Most studies don't focus on quality of the customer quality in relation to management quality. The practices have been used to stimulate the performance organization especially the higher education (Chepkech, 2014). This is due to improved supply chain practice and the operation performance of the SMEs in the country of Kenya customer service integration practices and the channels for delivery in commercial banks (Oloko & Sakwa, 2014). It is therefore crucial to focus on customer focus to translate a higher performance of selected dairy firms where this research will explore. Quality both locally and globally has become an influential strategic weapon in meeting customer satisfaction. Enhanced quality is crucial to increasing productivity and clients demands leading to the firm having better returns. In open market many writers believe that quality of a product and service is vital if you are to compete in the industry.

2.3.3 Top Management Commitment and Organizational Performance

Leadership commitment ensures resource allocation, quality culture, and accountability. According to Goetsch and Davis (2016), effective leadership is the backbone of successful quality implementation. Muthoni and Ogollah (2020) confirm that management's involvement significantly correlates with enhanced operational performance in dairy firms.

Jun et al., (2006) did an investigation on organizations set between Mexico and US borders in execution of aggregate quality management and the management systems. The investigation used qualitative research design and found out that, critical changes were included in the institution hinged on nature and level of commitment by the management. The findings found out that commitment by the top management positively affect employee involvement level and empowerment. Furthermore, commitment by the top management positively affected the level and quality of the employees training and teamwork. It also led to institution's performance system where the employees appraised based on their attitude were found to be closely linked. Lastly, the findings found a positive effect of commitment by top management on remuneration of employees and compensation framework.

Bell and Omachonu, (2011) conducted an investigation on link between the activities implemented and performance of management system. The study used financial data and population findings characterized factors that led to successful implementation of quality system. The study put more emphasis on the implementated activities like training, external consultants and documentation system which had low rate and use. Furthemore, there was a strong correlation of training and other values suggesting that employees training during process of implementation leads to change in other components. In addition, external consultants had low correlation with other activities implementated, hence poor perfomance of the organization. This suggested that the reliance of organizations in external experts does not have any effect on the process of certification. In conclusion, the management emphasis on commitment and system reviews had strong correlation where management were robust in organization. The research confirmed that organizations' motivation in certification seeking have an effect on the activities implemented and perfomance system.

Parvadavardini and Devadasan, (2016) undertook an investigation on QM practices effect on the quality and financial performance in the manufacturing companies in India. The study used structural model which links the practices, financial performance and quality performance. The data were collected using questionnaire of 152 manufacturing organizations in India. The results emphasised critical duty by quality strategic planners, quality supply, monitoring process and control and QM strategic performance quality and organization performance. Furthermore, the findings illuminated the significance and link between QM practices and performance.

Nyaga and Gakobo, (2017) investigated a study on how QM practices affect the organization performance of the saving and credit co-operatives in County government of Kirinyaga, Kenya. The investigation used descriptive study design and targeted the 6 registered SACCOs which operates in the County of Kirinyaga. The study employed multiple regression analysis and found out that commitment and the support of the top management in quality initiative was critical for the performance of the organization. The discoveries demonstrated that there was open correspondence where the workers were associated with the interaction of creation. What's more, advisory groups were set up to complete checking of the execution of value activities. Moreover, the examination discovered that workers engaged with preparing influenced hierarchical execution fundamentally as a result of satisfactory preparing on help conveyance improvement. Likewise, the client center added to association execution. The results found that SACCO were determined in fulfilling needs of customers and expectations through seeking their opinions. This study therefore, will determine how customer will influence performance of small dairy firms in County government of Uasin Gishu Kenya.

2.4. Summary of Literature and Research Gaps

This study examines link between quality management practices and performance of dairy firms in Uasin Gishu County, guided by three theoretical frameworks: RBV, QIT, and DCT. The RBV theory (Wernerfelt, 1984; Barney, 1991) posits that internal resources if valuable, rare, inimitable, and non-substitutable can yield competitive advantage. In dairy firms, practices such as top management commitment and continuous improvement are seen as strategic capabilities. However, RBV assumes resource immobility and does not address how small firms adapt in changing environments (Thompson et al., 2007).

The Quality Improvement Theory rooted in Deming's (1986) work, emphasizes continuous process improvement, leadership responsibility, and customer focus. The Plan-Do-Check-Act model illustrates how firms should strive for ongoing quality enhancement. Scholars like Anderson et al. (1994) and Oakland (2004) emphasized the central role of management in embedding quality systems that improve employee satisfaction and customer outcomes. DCT (Teece & Pisano, 1997) adds a dynamic perspective, arguing that firms must continuously reconfigure internal and external capabilities to respond to market shifts. This is especially relevant for small dairy firms operating in unpredictable environments. Scholars such as Ochoki (2007) and Henry (2013) stress that adaptability and strategic renewal are essential for sustaining performance.

Empirically, studies confirm the importance of these practices. Muthoni and Ogollah (2020) found that continuous improvement significantly enhances dairy firm performance in Kenya. Deming (1992) and Youngless (2000) show that Total Quality Management (TQM) improves efficiency when linked to training and internal processes. Customer focus has also been shown to boost performance (Wambugu et al., 2020; Githinji, 2021), while leadership commitment is vital for implementing quality strategies (Goetsch & Davis, 2016; Nyaga & Gakobo, 2017).

Despite this, knowledge gap exists. Most literature centers on large firms or non-agricultural sectors, with limited focus on smallholder dairy enterprises in Kenya. Moreover, studies rarely integrate these three theories to assess how quality practices interact in resource-constrained rural settings. This research addresses the gap by applying a combined theoretical approach to investigate how QM practices influence performance among dairy firms in Uasin Gishu County. The reviewed literature is presented in table below:

Table 2.1 Summary of the Literature and Research Gaps

Scholar	**Study**	**Objectives**	**Findings**	**Research Gap**
Lindsay & Evans, (2007)	Management Quality and Excellence Performance	To determine impact of QM on business performance	Quality management substantial influence performance	The research was carried in the developed world and current research will be conducted in County of Uasin Gishu in Kenya
Bell and Omachonu (2011)	Quality system execution process of entity success	To determine how Quality system execution influence performance	The study found significant relationship between better documentation, firm's performance	The research didn't consider performance of small dairy firm
Jun et al., (2006)	Total quality management of organization between	To determine effect of total quality management on top	The findings found out that top management	The study focused on Mexico and US borders. However, this

	Mexico and US	management.	commitment positively affect the employee level of involvement and empowerment.	study focuses on how total QM affect the performance of the dairy firms in Uasin Gishu County Kenya
Deming (1992)	a continuous improvement approach	To determine how culture, employee participation and management responsibility influence performance	There was positive effect between continuous improvement, culture and firm's performance	The research did not deliberate on practices of QM and its effect on firm performance. This study will look into effect of continuous improvement on performance of dairy firms in Uasin Gishu County Kenya.
Youngless (2000)	The connection between quality administration rehearses and hierarchical culture	To determine relationship between management quality practices and organization culture	Total management quality practices impact on organizational culture	The research focuses on culture while the current study focuses on firm's performance
Ogolla, (2015)	Total Management Quality practices adopted by the small and medium enterprise that carry business in Nairobi City County	To find out how Total Quality Management prictices adopted by small and medium enterprise that carry business in Nairobi City County	Production with focus on customers contributed largely to the peromamnce of the organization through retention and acquisition of customers	The study will find out how customer focus will affect the performance of dairy firms

2.5 Conceptual Framework

The conceptual framework in table 2.1 below shows hypothesized relationship between quality management practices (independent variables) and organizational performance (dependent variable) among selected dairy farmers in Uasin Gishu County, Kenya. This framework is structured around three key dimensions of quality management: Customer Focus**,** Continuous Improvement**,** and Top Management Commitment.

Independent Variable **Dependent Variable**

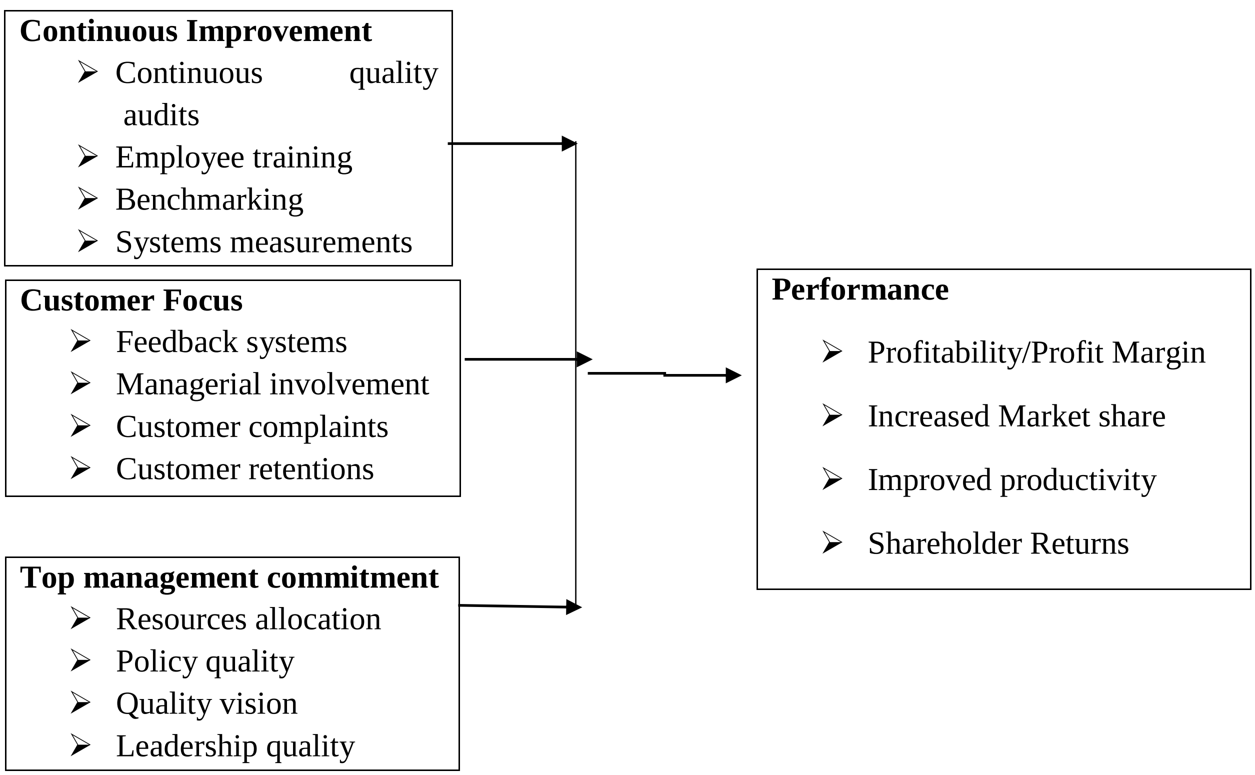

Figure 2.1: Conceptual Frame work

Source: Author, 2024

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter depicts the following sections; research design used, population target, sample design, the procedure of sampling, sample size determination, instrumentation, data collection methods, ethical considerations, testing reliability of the research instruments and validity and data analysis.

