STRATEGIC ALIGNMENT AND SERVICE DELIVERY IN THE INSURANCE COMPANIES IN NAIROBI CITY COUNTY, KENYA

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DECLARATION

I affirm that this research project is entirely my work and has not been submitted for any degree at any other educational institution.

Signature: _____ Date: _____

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As the University Supervisor for Margaret Wangui Maina, I acknowledge that this research project has been developed with my guidance.

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ABBREVIATIONS AND ACRONYMS

CSQ	:	Communication Satisfaction Questionnaire
IRA	:	Insurance Regulation Authority
IT	:	Information Technology
KPIs	:	Key Performance Indicators
KRA	:	Kenya Revenue Authority
NACOSTI	:	National Commission for Science, Technology & Innovation
NLC	:	National Land Centre
NSE	:	Nairobi Land Centre
RBV	:	Resource-Based View
SPSS	:	Statistical Package for the Social Sciences
VRIN	:	Valuable, Rare, Inimitable, and Non-Substitutable

OPERATIONAL DEFINITION OF TERMS

Claims processing time: This refers to the duration it takes for an organization, typically an insurance company or a healthcare provider, to handle and resolve a claim submitted by a policyholder.

Claims settlement ratio: This is the measure of the proportion of claims that an insurance company settles successfully relative to the total number of claims received within a specific period.

Cultural alignment: It entails fostering a workplace environment where shared values are upheld, leadership exemplifies these values through their actions, and effective communication channels reinforce and promote the organization's cultural identity.

Policy Issuance Time: This refers to the duration it takes for an insurance company to issue a new insurance policy or make changes to an existing policy after receiving all necessary information and documentation from the policyholder or applicant.

Process alignment: It refers to the strategic coordination and synchronization of workflows across different functions within an organization, facilitated by the integration of cross-functional collaboration, technology utilization, and a commitment to ongoing improvement initiatives.

Resource alignment: This is the strategic matching of human, technological, and physical resources with organizational objectives, ensuring that human capital, technology infrastructure, and physical assets are effectively leveraged to support and advance the organization’s mission and goals.

Service delivery: This refers to efficiency in handling claims, settling them promptly, and issuing policies in a timely manner, measured by

claims processing time, claims settlement ratio, and policy issuance time, respectively.

Strategic alignment: This refers to the harmonization and synchronization of structural, cultural, resource, and process elements within an organization to ensure that all aspects of the organization are working cohesively and synergistically towards the achievement of its overarching strategic objectives and goals.

Structural alignment: This involves the configuration of organizational systems and mechanisms, including decision-making processes, coordination mechanisms, and resource allocation frameworks, to ensure optimal integration and synchronization of activities towards achieving common goals.

ABSTRACT

In the last decade, Kenyan insurance companies have faced increased competition, changing consumer needs, and globalization which have potential adverse effects on service delivery. Despite various initiatives that have been undertaken to resolve such challenges, there is evidence of delays in the processing of insurance claims, a low claims settlement ratio and policy processing time. Therefore, this research intended to scritinise the effect of strategic alignment on delivery of services in the insurance companies in Nairobi City County. The specific focus was on examining how structural, cultural, resource, and process alignment impact service delivery within the Nairobi City County insurance companies in Kenya. It was anchored on three theories, including the resource-based view, the theory of dynamic capabilities, and the service delivery dynamic theory. Employing a descriptive research design, the study encompassed 56 insurance companies, with a target population of 203 functional heads in finance, marketing, human resources, and customer service across these firms. Slovin's sampling formula was employed to help determine the appropriate sample size while a combination of simple random and stratified random sampling was utilized in drawing the respondents. For gathering data, a structured questionnaire was deployed for both the piloting and actual undertaking of the research. The pilot study was conducted at Britam Insurance Company using a sample size of 10%. Content validity was ensured through expert input from strategic management professionals. Reliability analysis showed strong internal consistency, with Cronbach's alpha coefficients of 0.813 for structural alignment, 0.858 for cultural alignment, 0.814 for resource alignment, and 0.876 for process alignment, confirming that all sections all met the minimum required reliability threshold. The research instruments yielded both quantitative and qualitative data that were then analyzed appropriately for a comprehensive exploration of the possible statistical links among the variables. Descriptive results were then presented through frequency distributions, means, percentages, standard deviations and means. Deeper analyses involving inferential tests like the regressions and Pearson's Correlation tests were then performed to examine the presence or absence of statistical associations among the variables. Findings were summarized in bar charts, tables and pie charts. The study established that structural, cultural, resource, and process alignment positively influences service delivery in insurance companies. To enhance these alignments, the study recommended regular training sessions to improve decision-making transparency and foster a collaborative work culture. Additionally, leaders should model desired behaviors to reinforce organizational values. Insurance companies were also advised to conduct periodic evaluations of their technological capabilities to ensure alignment with strategic goals, while the effective deployment and monitoring of physical resources should be prioritized to support key business functions.

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

The insurance companies play a critical role in a nation's economy and society by providing financial protection against various risks and uncertainties. They promote economic stability by spreading risks across a large pool of policyholders, thereby reducing the financial impact of unexpected events on individuals, businesses, and governments (Belhadi, Abdellah & Nezai, 2023). However, the case of poor service delivery in the insurance sector is a global concern that spans across various regions and markets. Despite advancements in technology and customer service strategies, many insurance companies struggle to meet the needs and expectations of their policyholders (Silbaugh & El Fattal, 2022). This often results in delays in claims processing, a lack of transparency in policy terms, inadequate communication, and unsatisfactory resolution of customer inquiries and complaints.