3.2 Research Design

The investigation used descriptive research design because it allowed the researcher to identify characteristics of variables of interest. Continuous improvement, Top management commitment, and customer focus are examples of exogenous factors, whereas organizational performance is the endogenous variable (Saunders et al., 2019). The design was used to obtain information concerning the current status of the phenomena and to describe what exists with respect to variables or conditions in a situation (Creswell, 2014). This design was appropriate for the study as it allowed the researcher to collect quantitative data on the influence of quality management practices on the performance of selected dairy firms. Furthermore, it described the participants' attitudes, feelings, and suggestions.

3.3 Target Population

The target population for the study consisted of employees drawn from five selected dairy firms in Uasin Gishu County. The population was stratified into top management, middle management, and operational staff. This stratification was based on varying roles and decision-making capacities that each group holds in the implementation of quality management practices. The strata included: Top Management (15), Middle Management (40), and Operational Staff (79), totaling 134 employees. This stratification guided both the sampling technique and the representativeness of the data. Mugenda and Mugenda (2009) argued that a population target incorporates total cluster of people with similar characteristics where the sample can be gotten for reasons of carrying the research. The population was 134 participants involving employees of the selected small dairy firms in Uasin Gishu County drawn from the top management, production & Quality, accounts, and marketing departments. The analyst chose these in light of the fact that they were more educated regarding the organizations' quality administration practices and execution.

Table 3.1: Target Population

S/N	Company	Category	Population	Percent
1	Tarakwa Dairies	Top Managers	5	3.7
		Marketing Staff	10	7.5
		Accountants	3	2.2
		Production & Quality Staff	10	7.5
2	Moi's Bridge Dairies	Top Managers	6	4.5
		Marketing Staff	14	10.4
		Accountants	5	3.7
		Production & Quality Staff	13	9.7
3	Tuiyoluk FCS	Top Managers	4	3.0
		Marketing Staff	8	6.0
		Accountants	2	1.5
		Production & Quality staff	7	5.2
4	Toiloita FCS	Top Managers	3	2.2
		Marketing Staff	6	4.5
		Accountants	2	1.5
		Production&Quality staff	6	4.5
5	Sirikwa Dairies	Top Managers	5	3.7

		Marketing Staff	12	9.0
		Accountants	3	2.2
		Production&Quality staff	10	7.5
	Total		**134**	**100**

Source: Dairy Firms in Uasin Gishu County, 2024

3.4 Sample Size and Sampling Technique

The investigation utilized the proportionate stratified and simple random sampling techniques. This is because it culls a modest example size from a bigger populace and utilize it to make speculations about the bigger gathering. This included every individual from the bigger populace bunch being allocated a number and the following numbers were attracted indiscriminately to contain the example bunch. The objective populace of this examination was 134 respondents and Morgan and Krejcie (1970), recommends that with population of target 134 sample of 103 respondents is recommended.

Table 3.2: Sample Size

S/N	Company	Category	Sample Size	Percent
1	Tarakwa Dairies	Top Managers	5	4.9
		Marketing Staff	7	6.8
		Accountants	3	2.9
		Production & Quality Staff	7	6.8
2	Moi's Bridge Dairies	Top Managers	5	4.9
		Marketing Staff	10	9.7
		Accountants	4	3.9
		Production & Quality Staff	9	8.7
3	Tuiyoluk FCS	Top Managers	4	3.9
		Marketing Staff	5	4.9
		Accountants	2	1.9
		Production & Quality staff	5	4.9
4	Toiloita FCS	Top Managers	3	2.9
		Marketing Staff	4	3.9
		Accountants	2	1.9
		Production&Quality staff	5	4.9

5	Sirikwa Dairies	Top Managers	5	4.9
		Marketing Staff	8	7.8
		Accountants	3	2.9
		Production&Quality staff	7	6.8
	Total		**103**	**100**

Source: Author, 2024

3.5 Data Collection Instruments

The study used structured questionnaires in collecting primary data. Structured questionnaires were suitable for collecting quantitative data because they ensured uniformity and ease of analysis. The questionnaire was divided into sections aligned with the study objectives. It was pre-tested for reliability and reviewed by the university supervisor to ascertain its content validity. This method was appropriate because questionnaires were easier to administer and enhances analysis of collected data (Mugenda & Mugenda, 2009). The kind of questionnaire that was used was designed in manner that semi structured and structured questions were incorporated. Semi structured questions gave room for further explanation while structured question allowed standardization of responses.

3.6 Validity and Reliability of Research Instruments

3.6.1 Validity of the Research Instrument

Validity is extent in which the instrument measure what it indicates to measure (Jankowicz, 2005). It is a trial study done before conducting actual research to test validity of questionnaires. In achieving the objectives, the investigation checked on validity status of research instrument. According to Churqo (2011) validity assessment is key in making sure instruments of the research is steady and measure the parameters the study design measures.

Validity test assessed the accuracy of finding collected by the research instrument (Borg & Gall, 2009). Content validity was ensured through testing the questionnaire and double checking it. This ensured questionnaire covered all main areas in the investigation.

3.6.2 Reliability of Research Instruments

Reliability involves pretesting whether instrument used has results that are consistent when trials are repeated. Researcher ensured reliability of research instrument by doing pre-test where the information for ten questionnaires was collected from other dairy firms that are not under study and then the reliability coefficient of determination was generated. The reliability test was carried by finding Cronbach's Alpha coefficient and validity test involved calculating correlation coefficient from the pilot research findings. A reliability test using Cronbach value alpha (α) which is above 0.7 was deemed appropriate (Cronbanch, 2004). The variables used in investigation were operationalized in order to mirror hypothetical presumptions that supported reasonable system of the examination.

The reliability results for decision variables is represented in table 3.3 below and results confirm that the instrument used was reliable and suitable for data collection and analysis.

Table 3.3: Reliability Test

Construct	Cronbach's α	Interpretation
Continuous Improvement	0.80	Good internal consistency
Customer Focus	0.84	High reliability and consistency
Top Management Commitment	0.78	Acceptable reliability
Organizational Performance	0.82	Strong reliability and validity

Source: Author, 2024

3.7 Data Collection Procedures

The process of data collection involves getting letter NACOSTI, and introduction letter from the University. Additionally, consent and authorization of collecting information from the respondents were soughted from company. Questionnaires were administered by the research assistants who are trained, where 103 questionnaires were distributed. Filled responses were picked within specific time from concerned officials. The process of collecting data took 8 weeks, and thereafter the collected data were successfully sorted, coded, entered, tabulated, and interpreted by the researcher. Respondents were also assured of confidentiality and informed that their participation was voluntary.

3.8 Data Analysis and Presentation.

Data collected were coded and entered into the Statistical Package for Social Sciences (SPSS). Descriptive statistics (frequencies, percentages, means, and standard deviations) were used to summarize the responses. Descriptive statistics for instance the mean, mode, median, and standard deviations was computed to describe characteristics of variables used in investigation (Gravetter & Wallnau, 2020). Analysis of data was done using SPSS and interpreted to determine the magnitude and nature of relationship between variables in study (Greene, 2008). Furthermore regression analysis was done, where the equation to be regressed was as follows;

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \varepsilon$$

Where Y is the Performance

α is the Constant

X_1 is the Continuous Improvement

X_2 is the Customer Focus

X_3 is the Top Management Commitment

β_1, β_2 and β_3 are coefficients

ε is the error term

The regression tested was important as it enabled the researcher to perform inferential statistics to evaluate relationship between the variables used in investigation.

3.9 Diagnostic Tests

These tests were conducted to ascertain that data fulfills the requirements to use in analysis.

3.9.1 Autocorrelation Test

Time-series data display serial correlation of disturbance across periods (Greene, 2008). The presence of correlation predispositions standard errors makes estimated regression coefficient consistent and inefficient (Baltagi, 2005). As a result, Durbin-Watson test will be utilized to detect the existence of autocorrelation in the data set. The test will aid in determining whether the errors in different observations are related to one another. If the calculated DW value is d =2, there is no autocorrelation. Conversely, if the computed DW value is more than two i.e. d >2, this indicates presence of negative autocorrelation (Durbin &Watson, 1971).

3.9.2 Normality Test

Kothari, (2004) defines normality in statistics as likelihood of random variable to be distributed normally over population sample. Assumptions of Shapiro – Wilk test is data ought to be well distributed and fit in bell shaped curve. This helps in detecting difference from normality because of higher power than other test (Field, 2013). Shapiro-Wilk statistic ranges from 0 to 1. Probabilities greater than 0.05 mean the data is normally distributed while data will significantly deviate from normal probabilities when less than 0.05 (Razali & Wah, 2011) and same decision criteria was adopted in the investigation.

3.9.3 Multicollinearity Test

The term multicollinearity is possibility of two or more of the input variables being highly correlated (O'Brien, 2007). It increases the standard errors of regression coefficients decreasing reliability of results (Friday & Emenonye, 2012). The variance inflation factor aid in determining whether or not there is a link between explanatory variables (Gujarati, 2012). When the tolerance is less than 0.1, it indicates multicollinearity, whereas when the variance inflation factor is greater than 10, it is commonly regarded as indicating multicollinearity.

3.9 Ethical Considerations

The investigation was conducted to uphold confidentiality and secrecy in the research process. To assure participants that study was intended solely for academic purposes, the researcher obtained research permits from Kenyatta University. Additionally, a letter was attached to guarantee participants that data provided would be treated with utmost confidentiality. Ethical principles including voluntary participation, informed consent, confidentiality, and anonymity were strictly observed throughout the research process.

CHAPTER FOUR

RESEARCH FINDINGS AND DISCUSSION

4.1 Introduction

This chapter presents the analysis, interpretation, and presentation of data. It begins with response rate, followed by demographic characteristics of the respondents, descriptive findings for the variables, and regression analysis results. The focus is on how quality management practices affect the Dairy Firms' Performance in Uasin Gishu County.

4.2 Respondent Rate

Total number of 103 questionnaires were distributed to respondent where 91 were dully filled and returned giving 88.3 percent response rate. This supports Babbie (2010) who revealed that 70 percent and above respondent rate is sufficient for analyzing data and interpreting the findings.

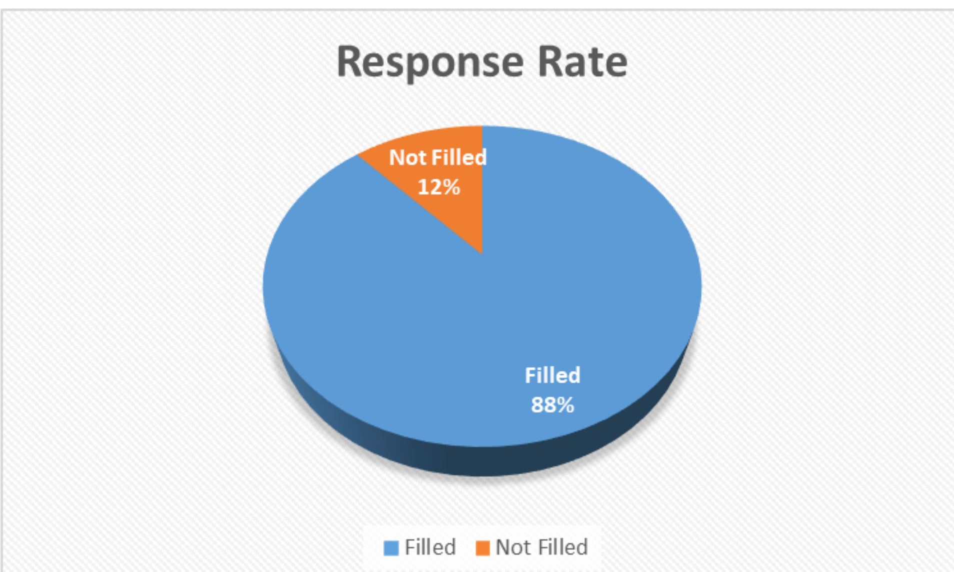

Figure 4.1: Response Rate

4.3 Demographic Characteristic of Respondents

The section address demographic characteristic of the respondents from the selected dairy farmers in Uasin Gishu County.

4.3.1 Gender of Respondents

The figure below show the gender for the respondents

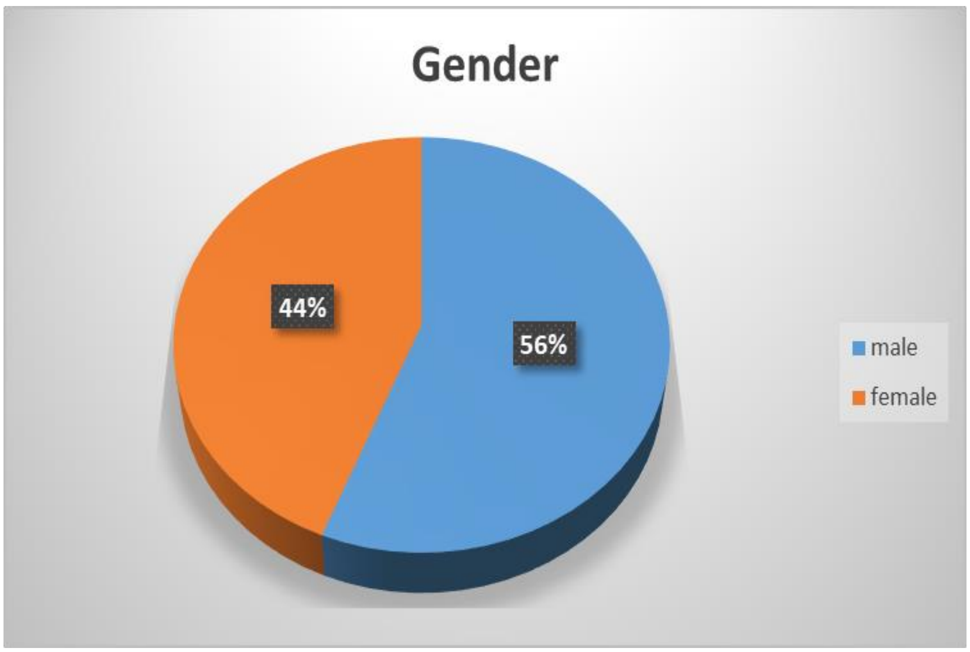

Figure 4.2: Gender

Source: Survey Data, 2024

Figure 4.2 above shows that 56% of the respondent were male and 44% were female because the study focused on individuals working in selected dairy farmers in Uasin Gishu County only.

4.3.2 Age

The figure below shows age distribution of the respondents

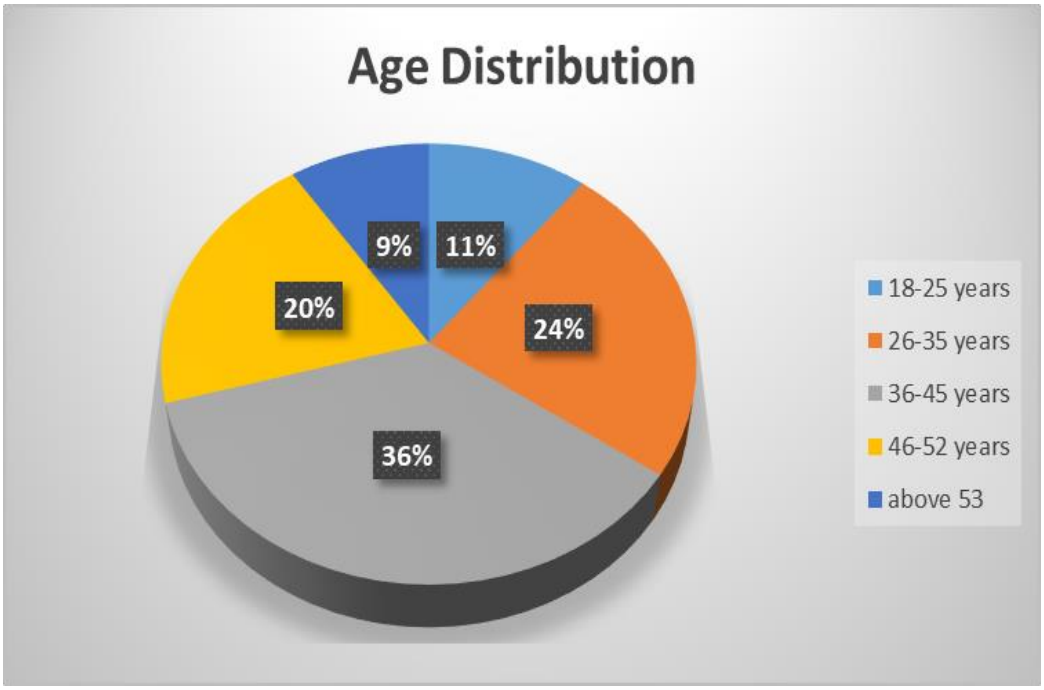

Figure 4.3: Age Distribution

Source: Survey Data, 2024

The results in Figure 4.3 show distribution of age among respondents. Majority of the respondents were between 36 and 45 years with 36 percent, those between 26-35 years accounted for 24 percent, 46-52 years accounted for 20 percent, 18-25 years accounted for 11 percent while those above 53 years accounted for the least with 9 percent.

4.3.3 Education Level

The results in figure 4.4 shows level of education for respondents

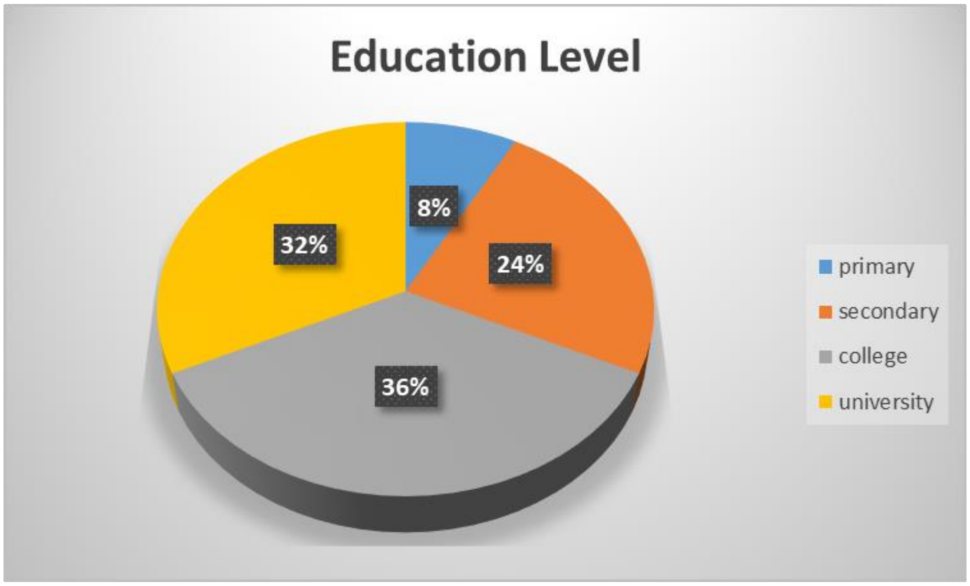

Figure 4.4: Education Level

Source: Survey Data, 2024

The results in figure 4.4 shows education level in selected dairy farmers in Uasin Gishu County. Majority of the respondents reached college/tertiary with 36 percent while 32 percent had reached university and 24 percent had reached secondary while the remaining 8 percent left school in primary.

4.3.4 Marital Status

The figure below explains the marital status of the respondents

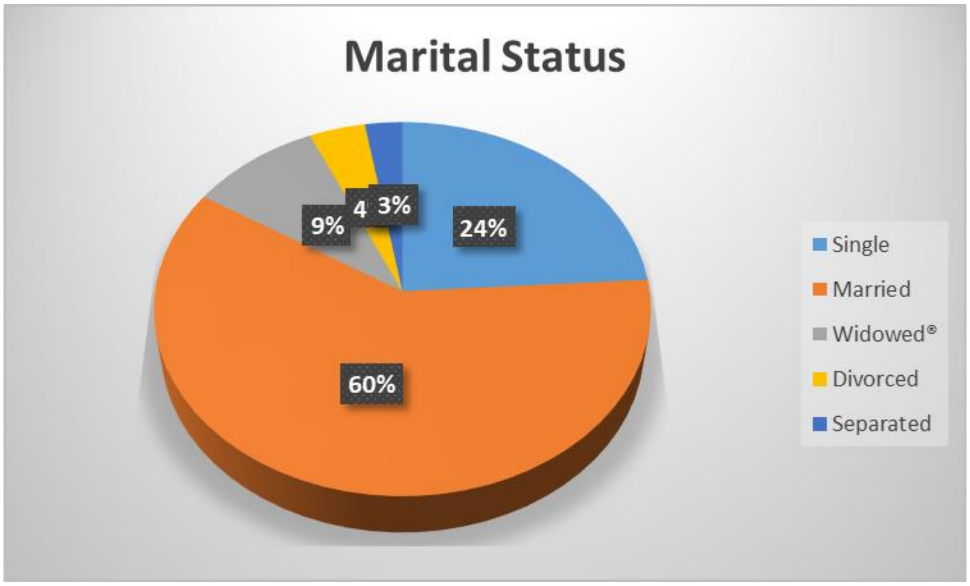

Figure 4.5: Marital Status

Source: Survey Data, 2024

The results in figure 4.5 show that majority of respondent were married with representation of 60 percent, followed by the single with representation of 24 percent. 9 percent of the respondents were widowed(er), 4 percent are divorced and 3 percent are separated.