Strategic alignment enhances service delivery by ensuring an organization's goals, processes, and resources are effectively coordinated to achieve its objectives (Gasela, 2021). Aligning strategy with operations ensures services meet strategic goals and customer expectations (Marín-Idárraga & Cuartas-Marín, 2023). This alignment improves efficiency, consistency, and quality, leading to enhanced customer satisfaction and overall performance (Sharma & Behl, 2023). Ultimately, it enables organizations to deliver well-planned and effectively executed services that support their broader objectives (Huang & Yong-Hui, 2019).

In Canada, Smith and Thomas (2023) observed that when an organization's strategies are closely related with its objectives and resources, it is more likely to effectively deliver services to its customers or clients. Among firms in the United Kingdom, Sabherwal, Havakhor and Steelman (2019) found that strategic alignment ensures that an organization's goals, objectives, and actions are synchronized, leading to clarity of purpose and direction among employees. This clarity enables efficient resource allocation,

streamlined operations, and a culture of innovation, ultimately resulting in improved customer satisfaction, enhanced financial performance, and sustainable growth for the firm.

In 2022, global insurance premiums accounted for 7.1% of the total GDP worldwide. This indicates that a significant portion of the world's economic activity is tied to the insurance industry (Insurance Regulatory Authority, 2022). It shows the importance and impact of insurance on the global economy, reflecting how extensively businesses and individuals rely on insurance for risk management and financial security. It also shows the industry's substantial role in the financial sector and its contribution to overall economic stability. From 2000 to 2022, the United States consistently dominated the global insurance market, accounting for approximately 43.7% of the market in 2022. This is followed by China with 10.3%, the United Kingdom with 5.4%, Japan with 5% and France with 3.9%. With an insurance premium amounting to 74 billion U.S. dollars in 2022, Africa accounts for one percent of the global insurance premium of around 6.8 trillion U.S. dollars in 2022. South Africa accounts for 0.7%, which is about 46 billion U.S. dollars of the global insurance premium (Insurance Regulatory Authority, 2022).

In Kenya, at the national level, the insurance industry significantly contributes to economic growth by mobilizing savings and facilitating investments. It enhances social protection through financial security, poverty alleviation, and disaster management. Additionally, it supports business continuity and trade while investing in infrastructure development and public services, fostering overall national stability and development. The rate of penetration of insurance in Kenya for the year 2022 increased to 2.29% from 2.25% in the previous year. The premiums in Kenya are largely contributed by Nairobi City County, which has a share of 83.9% in the year 2020 and 79.6% in 2021 compared to other counties (Insurance Regulatory Authority, 2022). In Nairobi County, the insurance sector faces challenges including low penetration rates due to limited public awareness, regulatory and compliance issues, and fraud and claims management difficulties. These hurdles impact the industry's growth and overall effectiveness (Insurance Regulatory Authority, 2022).

1.1.1 Service Delivery

Service-delivery is the actual practice of delivering a service to clienteles, encompassing all the activities and interactions involved in fulfilling customer needs and expectations (Anabila & Ameyibor, 2022). According to Gupta, Singh, and Mangla (2022), service delivery is the degree to which the service is performed correctly and in a timely manner, meeting customer needs and expectations. According to Kiprono and Kinyua (2021), measures of service delivery in insurance companies in Kenya include turnaround time, customer feedback, efficiency in service delivery, and responsiveness to customer needs.

Angima and Jebiwott (2022) measure service delivery in insurance companies in Kenya in terms of customer satisfaction, customer loyalty, and customer experience. Service delivery in the insurance sector encompasses various key metrics, including claims processing time, claims settlement ratio, policy issuance time, and customer retention rate. Basically, claims processing time is the time taken by an insurance company to handle and settle a claim once it is filed by a policyholder, with shorter processing times typically indicating more efficient service (Anabila & Ameyibor, 2022). The claims settlement ratio represents the proportion of claims successfully settled by the insurance company compared to the total number of claims filed, serving as an indicator of the insurer's reliability and commitment to fulfilling its obligations (Angima & Jebiwott, 2022).

1.1.2 Strategic Alignment

Strategic alignment is the fit between a company's strategy and its internal capabilities as well as the external environment (Porter, 1996). According to Carter and Ulrich (2012), strategic alignment refers to the process of ensuring that a business's mission, vision, goals, and strategies are coordinated and communicated to all stakeholders and that the organization's structure, culture, processes, and systems are designed to support those strategies. Reed (2023) defines strategic alignment as the process of coordinating the goals and actions of different parts of the entities in order to realize its overall mission and strategic objectives. Strategic alignment benefits firms by enhancing performance through a clear focus on strategic priorities and improved decision-making coherence. It fosters

agility and adaptability, allowing organizations to effectively adapt to changes in the external environment and seize new opportunities (Audretsch & Belitski, 2022).

Gasela pointed out that the elements of strategic alignment in a South African study are the structural, cultural, resource, process, technology, customer, supplier and partner alignment. Gede and Huluka (2023) looked at strategic alignment in terms of process, role and goal clarity. In Kenya, Mutinda (2020) conceptualized strategic alignment in terms of leadership, people, customer and process alignment. In addition, Anamanjia and Maina (2022) looked at strategic alignment in terms of business environment, resource, structural and cultural alignment. This study conceptualized strategic alignment in terms of process, cultural, resource and process alignment.

1.1.3 Insurance Companies

Insurance companies in Kenya are vital elements of the country's financial sector, offering various types of insurance products and services to individuals, businesses, and organizations. They play a crucial role in providing financial protection against unforeseen risks and uncertainties, thereby promoting economic stability and resilience (Association of Kenya Insurers, 2022). The companies are under the regulation of the Insurance Regulatory Authority (IRA) in Kenya, which oversees licensing, compliance, and consumer protection. The IRA ensures that insurance companies adhere to regulatory standards and guidelines to maintain the stability and integrity of the sector. The Insurance Regulatory Authority (2022) mentions that there are 56 insurance companies in Kenya. These firms offer a wide range of products: life, health, property, motor, liability, and agricultural insurance, among others.