4.3.5 Position Held

The assessment on position respondents hold in departments are presented in the figure below;

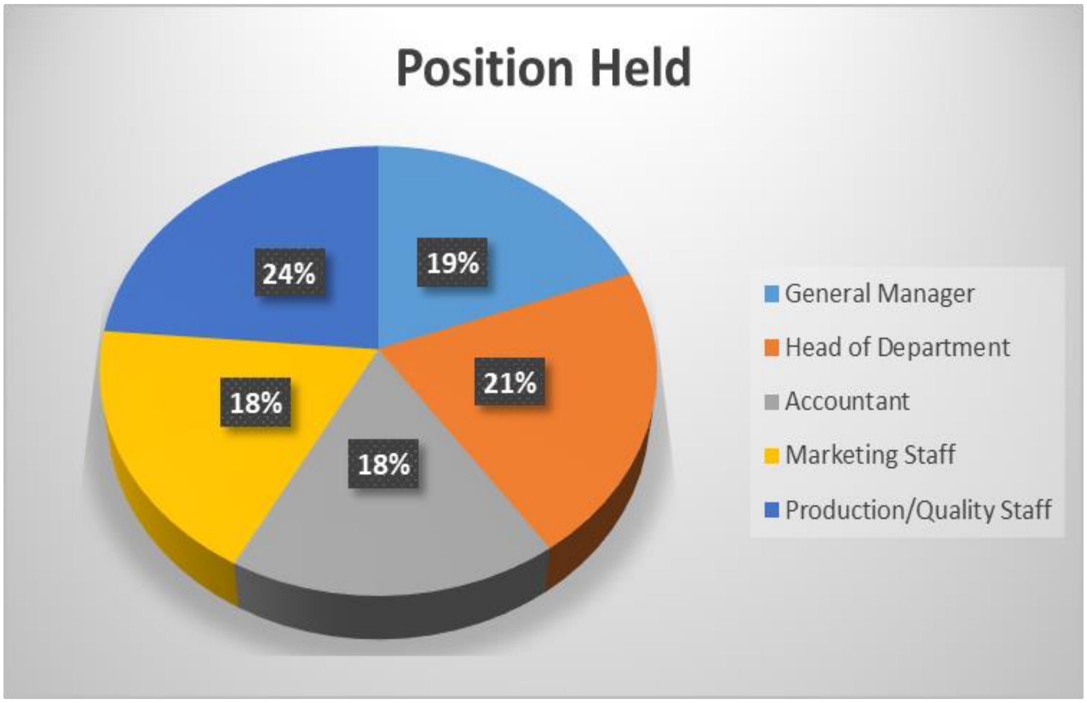

Figure 4.6: Position Held

Source: Survey Data, 2024

The finding depicted above indicate that many respondents 23.7% were Production/Quality Staffs, 21% were heads of department, 19% were General Managers, 18% were Accountants and 18% were Marketing Staffs. Therefore, study covered all the departments within the organization therefore representative views was established from the respondents.

4.3.6 Work Experience

The findings below shows working experience of respondents

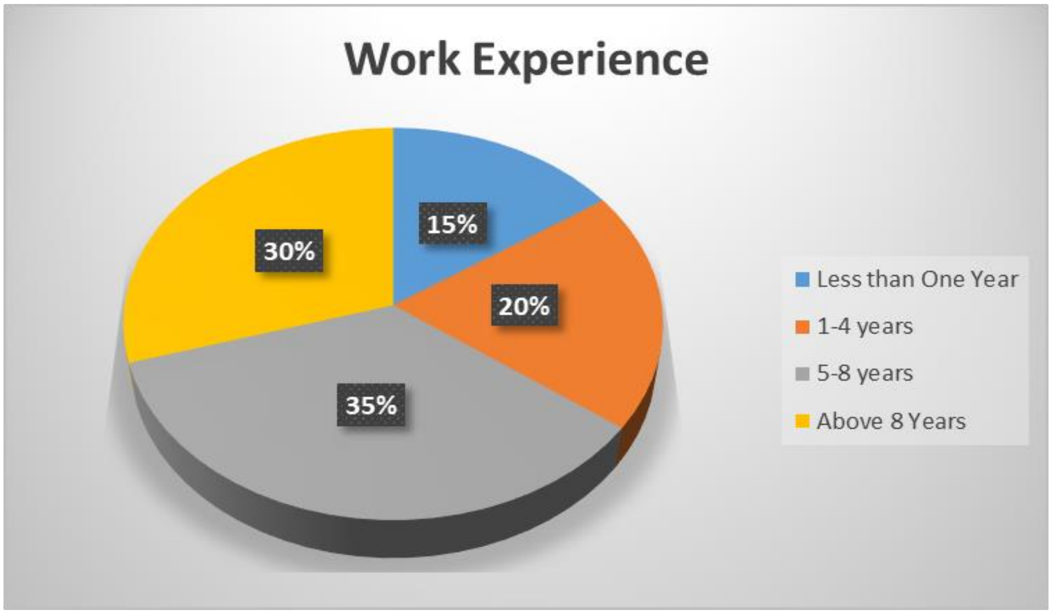

Figure 4.7: Work Experience

Source: Survey Data, 2024

The results above indicates that most respondent have experience in organization between 5 to 8 years with representation of 35 percent of respondents. It also, shows that 30 percent of respondents had experience in the organization for above eight years; 20% of respondents had experience in organization for one to four years, while 15% of respondents had served for less than 1 year showing that respondent had experience in providing credible information relating to research variables.

4.4 Descriptive Statistics

The table 4.1 gives results of descriptive statistic result for the variables used in investigation;

Table 4.1: Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
Continuous Improvement	91	2.000	5.000	4.19357	.570707
Customer Focus	91	1.000	5.000	4.33608	.576358
Top Management	91	1.000	5.000	3.77224	.837843
Performance	91	3.000	5.000	4.36627	.325900
Valid N (listwise)	91				

Source: Survey Data, 2024

The results presented above show 91 respondents having the lowest observed value of 2.000 and highest observed value of 5.000. The aggregate mean for continuous improvement was 4.194 with 0.571 as standard deviation implying that the scores vary around the mean by approximately 0.571 units, indicating moderate dispersion. This means that respondents agreed with influence of the continuous improvement on the performance of the selected dairy firms in Uasin Gishu County. Therefore continuous improvement orientation is considered to play a key role in of selected dairy firms. Furthermore, results shows that with 91 observations the lowest observed value was 1.000 and highest observed value was 5.000 for customer focus. The mean of 4.334 and standard deviation of 0.576 implying scores vary around mean by approximately 0.576 units, indicating moderate dispersion implying customer focus play key role in selected dairy firms.

Additionally, findings shows that with 91 observations the lowest observed value was 1.000 and highest observed value was 5.000. The aggregate mean for customer focus was 3.77 with the standard deviation of 0.838 implying that scores vary around mean by approximately

0.838 units, indicating moderate dispersion. The aggregate mean for top management was 3.772 meaning respondents agreed to its influence performance of selected dairy firms in Uasin Gishu County. Therefore top management is considered to play a key role in of selected dairy firms. Lastly, results shows that with 91 observations the lowest observed value was 3.000 and highest observed value was 5.000 for performance. The mean score was 4.367 with the standard deviation of 0.326. The Standard Deviation value of 0.326 implies that the scores vary around the mean by approximately 0.326 units, indicating moderate dispersion

The descriptive statistics provides snapshot for central tendency and the variability of four variables used in the study. High mean values across the board suggest generally positive evaluations of Customer Focus, Top Management and Continuous Improvement on performance. The variation in standard deviations indicates that while Performance perceptions are relatively uniform, perceptions of Top Management are more varied. These insights can inform further analysis and interpretation of the relationships between variables used in the study.

4.5 Quality Management Practices and Performance

TQM practices are critical for improving organizational performance across the various dimensions which include; operational, financial and the customer satisfaction are presented below;

4.5.1 Analysis of Continuous Improvement and Dairy Firm Performance

The result in table 4.2 presents the descriptive statistics

Table 4.2: Analysis of Continuous Improvement and Dairy Firm Performance

Statement	Mean	Std. Dev.	1 (Strongly Disagree)	2 (Disagree)	3 (Neutral)	4 (Agree)	5 (Strongly Agree)
1	3.8	0.9	5 (5.5%)	10 (11%)	15 (16.5%)	40 (44%)	21 (23%)
2	3.7	1.0	7 (8%)	9 (10%)	18 (20%)	37 (41%)	20 (22%)
3	3.9	0.8	4 (4.5%)	8 (9%)	14 (15%)	45 (49.5%)	20 (22%)
4	4.0	0.7	3 (3%)	6 (6.5%)	12 (13%)	48 (53%)	22 (24%)
5	4.1	0.6	2 (2%)	5 (5.5%)	11 (12%)	50 (55%)	23 (25%)
6	4.2	0.5	1 (1%)	4 (4.5%)	9 (10%)	54 (59%)	23 (25%)

Source: Survey Data, 2024

The findings above shows that mean scores range from 3.7 to 4.2, indicating that respondent agree with statement regarding continuous improvement. Items 5 and 6 have the highest mean scores (4.1 and 4.2), suggesting strong agreement. Higher means (4.0 and above) in Items 4, 5, and 6 suggest that respondents perceive these aspects of Continuous Improvement more favorably. The findings also show that standard deviations ranging from 0.5 to 1.0, indicating level of variability in responses. Items with lower standard deviations (e.g., 0.5 for Item 6) have more consistent responses, while those with higher standard deviations (e.g., 1.0 for Item 2) show more variation.

The findings in the table on whether the firm has guidelines for training staffs shows that most respondents (44%) agreed, followed by 23% who strongly agreed suggesting that majority perceive that their firms have guidelines for training. 16.5% were neutral, while a smaller percentage disagreed or strongly disagreed (16.5%). Additionally, the findings on whether the firm invests more resources on continuous training of staffs in order to improve performance shows that 41% agreed, and 22% strongly agreed, indicating a generally positive view of investment in continuous training. 20% were neutral, and 18% disagreed or strongly disagreed, indicating some level of dissent or uncertainty.

The findings in the table on the whether continuous monitoring and enhancement of products, services and systems improves outcome shows that 49.5% agreed, and 22% strongly agreed, showing strong positive perception. 15% were neutral, and a smaller percentage disagreed and strongly disagreed (13.5%). In addition, the findings on the whether the entity does continuous quality audits frequently to review the performance and take corrective actions on areas of improvements shows that majority (53%) agreed, and 24% strongly agreed, 13% were neutral, with very few respondents disagreeing (9.5%).

The findings in the table on the whether the quality of the firm is benchmarked against the best quality management practices in the industry shows that 55% agreed, and 25% strongly agreed, indicating strong positive perception, 12% were neutral, and only 7.5% disagreed and strongly disagreed. Lastly, the findings in the table on the on whether the company continuously implements new policies put in place by Government regulatory bodies such as Kenya dairy board shows that high percentage (59%) agreed, and 25% strongly agreed, 10% were neutral, and only 5.5% disagreed and strongly disagreed.

Overall, respondents have a positive perception of Continuous Improvement practices within their firms, with most items receiving agreement and strong agreement from a majority of respondents as explained by Bell and Omachonu, (2011). Thus, the analysis indicates that while there is a generally positive perception of continuous improvement practices among respondents, focusing on these areas with higher variability could help firms enhance their continuous improvement strategies and achieve more consistent and widespread acceptance among employees.

These findings resonate with Psomas and Jaca (2016), who emphasized that continuous improvement leads to better process control, customer satisfaction, and quality consistency. Moreover, Oakland (2014) argues that employee involvement is central to building a sustainable quality culture. However, while agreement levels are high, the critique from Deming (1986) suggests that unless feedback loops and action plans are systematically documented and integrated into firm routines, improvements may be ad hoc and short-lived. Thus, the study recommends formalization of continuous improvement cycles. (e.g., Psomas & Jaca, 2016).

4.5.2 Analysis of Customer Focus and Dairy Firm Performance

The result presented in table 4.3 gives analysis of the findings on customer focus;

Table 4.3: Analysis of Customer Focus and Dairy Firm Performance

Statement	Mean	Std. Dev.	1 (Strongly Disagree)	2 (Disagree)	3 (Neutral)	4 (Agree)	5 (Strongly Agree)
1	4.0	0.8	3 (3%)	5 (5.5%)	12 (13%)	45 (49.5%)	26 (28%)
2	3.9	0.9	4 (4.5%)	7 (7.5%)	15 (16.5%)	40 (44%)	25 (27.5%)
3	4.1	0.7	2 (2%)	5 (5.5%)	11 (12%)	50 (55%)	23 (25%)
4	4.2	0.6	1 (1%)	4 (4.5%)	9 (10%)	54 (59%)	23 (25%)
5	4.0	0.8	3 (3%)	6 (6.5%)	14 (15%)	48 (53%)	20 (22%)
6	3.8	0.9	5 (5.5%)	8 (9%)	18 (20%)	37 (41%)	23 (25%)

Source: Survey Data, 2024

The finding in table 4.3 show that mean scores range from 3.8 to 4.2, indicating that on average, respondents agree with the statements regarding customer focus. The highest mean scores (4.2 for Item 4) suggest agreement on the commitment to maintaining product quality to retain customers. Standard deviations range from 0.6 to 0.9, indicating variability in the responses while items with lower standard deviations (e.g., 0.6 for Item 4) have more consistent responses, while those with higher standard deviations (e.g., 0.9 for Items 2 and 6) show more variation.

The findings on whether the company has put in place a mechanism for handling customers complaints shows that most respondents (49.5%) agreed, and 28% strongly agreed, indicating a majority perceive that their firms handle customer complaints effectively, 13% were neutral, while a smaller percentage disagreed and strongly disagreed (8.5%). The findings on whether the company conducts customer feedback frequently through phone calls, suggestion boxes, and surveys shows that 44% agreed, and 27.5% strongly agreed, showing positive perception of customer feedback mechanisms, 16.5% were neutral, and 12% disagreed and strongly disagreed, indicating some level of dissent or uncertainty. The findings on whether the company reviews customer needs frequently to meet the varying customer preferences and expectations shows that majority (55%) agreed, and 25% strongly agreed, showing strong positive perception, 12% were neutral, and a smaller percentage disagreed and strongly disagreed (7.5%).

The findings on whether the firm is committed to maintaining the best quality for our products so as to retain customers shows that 59% agreed, and 25% strongly agreed, indicating a strong commitment to quality, 10% were neutral, with very few respondents disagreeing (5.5%). The findings on whether the company trains marketing team frequently on customer care shows that 53% agreed, and 22% strongly agreed, indicating a positive perception of marketing team training, 15% were neutral, and 9.5% disagreed and 9.5% strongly disagreed. Additionally, the findings on whether the company appreciates and rewards their customers regularly shows that 41% agreed, and 25% strongly agreed, showing a positive perception of customer appreciation and rewards, 20% were neutral, and 14.5% disagreed and 14.5% strongly disagreed, indicating more varied opinions.

The findings reveal that majority of respondents agreed their firms frequently gather customer feedback and address complaints promptly. This indicates that customer orientation is strongly embedded in the management practices of most dairy firms surveyed. Wambugu et al. (2020) highlighted that customer engagement strategies positively affect product relevance and service delivery in agribusinesses. Likewise, Githinji (2021) noted that customer feedback mechanisms play a key role in enhancing client satisfaction and market retention. The study underscores that customer-focused practices are not only strategic but essential for improving the performance of dairy firms in competitive markets.

Overall, the analysis indicates a generally positive perception of Customer Focus practices among respondents, with strong commitment to handling customer complaints, maintaining product quality, and frequently reviewing customer needs as explained by Sakwa, (2014) and Ogolla, (2015). However, there is variability in opinions regarding customer feedback mechanisms and customer appreciation and rewards, suggesting potential areas for further investigation and improvement.

4.5.3 Analysis for Top Management Commitment and Dairy Firm Performance

The result presented in table 4.4 gives analysis of the findings on top management commitment;

Table 4.4: Analysis for Top Management Commitment and Dairy Firm Performance

Statement	Mean	Std. Dev.	1 (Strongly Disagree)	2 (Disagree)	3 (Neutral)	4 (Agree)	5 (Strongly Agree)
1	4.1	0.8	2 (2%)	4 (4.5%)	13 (14%)	50 (55%)	22 (24.5%)
2	4.0	0.9	3 (3.5%)	5 (5.5%)	15 (16.5%)	47 (52%)	21 (23%)
3	4.2	0.7	1 (1%)	3 (3.5%)	10 (11%)	52 (57%)	25 (27.5%)
4	4.3	0.6	1 (1%)	2 (2.5%)	8 (9%)	55 (60%)	25 (27.5%)
5	4.1	0.7	2 (2%)	3 (3.5%)	12 (13%)	50 (55%)	24 (26.5%)
6	4.0	0.8	3 (3.5%)	6 (6.5%)	14 (15%)	49 (54%)	19 (21%)

Source: Survey Data, 2024

The finding above show that mean score scores range from 4.0 to 4.3, indicating that on average, respondents agree with the statements regarding top management commitment. Standard deviations ranges from 0.6 to 0.9, indicating some variability in the responses. Items with lower standard deviations, such as Item 4 (0.6), suggest more consistent agreement among respondents.

The findings on whether top management communicates clearly the quality management vision of the company to its employees shows that most respondents (55%) agreed, and 24.5%

strongly agreed, a smaller percentage (14%) were neutral, with very few disagreeing and strongly disagreeing (6.5%). In addition, the findings on whether top management allocate enough resources on areas that need quality improvement on products, services, and systems shows that 52% agreed, and 23% strongly agreed, indicating a positive perception of resource allocation for quality improvement, 16.5% were neutral, with 9% disagreeing and strongly disagreeing.

The findings on whether quality procedure and policies were well laid down and communicated to all staffs by top management shows that majority (57%) agreed, and 27.5% strongly agreed, showing strong positive perception, 11% were neutral, with very few disagreeing and strongly disagreeing (4.5%).The findings on whether top management takes a lead when implementing new policies, procedures, and systems shows that 60% agreed, and 27.5% strongly agreed, indicating strong agreement, 9% were neutral, with very few respondents disagreeing and strongly disagreeing (3.5%).

The findings on whether top management monitors and reviews regularly quality procedures and policies to achieve the targets of the company shows that 55% agreed, and 26.5% strongly agreed, showing a positive perception, 13% were neutral, with 5.5% disagreeing and strongly disagreeing. The findings on whether top management builds trust and allows involvement of all staffs in decision making on quality matters shows that 54% agreed, and 21% strongly agreed, indicating a generally positive perception, 15% were neutral, with 10% disagreeing and strongly disagreeing.

Overall, the analysis indicates positive effect of top management commitment practices among the respondent, with strong communication, leadership, and monitoring practices as supported by (Bell & Omachonu, 2011) and (Parvadavardini & Devadasan, 2016). However, there is variability in opinions regarding resource allocation and trust-building, suggesting potential areas for further investigation and improvement.

4.6 Diagnostic tests

It was conducted before estimated findings were adopted to address research objectives to establish reliability and model statistical appropriateness

4.6.1 Autocorrelation Test

The correlation analysis was conducted and results presented in table 4.8 below;

Table 4.5: Correlation Analysis

Correlations

		Performance	Continuous Improvement	Customer Focus	Top Management
Pearson Correlation	Performance	1.000	.58	.77	.37
	Continuous Improvement	.58	1.000	.34	-.51
	Customer Focus	.77	.34	1.000	-.149
	Top Management	.137	-.51	-.149	1.000
Sig. (1-tailed)	Performance	.	.0291	.0398	.0097
	Continuous Improvement	.0291	.	.0374	.0315
	Customer Focus	.0398	.0374	.	.0080
	Top Management	.0097	.0315	.0080	.
N	Performance	91	91	91	91
	Continuous Improvement	91	91	91	91
	Customer Focus	91	91	91	91
	Top Management	91	91	91	91

Source: Survey Data, 2024

The findings above shows that correlation coefficient of performance and continuous improvement was 0.58 indicating medium positive correlation between variables. This suggests that as continuous improvement increases, performance also tends to increase. This correlation is significant statistically at 5 percent level of significance because p-value was 0.0291, meaning there is a less than 5% probability that this correlation is due to random chance. The Correlation Coefficient between Performance and Customer Focus was r=0.77 showing positive correlation between variables indicating strong tendency for Performance to increase as Customer Focus increases. The p-value was also 0.0398 which is less than 0.05 thus the variable was significant statistically at 0.05 level, thereby it is unlikely to be due to random chance.