Policy issuance time in insurance companies in Kenya refers is the duration it takes for an insurer to process and issue a new insurance policy or make modifications to an existing one after receiving all necessary information and documentation from the policyholder (Association of Kenya Insurers, 2022). Upon submission of an application for insurance coverage, the insurer's underwriting team evaluates the risk associated with the applicant and determines the terms and conditions of coverage, considering factors such as the applicant's medical history, occupation, and desired coverage. Once the underwriting

evaluation is completed and the application is approved, the insurance company generates the policy document, outlining the specifics of coverage, including premiums, deductibles, and any endorsements or exclusions. This document is then delivered to the policyholder, typically electronically or through traditional mail, with the policyholder often required to review and sign the document to acknowledge acceptance of the coverage and terms (Insurance Regulatory Authority, 2022). The policy issuance time can vary depending on factors such as the complexity of the underwriting process, the volume of applications being processed, and the efficiency of the insurance company's administrative procedures, with insurers aiming to minimize this time to provide prompt coverage to policyholders and enhance overall customer satisfaction.

1.2 Statement of the Problem

In the last decade, insurance companies in Kenya have been operating in a turbulent business environment, characterized by increased competition, changing consumer needs, increased consumer demands, and globalization. These challenges, among others, have negatively affected the performance and service delivery of insurance companies in terms of customer satisfaction, claims processing time, and customer retention. To address these challenges, insurance companies in Kenya have been adopting strategic alignment. According to Sharma and Behl (2023), strategic alignment enables efficient resource allocation, streamlined operations, and a culture of innovation, ultimately resulting in improved customer satisfaction, enhanced fiscal performance, and sustainable development for the firm. However, despite the adoption of strategic alignment among insurance companies in Kenya, service delivery is still poor.

The insurance industry in Kenya has faced a negative public perception, which may stem from either a lack of understanding of insurance concepts or negative experiences with insurers during the claims process. Many customers feel they are unfairly treated when it comes to claims payments. (Kiprono & Kinyua, 2021). Angima and Jebiwott (2022) observed that 65% of consumers in the insurance industry in Kenya were satisfied with the services they received. This implies that 35% of all consumers receiving services from insurance companies were dissatisfied. In Addition, the insurance penetration ratio was 2.43% in 2018, which decreased to 2.34% in 2019, 2.29% in 2020, 2.25 % in 2021 and

2.18% in 2022 (Insurance Regulatory Authority, 2022). Thus, it is crucial to examine how strategic alignment influences service delivery in Kenya's insurance sector.

Numerous researchers in Kenya have explored the relationship between strategic alignment and the delivery of services. For instance, Ngamau and Ragama (2019) examined the effect of strategic alignment on NGO Performance in Nakuru Town. Mutinda (2020) examined the relationship between strategic alignment and implementation in HIV/AIDS among nongovernmental organizations in Kenya, and Anamanjia and Maina (2022) examined the association between strategic alignment and KRA performance. However, these studies were limited to non-governmental organizations and the Kenya Revenue Authority, which is a public institution. Public institutions, nongovernmental organizations, and private firms, such as insurance companies, have different structures, cultures, and processes and make use of different resources in delivering their services.

In addition, Ngamau and Ragama (2019) study used a survey research design, Mutinda's (2020) utilized a cross-sectional research design and Anamanjia and Maina (2022) used a case study design. Further, Ngamau and Ragama (2019) conceptualized strategic alignment in terms of knowledge management systems, talent management and organization culture; Mutinda (2020) research scrutinized how strategic alignment specifically in the areas of process management, customer and people alignment; and Anamanjia and Maina (2022) conceptualized strategic alignment in terms of business environment alignment and structural alignment. Hence, the results of these cannot be applied to the Nairobi County insurance companies. As such, this study aims to explore how strategic alignment influences service delivery in insurance companies within Nairobi City County in Kenya.

1.3 Study Objectives

1.3.1 General Objective

The overall aim of this study was to establish the influence of strategic alignment on service delivery in insurance companies in Nairobi City County, Kenya.

1.3.2 Specific Objectives

The key specific objectives were:

i. Examine the influence of structural alignment on service delivery within the insurance companies in Nairobi City County, Kenya.
ii. Establish the influence of cultural alignment on service delivery in the insurance companies in Nairobi City County, Kenya.
iii. Determine the influence of resource alignment on service delivery in the insurance companies in Nairobi City County, Kenya.
iv. Assess the influence of process alignment on service delivery in the insurance companies in Nairobi City County, Kenya.

1.4 Research Questions

The research sought to answer the following research questions.

i. What is the influence of structural alignment on service delivery in the insurance companies in Nairobi City County, Kenya?
ii. How does cultural alignment influence service delivery within the Nairobi City County insurance companies in Kenya?
iii. What is the influence of resource alignment on service delivery within the Nairobi City County insurance companies in Kenya?
iv. How does process alignment affect service delivery within the Nairobi City County insurance companies in Kenya?

1.5 Significance of the Study

The outcome of this research was, therefore, very crucial for Kenyan insurance companies' management, policymakers, and other researchers and academicians. Policymakers used the outcomes of the research to inform the development of policies aimed at promoting strategic alignment within the insurance industry. Understanding how strategic alignment influences service delivery helped policymakers design regulations and incentives that encourage insurance companies to align their strategies with customer needs and market dynamics. In addition, insights from the research provided the design as well as the implementation of regulatory frameworks governing the insurance sector. Policymakers incorporated the best practices identified in the study to ensure that regulatory requirements

promote strategic alignment and enhance service delivery while also safeguarding consumer interests.