The Correlation Coefficient between Performance and Top Management was 0.37 signifying a weak moderate positive correlation between the variables suggesting slight tendency for Performance to increase as Top Management increases. The p-value is 0.0097 is significant statistically at 0.05 level, indicating low probability and correlation is due to random chance.

The findings signifies that all the correlations are significant statistically, indicating that observed relationship are unlikely because of random chance. Therefore, Performance is positively associated with both Continuous Improvement and Customer Focus, suggesting that improvements in these areas are linked to better performance. Top Management has a weaker but still significant positive correlation and moderate negative correlation with Continuous Improvement, indicating a potential area for management to address to balance improvement efforts. The negative correlations of Top Management with CI and Customer Focus suggest some possible tensions or areas where management practices may be impacting these initiatives. These results is supported by Ogolla, (2015) where understanding the relationships can help in strategizing improvements and interventions in organizational performance, continuous improvement practices, and customer focus efforts

4.6.2 Normality Test

The test was conducted to check if the variables are distributed normally and results presented in the figure below;

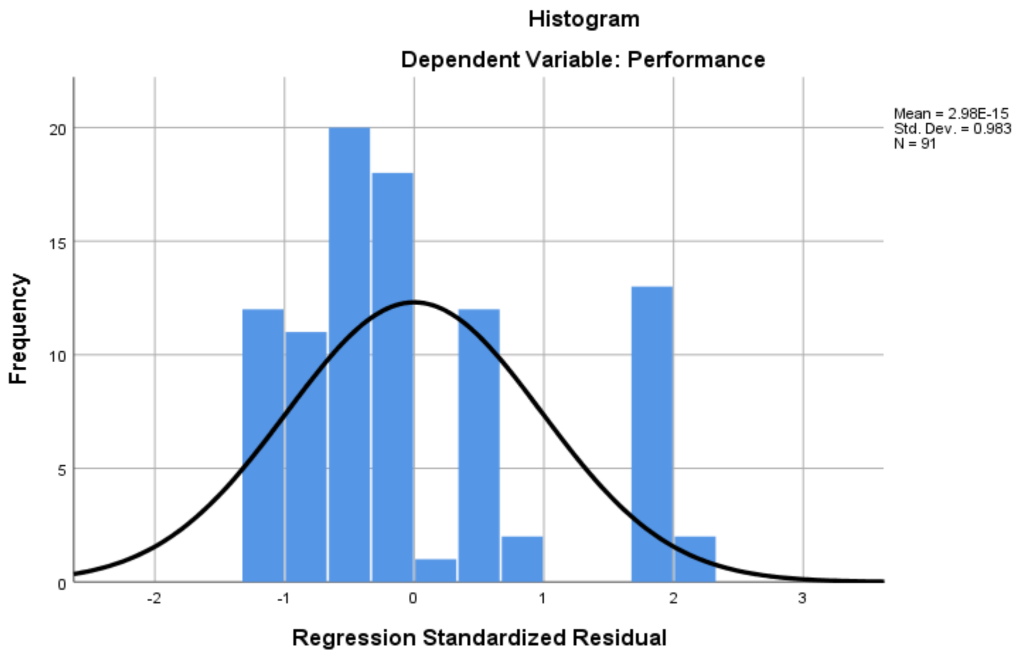

Figure 4.8: Normality Test

Source: Survey Data, 2024

Figure 4.8 shows that the histogram is bell-shaped and Symmetrical indicating data is normally distributed. This means that most of the data points cluster around the mean i.e. approximately 68% of data falling within one standard deviation of the mean.

4.5.3 Multicollinearity Test

The investigation developed correlation matrix to analyze presence of multicollinearity among the variables in investigation. The pair-wise matrix was utilized in determining correlation degree between variables in the research in order to prevent major multicollinearity issues that might jeopardize the reliability of individual coefficient estimations (Gujarati, 2012). Findings are presented below;

Table 4.6 Multicollinearity Test

Collinearity Diagnostics[a]

Model	Dimension	Eigenvalue	Condition Index	Variance Proportions (Constant)	Continuous Improvement	Customer Focus	Top Management
1	1	3.935	1.000	.00	.00	.00	.00
	2	.042	9.704	.00	.04	.06	.079
	3	.018	4.742	.00	.04	.02	.01
	4	.005	8.944	1.00	.042	.052	.020

a. Dependent Variable: Performance

Source: Survey Data, 2024

The finding above show that dimension one has eigenvalue of 3.935 and condition index of 1, indicating no collinearity issues as all variance proportions are very low (0.00). Dimension two has eigenvalue of 0.042 and condition index of 9.704. Top Management has a somewhat high variance proportion (0.079), but the condition index is below the threshold that typically indicates severe multicollinearity (15 or above). Additionally, dimension 3 has an eigenvalue of 0.018 and a condition index of 4.742. Continuous Improvement (0.04) and Customer Focus (0.02) have low variance proportions, and Top Management (0.01) has a very low variance proportion. Lastly, dimension 4 has an eigenvalue of 0.005 and a condition index of 8.944, which is below 15, indicating no severe collinearity issues. However, the (Constant) has a very high variance proportion (1.00), Continuous Improvement (0.042), and Customer Focus (0.052). These slightly higher proportions suggest some level of collinearity but not severe given the condition index. Therefore, Collinearity Diagnostics table indicates no severe multicollinearity issues, as none of the condition indices exceed the common threshold of 15 as supported by Bell & Omachonu, (2011).

4.7 Regression Analysis

It is statistical method used in examining relationship between dependent variable and one or more independent variables. It helps in understanding how predictor variables influence an outcome, making it a valuable tool for decision-making and forecasting (Gujarati & Porter, 2009). It quantifies the strength and direction of the relationship between independent variables (Continuous Improvement, Customer Focus, and Top Management Commitment) and Performance. It determines whether predictor variables have a significant impact on the outcome by analyzing p-values and confidence intervals (Wooldridge, 2016).

Table 4.7: Model Summary

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.906[a]	.82	.782	.327876	.022	6.640	3	87	.04592	1.986

a. Predictors: (Constant), Top Management, Continuous Improvement, Customer Focus

b. Dependent Variable: Performance

Source: Survey Data, 2024

The regression model in table 4.7, which incorporates Customer Focus, Top Management, and Continuous Improvement as predictors, explains significant percentage of variation in Performance, with an R Square value of 0.82. These indicators account for 82% of the variability in Performance. The updated R Square value of 0.782 reinforces the model's strong fit. The F-value of 6.640 and accompanying p-value (0.04592) show that model is statistically significant, implying that predictors considerably enhance the model's fit over a model without them. Durbin-Watson value is 1.986 indicating no substantial autocorrelation in residuals. Overall, these findings suggest that Customer Focus, Top Management and Continuous Improvement are effective predictors of Performance in this dataset.

Table 4.8: ANOVA Results

ANOVA[a]

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	.206	3	.069	6.640	.04592[b]
	Residual	9.353	87	.108		
	Total	9.559	90			

a. Dependent Variable: Performance

b. Predictors: (Constant), Top Management, Continuous Improvement, Customer Focus

Source: Survey Data, 2024

The result in the above table show that regression Sum of Squares (SSR) is 0.206 which represent variance explained in the regression model. The predictors (Top Management, Continuous Improvement, and Customer Focus) explain 0.206 units of the total variance in performance. The findings also show that Residual Sum of Squares (SSE) was 9.353 which represents variance that is not explained by regression model. The remaining 9.353 units of variance are due to the residuals or errors. The Total Sum of Squares (SST) was 9.559 which is total variance in Performance. The Regression Mean Square of 0.069 represent average amount of variance explained by each predictor while Residual Mean Square of 0.108 represent average amount of variance not explained by model per observation.

The F-value of 6.640 tests null hypothesis where all the coefficients is zero (i.e., predictors do not explain any variance in dependent variable). The P-value of 0.04592 is less than common alpha value of 0.05, therefore model as whole is statistically significant. Thus, there is low probability that observed F-statistic occurred by chance, and thus, predictors significantly contribute to the model.

The ANOVA also indicate that regression model with the predictors (Continuous Improvement, Top Management, and Customer Focus) significantly explains the variance in the Performance. The values suggests that model explanatory power is significant statistically, meaning predictors are effective in explaining the variability in Performance.

The SST of 9.559 is partitioned to the regression sum of squares 0.206 and residual sum of square 9.353. While substantial portion of the total variance remains unexplained 9.353, portion explained by predictors 0.206 is significant statistically, as evidenced by F-test. This indicates that model, despite not explaining all variance, provides meaningful insights into the factors affecting Performance.

Table 4.9: Summary of the Coefficients.

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B	
		B	Std. Error	Beta			Lower Bound	Upper Bound
1	(Constant)	4.318	.428		10.099	.000	3.468	5.168
	Continuous Improvement	1.130	.061	-.052	18.246	.027	-.150	.091

	Customer Focus	.456	.061	-.009	7.475	.031	-.126	.115
	Top Management	.960	.42	.133	2.286	.021	-.031	.135

a. Dependent Variable: Performance

Source: Survey Data, 2024

The finding above show summary of coefficients. The constant (intercept) of the regression model is 4.318, which means that when predictors are at zero, predicted value of performance is 4.318 and the coefficient is statistically significant ($p < 0.001$). The unstandardized coefficient for Continuous Improvement is 1.130, indicating each unit increase in Continuous Improvement, Performance increases by 1.130 units while other variables are held constant. However, standardized coefficient is -0.052, suggesting a very small effect size in standardized terms. The coefficient is statistically significant ($p = 0.027$). Empirical studies support positive effect CI has on the organizational performance. Powell (1995) found that firms implementing CI practices report improved efficiency, reduced waste, and increased competitiveness. Additionally, Anand et al. (2009) highlighted that organizations with well-structured CI programs outperform those lacking structured quality improvement efforts.

Despite its benefits, some research suggests direct effect of CI with performance is often moderate due to implementation challenges (Oakland, 2014). The findings indicate that CI is more effective in firms with a strong culture of learning and adaptability (Jha et al., 2022) and its success depend on workforce involvement and continuous training (Bessant & Caffyn, 1997). The findings align with literature, indicating that while CI significantly influences Performance, its effect size remains small. However, insufficient resources and management support may limit effectiveness of the CI efforts (Deming, 1986). This therefore suggests that CI must be integrated with other management practices to maximize its impact.