For managers of insurance companies, the study offered an in-depth understanding of how strategic alignment influences service delivery. Insights from the study could help the management to make more informed decisions when developing strategic plans. Understanding how strategic alignment impacts service delivery allows decision-makers to tailor strategies that are better aligned with customer needs and market dynamics. In addition, the study findings could guide management in allocating resources more effectively, ensuring that investments are directed towards activities that contribute most to service quality delivery which yield to better client satisfaction levels.

This study offered valuable insights that contribute meaningfully to current understanding of how aligning strategies impacts organizational outcomes. For other researchers and academics, this study offered valuable info that can serve as investigation material and help identify gaps in the field. The research acted as a foundational piece of study, providing insights into the link between strategic alignment and service delivery in the insurance sector. Other researchers developed this by taking related topics or conducting similar studies in different contexts.

1.6 Study Scope

The inquiry aimed at ascertaining the possible associations between strategic alignments within Nairobi based insurance companies and the delivery of their services. It looked at four dimensions of strategic alignment that is cultural, resource, structural and process alignment. The industrial scope covered the insurance industry which comprises 56 insurance companies. The headquarters of all 56 insurance firms are located in Nairobi County. The unit of observation for study's comprised heads of finance, marketing, human resources, and customer service departments. Therefore, the targeted participants were 203 heads of finance, marketing, human resources, customer service, as well as sales and marketing departments in the 56 insurance companies within Nairobi County. The research was performed between August 2024 and October 2024.

1.7 Limitations of the Research Study

In the course of the investigation process, several constraints were encountered and addressed. Initially, the process of collecting data focused on insurance firms; however, not every respondent was forthcoming some withheld details or left the tools incomplete. To address this, the research introduction research letter from the University (KU) assuring the privacy of shared information. Moreover, a research authorization permit was applied from NACOSTI. Study participants were further guaranteed that their input was strictly to be utilized for academic, aiming to boost participation levels. Furthermore, administering questionnaires could have been challenging due to the busy schedules of department heads in various insurance companies. To surmount the limitation, a drop-and-pick approach was adopted for distributing and collecting the questionnaires.

1.8 Organization of the Study

This exploration was divided into 5 units. Section one, the introduction, the background of the research, objectives, problem statement, significance of study, research questions, scope as well as limitations. Section two provided a literature review focusing on strategic alignment and service delivery, covering theoretical perspectives, empirical studies, a conceptual framework and identifying knowledge gaps. Section three detailed the methodology and techniques involved in collection of data as well as analysis; among them include research design, targeted population, sample size, sampling methods to be employed, data collection instruments, pilot testing of research tools, procedures for data gathering, and data analysis techniques chapter four presents the statistical findings from the field The concluding section, Chapter Five, delivers a comprehensive overview through its summary, drawn conclusions, and proposed recommendations.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

Chapter two entails literature review on strategic alignment: structural, cultural, resource, and process alignment, and service delivery. This chapter encompasses both theoretical and empirical literature, summarizes key empirical findings, highlights existing research gaps, and illustrates the study's conceptual framework through a visual representation.

2.2 Theoretical Review

A theory is a well-established framework or conceptual model that seeks to describe, predict, or explain phenomena within a specific field of knowledge. This theoretical framework provides a conceptual basis for understanding the link between strategic alignment and service delivery effectiveness. This research was founded on the dynamic-capabilities theory and was complemented by Resource-Based View Theory and the dynamic theory of service delivery.

2.2.1 Dynamic Capabilities Theory

Dynamic capabilities theory can be traced from the work of Shuen, Pisano and Teece (1997). Dynamic capabilities theory revolves around the idea that firms must possess the ability to dynamically adapt to changing environments to maintain a competitive advantage over time. It consists of three interrelated processes: Sensing, Seizing, and Reconfiguring (Marín-Idárraga & Cuartas-Marín, 2023). Sensing involves the ability to perceive and understand changes and opportunities in the external environment. Firms must continuously scan their surroundings to identify emerging trends, customer needs, technological advancements, and competitive threats. Once opportunities are identified, firms need to effectively and timely capture them. This involves making strategic decisions and taking actions to capitalize on the identified opportunities, such as entering new markets, forming strategic alliances or launching new products. Dynamic capabilities also entail the capacity to internally reorganize capabilities and resources to adapt external environmental changes. This may include resource reallocating, restructuring

organizational processes, or acquiring new skills and technologies to adapt to shifting market conditions (Yuliansya, 2019).

Dynamic capabilities theory is built upon several key assumptions: Resource Heterogeneity, Path Dependency, and Tacitness of Knowledge. It assumes that firms have a unique bundle of capabilities and resources that vary in their combination and configuration. This heterogeneity gives rise to differences in competitive advantage among firms (Mulyungi, Namusonge, Iravo & Ngirabakunzi 2021). In addition, the theory acknowledges that past decisions and actions influence a firm's current capabilities and future trajectories. Therefore, the historical path taken by a firm shapes its ability to develop and leverage dynamic capabilities (Waribugo & Etim, 2020). Further, dynamic capabilities theory recognizes that much of the knowledge within organizations is tacit and difficult to codify. This tacit knowledge includes skills, routines, and informal relationships that contribute to a firm's competitive advantage. As a result, imitating or replicating dynamic capabilities is challenging for competitors (Alhawamdeh & Alsmairat, 2019).