Additionally, the unstandardized coefficient for the Customer Focus is 0.456, meaning that for each one-unit increase in the Customer Focus, Performance increases by 0.456 units, holding other variables constant. The standardized coefficient (Beta) is -0.009, indicating a very small negative effect size. The coefficient is statistically significant (p = 0.031). Customer Focus is strategic orientation that prioritizes customer need and expectation to enhance the satisfaction and success of business (Parasuraman *et al.*, 1988). It aligns with TQM, which asserts that long-term performance is driven by a strong customer-centric approach (Kotler & Keller, 2016). Research has consistently linked customer focus to improved business performance. Homburg *et al.* (2011) found that firms emphasizing customer relationships and feedback mechanisms experience higher financial returns. Additionally, Zeithaml *et al.* (1996) reported that companies with a strong customer-oriented culture exhibit quality of superior service and brand loyalty. However, relationship between customer focus and performance is not always straightforward. The findings suggest a weak negative effect size, aligning with studies that caution against over-reliance on the customer-driven strategies. Therefore, while customer focus is essential, its direct effect on performance remains limited when not integrated with broader strategic objectives.

The unstandardized coefficient for Top Management is 0.960, meaning that unit increase in Top Management, increases performance by 0.960 units, holding other variables constant while standardized coefficient (Beta) is 0.133, suggesting small positive effect size. The coefficient is statistically significant (p = 0.021). Numerous studies highlight the role of top management in enhancing performance. Flynn et al. (1995) demonstrated that organizations with strong leadership commitment to quality initiatives achieve higher productivity and customer satisfaction. Similarly, Samson and Terziovski (1999) found that TMC positively correlates with implementation of successful TQM and Lean strategies. This align with literature, indicating a positive but small effect size of TMC on performance. Thus, while leadership commitment is crucial, its direct impact may be constrained by middle-management engagement and employee participation and the impact is amplified when combined with effective execution and organizational support.

From findings in table 4.16 established equation becomes;

$$Y = 4.318 + 1.13 X_1 + 0.456 X_2 + 0.96 X_3$$

Where Y represents the performance, X_1 is continuous Improvement, X_2 is Customer Focus and X_3 is Top Management commitment

Therefore, literature supports the significant role of Customer Focus, Continuous Improvement, and Top Management Commitment in driving Performance. However, consistent with the findings, their individual effect sizes remain small. This suggests that these factors must be implemented holistically rather than in isolation to achieve substantial performance gains.

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This chapter presents a summary of the major findings based on the study objectives, conclusions drawn from the results of the descriptive and regression analysis in Chapter Four, and practical recommendations. It also suggests areas for further research.

5.2 Summary

Performance of selected dairy firms in Uasin Gishu County has been declining despite the presence of management teams and adoption of QM practices. The dairy industry in Kenya plays a crucial role in economic development, contributing significantly to agricultural GDP. However, factors such as poor productivity, inadequate capital, and weak management practices have hindered its growth. While QM practices such as Customer Focus, Continuous Improvement, and Top Management Commitment are believed to improve performance, their actual impact on dairy firms remains unclear. This study aimed to fill the gap by investigating relationship between QM practices and the performance of dairy firms in Uasin Gishu County. The study used descriptive research in examining relationship between QM practices and performance and target population consisted of 134 employees from five selected dairy firms in Uasin Gishu County. Here is a summary of the findings,

5.2.1 Continuous Improvement:

Overall, respondents have a positive perception of Continuous Improvement practices within their firms, with most items receiving agreement or strong agreement from a majority of respondents. Thus, the analysis indicates that while there is a generally positive perception of continuous improvement practices among respondents, focusing on these areas with higher variability could help firms enhance their continuous improvement strategies and achieve more consistent and widespread acceptance among employees. The coefficient for Continuous Improvement is 1.130, indicating that, on average, a unit increase in Continuous Improvement is associated with 1.130 unit increase in the performance, holding other variables constant. Although the unstandardized coefficient is positive, standardized coefficient (Beta) was -0.052, suggesting a small negative effect size. This means that while Continuous Improvement positively influences Performance, the effect size is relatively small, indicating significant effect on the Performance.

5.2.2 Customer Focus:

Overall, the analysis indicates a generally positive perception of Customer Focus practices among respondents, with strong commitment to handling customer complaints, maintaining product quality, and frequently reviewing customer needs. However, there is variability in opinions regarding customer feedback mechanisms and customer appreciation and rewards, suggesting potential areas for further investigation and improvement. The customer focus coefficient was 0.456, suggesting that, on average, a unit increase in customer focus leads to 0.456 unit increase in the performance, holding other factors constant. Similar to Continuous Improvement, the standardized coefficient (Beta) for Customer Focus was negative (-0.009), indicating a small negative effect size. This suggests that while Customer Focus positively influences Performance, the effect size is small thus statistically significant with Performance.

5.2.3 Top Management:

Overall, the analysis indicates positive effect of the Top Management Commitment practices among respondent, with strong communication, leadership, and monitoring practices. However, there is variability in opinions regarding resource allocation and trust-building, suggesting potential areas for further investigation and improvement. Coefficient of Top Management is 0.960, indicating on average a unit increase in Top Management leads to 0.960 increase in the performance, holding other variables constant. Unlike Continuous Improvement and Customer Focus, the standardized coefficient (Beta) for Top Management is positive (0.133), indicating a small positive effect size. Thus, Top Management has slightly stronger positive influence on Performance compared to Continuous Improvement and Customer Focus. Top Management is statistically significant with p-value of 0.021, indicating significant effect on Performance.

5.3 Conclusions

Findings of the investigation affirm that QM practices are critical determinants of organizational performance in selected dairy firms in Uasin Gishu County. However, the statistical analysis suggests that while these practices contribute to performance, their individual effects are relatively modest, indicating possible gaps in their implementation. This implies that while firms have adopted QM principles, their integration into core business processes may be inconsistent or insufficiently structured to yield optimal outcomes.

The investigation established Continuous Improvement playing significant effect on performance. However, small standardized Beta suggests that its overall effect size remains minimal. This finding suggests that while firms acknowledge the importance of continuous process enhancement, their efforts lack strategic depth necessary to drive substantial performance gains. Effective continuous improvement requires a systematic approach, including structured training programs, process innovation, and regular performance audits. Without embedding these practices into the organizational culture, the potential impact of continuous improvement on performance will remain underutilized.

Customer Focus also exhibits a statistically significant but weak influence on performance. The slightly negative Beta value raises concerns regarding the alignment between customer-oriented strategies and actual operational practices. This suggests that while firms may emphasize customer satisfaction at strategic level, the execution of customer-focused initiatives may be ineffective or inconsistent. Organizations must not only collect and analyze customer feedback but also integrate these insights into decision-making processes, product development, and service delivery. Without a structured framework for translating customer focus into actionable strategies, its impact on performance will remain limited.

Among the three QM variables, Top Management Commitment demonstrates the strongest influence on performance. This finding reinforces the pivotal role of leadership in driving organizational quality initiatives and strategic decision-making. However, the moderate effect size suggests that while management acknowledges the importance of QM, its commitment does not always translate into tangible action. Effective leadership in quality management requires more than policy formulation; it necessitates proactive engagement, resource allocation, and accountability mechanisms to ensure the successful implementation of QM practices. Without strong leadership support, quality initiatives risk being perceived as peripheral rather than integral to organizational success.

In summary, while Continuous Improvement and Customer Focus contribute positively to Performance, their relative importance is small when considering the effect sizes. Top Management has a slightly more substantial positive impact on Performance. All three factors are crucial for enhancing organizational performance, with Top Management playing a particularly significant role. The study concludes that targeted implementation of these practices can strengthen operational efficiency, product quality, and customer satisfaction in the dairy sector.

5.4 Recommendations

Despite the slightly negative standardized coefficient, the significant positive effect of Continuous Improvement and Performance suggests that efforts in enhancing improvement practices within the organization should be continued. This is done through considering further investment in strategies and initiatives aimed at improving and refining processes and procedures over time. In addition, while the coefficient for Customer Focus is positive, indicating a positive relationship with Performance, the slightly negative standardized coefficient suggests that the impact may be nuanced. Therefore, organizations should maintain their focus on customer satisfaction and needs but should also pay attention to potential complexities in effect of the customer focus on overall the performance. Lastly, positive coefficient and significant impact of Top Management and Performance suggest that leadership's role is crucial in driving organizational success. Thus, organizations should invest in developing strong effect of leadership capabilities, providing support and resources for top management to effectively lead and inspire their teams.

5.5 Recommendation for Further Research

This study recommend conducting longitudinal investiagtion in assessing effect of QM practices on the performance and sustainability of dairy farming enterprises in Uasin Gishu County and other counties in Kenya. Longitudinal data collection can provide insights into trends, patterns, and changes in the performance indicators over time. Furthermore, Comparative Analysis should be conducted to determine the performance outcomes of dairy farmers implementing different quality management practices to identify best practices and strategies for optimizing performance. This will help elucidate the effectiveness of specific quality management interventions and their impact on various performance metrics. Additionally, qualitative research conducted to explore perceptions, attitudes, and the experience of dairy farmers regarding QM practices and the effect on performance. Qualitative methodologies i.e. interviews, focus groups and case studies can provide insights into the underlying dynamics shaping performance outcomes.

Lastly, is to investigate the influence of external factors such as the market conditions, regulatory policies, and environmental factors on relationship between TQM and performance. Understanding how external factors interact with internal quality management practices can provide a more nuanced understanding of performance drivers. By addressing the areas of future research, scholars, policymakers, and practitioners can deepen understanding of TQM practices and performance of dairy farming, ultimately contributing to advancement of sustainable agricultural development in Uasin Gishu County and beyond.

Future studies should also explore the mediating role of innovation or technology in the QMP-performance relationship. Additionally, a longitudinal approach could assess the sustainability of QMP impacts over time across other agricultural sectors.

REFERENCES

Abuya, (2015). *Strategic risk management practices among state corporations in Kenya.* Nairobi: Unpublished Management Research Project : University of Nairobi.

Ajwag, (2012). *Relationship between corporate culture and organizational performance;A survey of Kenyan state corporations.* Nairobi: Unpublished MBA Project; University of Nairobi.

Al-Swidi, A. K., & Mahmood, R. (2011). Fostering the Performance of Banks through Total Quality Management (TQM) Practices: A Bank Branches Perspective. *European Journal of Social Sciences*, 19(2), 268-285.

Anderson, S. W., Daly, J. D. & Johnson, M. F. (1994*). Why firms seek ISO 9000 certification*.

Barasa, C. (2014) *The Factors Affecting Performance of SACCOs in Bungoma County.* Nairobi: Unpublished MBA report ; University of Nairobi.

Barney, J. (2013). *Looking inside for competitive advantage; Entrepreneurship: Successfully launching new ventures.* Belgium: Pearson Prentice Hall.

Bank, J (1992), *The Essence of Total Quality Management*, Prentice-Hall, Hemel Hempstead.