Critics argue that the theory lacks clear guidelines for operationalization, making it challenging for practitioners to apply in real-world settings (Anamanjia & Maina, 2022). The abstract nature of dynamic capabilities makes it difficult to translate theory into actionable strategies. In addition, some scholars have criticized the theory for being tautological, meaning that success is defined in terms of possessing dynamic capabilities. In other words, firms are considered successful because they exhibit dynamic capabilities, creating a circular argument (Ahmed & Adnan, 2019). Empirical testing of dynamic capabilities theory poses challenges due to the complexity of measuring dynamic capabilities as well as their effect on firm performance. Researchers struggle to develop reliable and valid measures of dynamic capabilities, hindering the accumulation of empirical evidence to support the theory (Mugure, Rintari & Laititi, 2021).

Dynamic capabilities encompass the capacity of insurance firms to adapt their strategies, processes, and resources to meet the developing needs of clients and the dynamic competitive landscape. Strategic alignment, which involves ensuring coherence between organizational strategies, resources, and actions, is crucial for insurance companies operating in Nairobi City County to effectively deliver services that align with local market

demands, regulatory requirements, and socio-economic conditions. By dynamically reconfiguring their capabilities in response to fluctuating market dynamics and client preferences, insurance firms can enhance their service delivery effectiveness, cultivate customer trust, and sustain competitive advantage. Additionally, strategic alignment facilitates the efficient allocation of resources, enhances operational efficiency, and enables insurance companies to capitalize on emerging opportunities, thereby fostering long-term growth and profitability in the insurance sector.

This research will utilize dynamic capabilities theory to analyze how strategic alignment dimensions—structural, cultural, resource, and process alignment—impact service delivery in the insurance industry. Structural alignment ensures that an insurer's organizational framework facilitates efficient service delivery by clearly defining roles, responsibilities, and communication channels. This includes dedicated departments for underwriting, claims processing, and policy issuance, enabling seamless coordination and prompt customer response. Cultural alignment fosters shared values and norms that prioritize customer satisfaction and innovation. In an industry where trust and reliability are critical, a strong customer-centric culture encourages employees to exceed client expectations, enhancing service quality, customer loyalty, and competitive differentiation.

This research utilized dynamic capabilities theory to examine how strategic alignment dimensions structural, cultural, resource, and process alignment impact service delivery in the insurance industry. Structural alignment ensures that an insurer's organizational framework supports efficient service delivery by clearly defining roles, responsibilities, and communication channels. This includes dedicated departments for underwriting, claims processing, and policy issuance, facilitating seamless coordination and timely customer service (Gasela, 2021).

Moreover, resource alignment ensures the effective allocation of human, financial, and technological resources to support service delivery objectives. In the insurance sector, this may involve investing in employee training to enhance expertise in risk assessment and customer relationship management, as well as adopting advanced technologies to

streamline processes and improve operational efficiency (Marín-Idárraga & Cuartas-Marín, 2023).

Process alignment, on the other hand, focuses on optimizing internal workflows and procedures to enhance service quality and responsiveness. By aligning these strategic dimensions cohesively, insurance companies can build dynamic capabilities that enable them to adapt to changing market conditions, anticipate customer needs, and deliver tailored solutions effectively (Sharma & Behl, 2023). This, in turn, drives customer satisfaction, loyalty, and sustainable business growth (Huang & Yong-Hui, 2019). Therefore, dynamic capabilities theory was applied to explain the influence of strategic alignment comprising structural, cultural, resource, and process alignment on service delivery in the insurance industry.

2.2.2 Resource-Based View Theory

Initially Resource-Based View-Theory was created by Penrose back in the year 1959 and refined by Wernerfelt in the year 1984. As stated by RBV, firms achieve competitive advantage and long-term performance from a unique bundle of internal capabilities and resources. These resources might include the tangibles, such as financial resources and physical infrastructure, while on the other hand, some intangible assets may include intellectual property, organizational culture, or knowledge. A resource or capability will be a sustained competitive advantage source when it is valuable, rare, inimitable, and non-substitutable (VRIN) based on RBV (Markham et al., 2020).

RBV rests on several key assumptions. Firstly, it assumes that firms vary in regard to the capabilities and resources they possess and how they combine them. Secondly, it posits that resources may not be easily transferable between firms or imitated by competitors due to elements such as path dependencies, social complexity, historical conditions and causal ambiguity. Thirdly, RBV assumes that firms create value through the effective deployment of their capabilities and resources, and they must be able to capture a significant portion of that value to sustain their competitive advantage. Finally, RBV mentions that dynamic capability is the capability of a firm to adapt and reconfigure its resource base so as to meet the changing market conditions and competitive pressures (Uwanyiligira, 2021).

Despite its significance, RBV has faced several criticisms. One common critique is the potential for tautological reasoning within the VRIN framework, where, therefore, a resource is considered valuable because it generates sustained competitive advantage, and it generates sustained competitive advantage because it is valuable. (Munyi & Muthimi, 2020). Critics also argue that RBV may focus too heavily on internal factors and overlook the influence of external elements such as market dynamics, industry structure, and regulatory environment. Additionally, identifying and measuring resources, particularly intangible ones, can be challenging. Moreover, the assumption of resource immobility may not always hold true in today's fast-paced and dynamic business environment, where competitors can replicate or acquire resources more quickly than before (Mutegi, Nzioki & King'oriah, 2021).

RBV offers valuable insights into how strategic alignment dimensions impact service delivery within the insurance industry. Structural alignment within the RBV framework involves organizing internal structures to effectively utilize resources and capabilities. In the insurance sector, this might entail establishing specialized departments for underwriting, claims processing, and customer service, ensuring efficient coordination and prompt response to client needs (Uwanyiligira, 2021). Cultural alignment, another dimension, fosters a shared organizational culture centered on customer satisfaction and innovation. In an industry reliant on trust and reliability, cultivating a customer-centric culture motivates employees to exceed expectations, driving service excellence and competitive advantage.

This study applied the Resource-Based View (RBV) theory to strategic practice in the insurance sector by examining how firms leverage their internal resources to gain a competitive advantage in service delivery. RBV posits that organizations achieve sustainable success by effectively utilizing valuable, rare, inimitable, and non-substitutable (VRIN) resources (Barney, 1991). In this context, strategic alignment—comprising structural, cultural, resource, and process alignment—ensures that an insurer's internal capabilities are optimized to enhance operational efficiency and customer satisfaction.

Furthermore, resource alignment under RBV emphasizes the effective allocation of human, financial, and technological resources to support service delivery objectives. This includes investing in employee training to improve expertise in risk assessment and client relationship management, as well as adopting advanced technologies to streamline processes and enhance operational efficiency (Alsayed, Motaghi & Osman, 2022). By leveraging these strategic resources, insurance firms can create a unique value proposition that strengthens their market position.

Process alignment, the final dimension, focuses on optimizing internal workflows and procedures to enhance service quality and responsiveness. When insurance companies effectively integrate their structural, cultural, resource, and process alignment, they develop robust capabilities that enable them to adapt to evolving market dynamics, anticipate customer needs, and deliver tailored solutions. This, in turn, increases client satisfaction, fosters customer loyalty, and drives sustainable growth within the industry. By applying RBV, the study demonstrated how strategic alignment helps insurance firms harness their internal resources to achieve superior service delivery and long-term competitiveness.

2.2.3 Dynamic Theory of Service Delivery

Dynamic theory of service delivery, sometimes referred to as dynamic service delivery theory, is a conceptual framework proposed by Chase (1996), a renowned scholar in service operations management field. Chase is known for his contributions to understanding and improving service delivery processes (Huang &Yong-Hui, 2019). The dynamic theory of service delivery emphasizes that service delivery processes are inherently dynamic and subject to change over time because of various components such as customer preferences, market trends, technological advancements and regulatory requirements. Unlike traditional views that consider service delivery as a static process, this theory recognizes the urge for firms to continuously respond and evolve their service delivery strategies and practices to remain competitive and meet the developing needs and expectations of customers (Tsai & Shou, 2019).

The theory assumes that service delivery processes should be designed and managed with a primary focus on meeting and exceeding customer expectations. Customer preferences and feedback serve as crucial inputs for shaping and modifying service delivery strategies. In addition, the theory assumes that organizations must be agile and flexible in adapting to changes in the external environment and customer demands. This may involve adapting service offerings, redesigning processes, or implementing new technologies to enhance service delivery effectiveness. Further, the theory assumes that service delivery is an ongoing process of improvement and innovation. Organizations ought to embrace a culture of continuous learning in the firms and experimentation to identify opportunities for enhancing service quality, efficiency, and customer satisfaction (Muthaura &Kinyua, 2021).

Critics argue that the theory may oversimplify the complexities involved in managing service delivery in real-world contexts. Service delivery processes often involve multiple stakeholders, intricate systems, and unpredictable factors that are challenging to address through a singular theoretical framework. In addition, some practitioners may find it challenging to translate the theoretical principles of dynamic service delivery into actionable strategies and practices within their organizations (Makanga & Thoronjo, 2019). Rolling out changes in service delivery processes calls for meticulous planning, appropriate allocation of resources, and solid organizational support—factors that often make the process both time-consuming and resource-heavy. Additionally, evaluating the effectiveness and efficiency of dynamic service delivery initiatives can prove challenging, particularly when it comes to tracking measurable impact and sustainability over time. Critics suggest that there may be a lack of adequate metrics and evaluation metrics to gauge the results and benefits of dynamic service delivery strategies accurately (Bichii & Waruguru, 2020).

The dynamic theory of service delivery shows the imperative for insurance companies to continuously adapt and evolve their service delivery processes to effectively meet the developing expectations and customer needs in the local market. Given the dynamic nature of the insurance sector, characterized by changing regulatory frameworks, shifting customer preferences, and emerging technological advancements, insurance firms in

Nairobi must embrace agility and flexibility in their service delivery strategies. This entails regularly assessing customer feedback, leveraging innovative technologies for streamlined operations and customer interaction, and swiftly responding to market trends to ensure high-quality service provision. Moreover, the dynamic theory of service delivery in this research emphasized the importance of promoting a culture of continuous enhancement in insurance organizations in Nairobi, encouraging ongoing learning, adaptation, and innovation in service delivery practices to maintain competitiveness and enhance customer satisfaction in this dynamic market environment.

2.3 Empirical Literature Review

This section provides a review of the literature on the impact of structural, cultural, resource, and process alignment on service delivery.

2.3.1 Structural Alignment and Service Delivery

Sharma and Behl (2023) conducted a study on structural alignment in the UK's insurance industry, assessing its effect on policy management and claims processing. The research indicated that companies with well-structured departments, digital workflows, and integrated communication systems delivered faster and more reliable services. However, it did not consider how smaller insurance firms with limited resources struggle with structural misalignment, creating a gap for further research in developing economies like Kenya.

Marín-Idárraga and Cuartas-Marín (2023) investigated the influence of structural co-alignment on SMEs performance. Their study affirmed the fundamental principle of organizational congruency theory, which asserts that the alignment of structural factors leads to enhanced performance. The research found that when structural factors are evaluated together, they have a significantly positive effect on performance. This study makes two key contributions: First, it provides new empirical evidence supporting the idea that the co-alignment of structural factors has a synergistic effect, impacting organizational outcomes more effectively than evaluating these factors in isolation. Second, it offers insights for strategic management by showing that SMEs can improve performance through formalized behavior, functional subunits, and decentralized decision-making when

these elements are aligned. However, the applicability of results from this scrutiny is limited to Colombian SMEs, and its results cannot be applied directly to the Kenyan insurance industry due to variation in macroeconomic environment.