Barney, J. B. (2001). Firm Resources and Sustained Competitive Advantage. *Journal of Management,* Vol .17, 99-120.

Bell, M. & Omachonu, V. (2011). Quality system implementation process for business success. *International Journal of Quality & Reliability Management*, 28(7), 723-734

Bryson, (2011). *Strategic planning for public and Non profit organizations.* London: Jossey-Bass Publishers.

Cronbach, L. J., & Richard J. S. (2004). My Current Thoughts on Coefficient Alpha and Successor Procedures. *Educational and Psychological Measurement* 64, no. 3 (June 1): 391-418.

Deming, W. E. (1986). *Out of Crisis.* Cambridge, MA: MIT Centre for Advanced Engineering Study.

Deming, W. E. (1992). *Out of the Crisis.* MIT Center for Advanced Engineering Study.

Fotopoulus, C.B. & Posmas, E. L (2009). The impact of soft & hard TQM elements on quality management results, *International Journal of Quality and Reliability Management*, Vol 26, no 2, pp 150-163.

Gharakhani, D., Rahmati, H., Farrokhi, M. R., & Farahmandian, A. (2013). Total quality management and organizational performance. *American Journal of Industrial Engineering*, *1(3)*, 46-50.

Gitlow, H. (2000). *Quality Management Systems*: A Practical Guide. Washington DC: CRC Press.

Goldberg, J. S., & Cole, B. R. (2002). Quality management in education: Building excellence and equity in student performance. *Quality Management Journal, 9(4),* 8-22.

Gravetter, F. J., & Wallnau, L. B. (2020). *Statistics for the behavioral sciences* (10th ed.). Cengage Learning.

Hoyle, D. (2007). *Quality Management Essentials*. Tokyo: Routledge.

Hill, S. & Wilkinson, A. (1995).*In search of TQM"", Employee Relations, 17 (3):8- 25*

Hubert, (2005). *Managing Total Quality, Enhancing Personal and Firms value*. Tata Me

IFAD (International Fund for Agricultural Development) 2006 *Small Holder Dairy Commercialization Programme*- Appraisal Report: Africa Division 11, Programme management Department. Rome, Italy.

ILRI (International Livestock Research Institute) (2000). *Handbook of livestock statistics for developing countries:* socio-economics and policy research Working Paper 26. International Livestock Research Institute, Nairobi, Kenya, Pp: 299.

Karanja M A (2003) *The Dairy industry in Kenya*: The Liberalization Agenda. Paper presented at a dairy industry workshop held in Nairobi, Kenya (27th August 2002).

Kimani, A. (2011). *Inefficiency and ineffectiveness in Administration.* A Case Study of Chuna Sacco Society Ltd. Juja, Kenya: Unpublished MBA Thesis , JKUAT.

Kirk, J. (2000)*, "Implementing TQM", Management Services,* Vol. 44 No.September, pp.14

Krejcie, R.V. & D.W. Morgan, (1970). *Determining sample size for research activities. Educational and psychological measurement.* 30. p. 607-610.

Lindsay, W., & Evans, J. (2007). *Managing for Quality and Performance Excellence*. Mexico: Cengage Learning.

Lynn, M.R. (1986). *Determination and quantification of content validity*. Nursing Research, 35, 382–385.

Mawby, W. (2005). *Decision Process Quality Management*. Wisconsin: ASQ Quality Press.

Machuki, V. & Aosa, E. (2011). The Influence of the External Environment on the Performance of Publicly Quoted Companies in Kenya. *Prime Journal of Business Administration and Management.* 1, 205-218.

Mugenda, O. M., & Mugenda, A. G. (2009). *Research methods: Quantitative and qualitative approaches.* African Centre for Technology Studies.

Mutua, J. (2014). *Quality management practices and financial performance of cement manufacturing firms in Kenya,* Unpublished MBA Project, University of Nairobi

Njuguna, M. (2013). *Value Chain Management Practices And Supply Chain Performance of Large Manufacturing Firms in Nairobi*, Unpublished MBA Project, School of Business, University of Nairobi

Oakland, J.S. (2004). *Total Quality Management*. Oxford Butterworth; Heinemann On business performance. International Journal of Quality and Reliability Management, 135-144

Peeler E. J. & Omore A (1997). *Manual of livestock Production Systems in Kenya. 2nd Edition.* Retrieved March 23, 2017, from http://www.fao.org/docrep/article/agrippa/557_en.htm

Pervez G & G. Kjell, (2005); '*Research methods in Business Studies*, 3rd edition; a practical guide', Pearson Education Limited

Prajogo, D. I. & Sohal, A. S. (2006). The relationship between organization strategy, total quality management (TQM), and organization performance-the mediating role of TQM. *European Journal of Operational Research*, 168, 35-50.

Quazi, H. A. & Padibjo, S. R. (2008). ``A journey towards total quality management through ISO 9000 certification a study on small and medium sized enterprises in Singapore", *International Journal of Quality and Reliability Management.* 489-508.

Richard, P. J., Devinney, T. M., Yip, G. S., & Johnson, G. (2009). Measuring organizational performance:towards methodological best practice. *Journal of Management,* 35(3): 718-804.

Robinson, J. (2016). The tenuous link between formal strategic planning and financial performance. *Academy of Management Review, 12*(4), 2132–2142.

Sadikoglu, E., & Olcay, H. (2014). The effects of total quality management practices on performance and the reasons of and the barriers to TQM practices in Turkey. *Advances in Decision Sciences*, 2014.

Sakka, S.E., (2013). The Impact of Applying Quality Management System and Environment Standard on Organization Performance and Application on SME"s in Egypt. *European Journal of Business and Management*, 5(19).

Saunders, M., Lewis, P., & Thornhill, A. (2019). *Research methods for business students* (8th ed.). Pearson.

Shaw H. (2006) '*A guide to successful postgraduate dissertation'*, London Metropolitan University, London.

Smith, G. T., Fischer, S., & Fister, S. M. (2003). *Incremental validity principles in test construction*. Psychological Assessment, 15, 467–477.

Terziovski, M. & Power, D. (2007). Increasing ISO 9000 certification benefits: a continuous improvement approach. *International Journal of Quality and Reliability Management,* Vol. 2 (2): 141–163.

Vasileios, I. & Odysseas, M. (2015). The effects of ISO certification on the performance of Greek firms. *The TQM journal.* Vol. 27 No.1, pp.150162.

Wachira, W.(2013).*Quality management practices and Performance of Supermarkets in Nairobi*, Unpublished MBA Project, University of Nairobi.

Wamae, M. (2016). *Adoption of strategic issue management by private hospitals in Kenya* (Unpublished MBA project). University of Nairobi.

Wickham, P. A. (2010). *Strategic entrepreneurship.* Prentice Hall of India.

Youngless, J. (2000). Total quality misconception. *Quality in Manufacturing*, January.

APPENDIX I: QUESTIONNAIRE

Dear respondent,

I am **Zephaniah Kipruto Togom**, carrying out a research on **Quality Management Practices and Performance of Small Dairy Firms in Uasin Gishu County**. It is my sincere request that you provide me with information relevant for this study. The study will enable me complete the requirement of a master's degree in Strategic Management of Kenyatta University. All information provide will be treated with utmost secrecy and it is purely for academic purposes. Thank you for accepting and sparing you time to fill in this questionnaire.

Instructions: Please tick **[√]** the most appropriate answer;

SECTION A: BACKGROUND INFORMATION

1. **Gender**

   A) Male [ ] B) Female [ ]

2. **Age**

   A) 18-25 [ ] B) 26-35 [ ] C) 36-45 [ ] D) 46-52 [ ] E) 53 and over [ ]

3. **Education Level**

   A) Primary [ ] B) Secondary [ ] C) Certificate [ ] D) Diploma[ ]

   E) Degree [ ] F) Masters [ ] G) PhD [ ]

   H) Other [ ] (Please specify)…………………..

4. **Position held**

   A) General Manager [ ] B) Head of Department [ ] C) Accountant [ ]

   D) Marketing staff [ ] E) Production or Quality staff [ ]

5. **Number of years worked in the company**

A) Less than 1 year [ ] B)1-4 years [ ] C) 5- 8 years

D) Over 8years [ ]

6. Marital Status

A) Single [ ] B) Married [ ] C) Widow(er) [ ] D) Divorced [ ] E) Separated [ ]

SECTION B: QUALITY MANAGEMENT PRACTICES AND PERFORMANCE

Please, tick [✓] only what is most appropriate to you

1	2	3	4	5
Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree

	Continuous Improvement	**1**	**2**	**3**	**4**	**5**
1	The firm has guidelines for training staffs					
2	The firm invest more resources on continuous training of staffs in order to improve performance					
3	There is continuous monitoring and enhancement of products, services and systems to improve outcome					
4	The Entity does continuous quality audits frequently to review the performance and take corrective actions on areas of improvements					
5	The quality of the firm is benchmarked against the best quality management practices in the industry					
6	The company continuously implement new policies put in place by Government regulatory bodies such as Kenya dairy board					
	Customer Focus					
1	The company has put in place a mechanism for handling customers complaints					
2	The company conduct customer feedback frequently through phone calls, suggestion box and surveys					
3	The company reviews customer needs frequently to meet the varying customer preferences and expectations					
4	The firm is committed to maintaining the best quality for our products so as to retain our customers					
5	The company trains marketing team frequently on customer care					
6	The company appreciates and rewards their customers regularly					

	Top Management Commitment					
1	Top administration communicates clearly the quality management vision of the company to its employees					
2	Top management allocate enough resources on areas that needs quality improvement on products, services and systems					
3	Quality procedures and policies are well laid down and communicated to all staffs by top management					
4	Top Administration takes a lead when implementing new policies, procedures and systems					
5	Top management monitors and reviews regularly quality procedures and policies to achieve the targets of the company					
6	Top management builds trust and allows involvement of all staffs in decision making on quality matters					
	SECTION C: PERFORMANCE OF SELECTED DAIRY FIRMS					
	Profitability (Profit margin)	**1**	**2**	**3**	**4**	**5**
1	Firm's profit margins have improved in the last 3 years					
2	The firm has been making profit for the last 3 years					
3	The firm has been able to achieve its yearly financial objectives					
4	The firm pays creditors on time as a result of availability of profits					
5	The firm funds its business growth from profits					
	Shareholder Return					
1	The shareholders have been receiving dividends from shares they invested					
2	There has been increase in earnings per share					
3	The level of shareholders confidence has increased					
4	The company assets generate income					
	Market Share					
1	The firm sales have grown over the last 3 years					
2	The firm has opened additional outlets in the last year					
3	Customers numbers has grown over the last year					
4	The firm's daily deliveries have increased					
5	The firm is achieving its sales objectives					

xx