Yuliansya (2019) explored the factors affecting structural alignment within the Indonesian banking sector using an exploratory qualitative approach. The study identified standard operational procedures as a key attribute crucial to structural alignment in Indonesian banks. It concluded that performance standards are vital in the service sector, as they ensure consistent and high-quality service delivery to customers and provide uniform guidelines for employees across branches. However, this study was specific to the banking sector in Indonesia, so its results cannot be applicable to the insurance industry in Kenya. Additionally, the research failed to address how different components of structural alignment impact service delivery process.

Alsmairat and Alhawamdeh (2019) examined impact of strategic decision-making on organizational performance. Their review of existing literature highlights that many previous studies have emphasized strategic decision-making to be a key factors that impinge on performance of an organization. This study contributes to understanding the factors affecting performance and managerial decisions, such as organizational justice, environmental factors, leadership behavior, decision-making approaches, and processes. The results of the study conclude that strategic decision-making process is crucial for enhancing organizational performance. However, it emphasized organizational performance as a dependent variable, which differs from service delivery.

Ngirabakunzi et al. (2021) investigated how accountability structures determined the social service delivery quality in public institutions within Rwanda. The research targeted 7,000 respondents using a cross-sectional research approach. The results if this inquest established that accountability structure practices significantly influence social service delivery in Rwanda, revealing a positive and significant link between these practices and service delivery. Nevertheless, as the study was confined to public institutions in Rwanda, its results cannot be applicable to the Kenyan insurance industry.

Agyeman et al. (2022) investigated the relationship between structural alignment and service quality in Ghana's public healthcare system. The study found that hospitals with clear organizational structures and decentralized decision-making improved patient satisfaction. However, it overlooked the role of resource constraints and bureaucratic inefficiencies that hinder effective healthcare delivery. Etim and Waribugo (2020) explored the impact of structural alignment on strategy implementation within the Nigerian telecommunication organizations. They took a survey research approach and included the staff of Nigerian mobile phone operators. According to the findings, centralization demonstrated an insignificant positive relationship with resource control and budgetary program implementation, whereas specialization showed a positive significant association with the various dimensions of strategy implementation. In conclusion, a centralized structure tends to slow down strategy implementation, whereas a specialized structure improves it. Given that the investigation was based in states of Nigeria, which has a different macroeconomic environment from Kenya, and focused specifically on telecommunication firms, its findings may not be directly applicable to other sectors or regions.

A study by Gasela (2021) analyzed how structural alignment influences service delivery in South Africa's financial services industry. The research found that companies with clearly defined roles, effective communication channels, and strong leadership structures improved service efficiency. However, the study focused mainly on large corporations, neglecting smaller financial institutions that face structural inefficiencies. Olatunji and Adegbite (2020) examined structural alignment in Nigerian banks and its impact on customer service. The study revealed that banks with streamlined structures and digital integration offered faster transaction processing and enhanced customer experiences. However, it did not address how structural misalignment affects customer trust in an industry plagued by operational challenges and regulatory uncertainties.

Wambua and Mutua (2021) explored structural alignment in Kenya's public service institutions and its influence on service efficiency. The findings showed that agencies with well-defined hierarchies and clear accountability frameworks delivered better public services. Nevertheless, the study focused on government institutions and did not examine

private sector organizations, such as insurance firms, where structural alignment is equally crucial.

Maina and Anamanjia (2022) investigated the influence of structural alignment on KRA performance. The research employed the descriptive approach. The target population involved all employees in Job Groups 3 to 10. The findings indicated that the alignments structurally, culturally, in resources, and in the business environment positively and significantly affected KRA's performance. In conclusion, structural alignment enhances decision-making, cultural alignment fosters shared values that support strategic decision-making, resource alignment is crucial for improving organizational performance, and alignment with the business environment ensures that the organization's innovation process is adapted to current conditions. However, the study was specific to KRA, a public institution focused on improving service delivery, and its findings may not be directly applicable to other organizations or sectors.

Mugure, Rintari, and Laititi (2021) examined how management structure influenced the quality of services at Meru County mission health facilities in Kenya. A descriptive research approach was utilized in the study and 128 respondents from these hospitals were surveyed. The study's results showed a positive association between the quality of service delivery and management structure. The study concluded that management structure has a positive association on improved service quality in Meru County's mission hospitals. However, since the research was focused on mission hospitals in Meru County, its results cannot be directly applicable to the Kenyan insurance industry.

2.3.2 Cultural Alignment and Delivery of Service

Ahmed and Adnan, in 2019, studied the cultural alignment of the competitive strategy dimensions with those of the supply chain strategy. The research approach adopted was based on a survey questionnaire. The target population was 77 participants from 8 companies in Pakistan. The study found a high correlation between competitive and supply chain strategies alignments and the choice of CS and SCS combination impacts supply chain and business performance. The study concludes that traditional practices, leadership and time constraints, low budget & expenditure, and resources are major hindrances to the

implementation of cultural values in the Pakistani wireless industry. The study was conducted in Pakistan which differs from Kenya in regard to economic development, institutional and legal frameworks as well as geographical boundaries.

Markham, Yammarino, William, Murry, and Palanski (2020) investigated the interrelationship of shared values, leader-member exchange and performance. The study examined how agreement between subordinates and superiors on work values affects the leader-member exchange (LMX)–performance relationship and considered both agreement and disagreement in LMX and values. The findings revealed that LMX works at the dyadic level and that the link between LMX and performance is strong when there is an agreement between superior subordinate ratings on LMX and value. However, this investigation adopted performance as the Y variable, whereas the current study will study use service delivery.

Alsayed, Motaghi, and Osman (2022) conducted a study to determine whether communication satisfaction was related to various performance indicators in Palestinian governmental organizations. They employed the Communication Satisfaction Questionnaire by Hazen and Downs way back in 1977 to determine the employees' communication satisfaction based on three dimensions: informational/relational, relational and informational. The Multifactor Leadership Questionnaire of Bass and Avolio in 1995 was used to evaluate performance indicators pertaining to extra effort, satisfaction, and effectiveness. The inquiry found insignificant link between the task performance and informational dimension and that of the relational and informational dimensions and satisfaction with supervisors. The research was confined only to the education ministries as well as the health in the Gaza Strip and did not include supervisors and subordinates from the West Bank. However, the research work focused on communication satisfaction, which is dissimilar from cultural alignment.

Uwanyiligira (2021) investigated practices of strategic management as well as their impact on public institutions' service delivery in Rwanda, focusing on NLC. Employing a mixed-methods approach, the study targeted 116 employees across various roles, including 6 senior managers, 46 members of the National Land Centre (NLC), 24 district land officers, as well as 30 sector land officers. The findings indicated that multiple strategic

implementations at the National Land Centre moderately and positively affected service delivery, with performance targets being the key strategy used. However, the role of strategic evaluation in improving service delivery at the National Land Centre was found to be minimal. The study concluded that a significant association exists between cultural alignment, evaluation, service delivery and implementation in the National Land Centre. This study failed to show how shared values, leadership role modeling and communication influence service delivery.

Munyi and Muthimi (2020) explored how organizational culture influences strategy implementation in private health facilities within Nairobi County in Kenya. In their assessment, A descriptive research-approach was embraced to invigorate the matter, and the investigator chose to involved on 2,000 respondents from 6 of the 53 private health facilities in the area. The findings revealed that a strong organizational culture positively affects strategy implementation. The study concluded that adopting a goal-oriented, people-oriented, risk-taking and team culture significantly enhances strategy implementation, resulting in higher profits, increased customer/client satisfaction, and a competitive edge, however, the study specifically addressed strategy implementation as the dependent variable and was restricted to Nairobi City County private hospitals in Kenya.

King'oriah, Nzioki and Mutegi (2021) examined the impact of cultural alignment on public service delivery at Huduma Centres in Kenya. Descriptive methodology was adopted, targeting 52 Huduma centres branch managers, 1,456 supervisors and 1,456 public customers across government ministries that provide services through these centres. The findings indicated a positive but weak linear association between cultural alignment and public service delivery, with a moderate positive association between government policies and service delivery. In conclusion, cultural alignment influences the public service delivery of Huduma Centres. However, since the research was limited to government ministries within Huduma Centres, its findings may not be directly applicable to the private sector due to differences in institutional frameworks.

2.3.3 Resource Alignment and Delivery of Service

Huang and Yong-Hui 2019 studied how the resource alignment of partners would moderate the link between the green innovation performance and environmental innovation strategy. This empirical study was undertaken with the support of a questionnaire as the data gathering tool, and regression analysis for hypothesis testing. The results indicated that resource alignment and environmental innovation strategy between partners were influential in terms of green innovation performance. The study emphasizes that resource alignment is a major contingency moderator; as such, when the level of alignment of resources between partners is higher, performance of an organization in terms of its strategies for green innovation and general environmental innovations. This study failed to show how resource alignment (human resource alignment, technological resource alignment and physical resource alignment) influences service delivery.

Tsai and Shou (2019) examined the influence of absorptive capacity and alignment of inter-partner resources on the performance of knowledge transfer. Using regression analysis on 120 Taiwanese firms, the study found that the utilization of inter-partner resources is positively connected to university-industry (U-I) interaction. Additionally, absorptive capacity within a firm increases the favorability of U-I interaction, which has an additional positive impact on the performance of knowledge transfer. Turning to the process-oriented view, empirical results appear to offer supporting evidence because UI interaction mediates the relationship between alignment of relevant resources and absorptive capacity on performance with regard to the transfer of knowledge. However, since this study was carried out in Taiwan, these deductions cannot directly apply to some contexts because of differences in institutional legal-frameworks, geographical locations, and economic-conditions, such as those between Kenya and Taiwan.

Kinyua and Muthaura (2021) explored how resource alignment influenced organizational performance using the context of commercial banks within Nyeri County. They used descriptive research methodology that targeted employees from 14 commercial banks within the region. The results established a positive association between resource alignment as well as organizational performance, with linear regression analysis showing

that resource alignment significantly influences performance. The study concluded that effective resource alignment such as physical assets, personnel and finances, picks up greater performance in relation to optimal capacity utilization, employee satisfaction and customer satisfaction. However, the evaluations was exercised on commercial institutions in Nyeri County, which offer different types of services from the insurance sector in Kenya.

Makanga and Thoronjo (2019) examined how strategic technological alignment influenced organizational performance among listed companies in the NSE. The study used an exploratory research approach to gather data of top managers from these firms. Their study revealed that alignment of an organization's technological infrastructure had a statistically significant positive effect on the firm's overall financial performance. In conclusion, implementing a flexible utilization plan for IT innovations acquisition and utilizing web applications is crucial for enhancing organizational operations. However, the research focused on organizational performance as the dependent variable, which differs from the aspect of service delivery.

Bichii and Waruguru (2020) investigated how resource alignment influenced organizational performance was examined using energy and petroleum companies listed on the NSE in Kenya. They used a descriptive approach focusing on managers from five such companies. The findings revealed that resource alignment significantly affects organizational performance. In conclusion, effective resource alignment is essential for enhancing the performance of companies listed in the energy and petroleum sectors in Kenya. This inquiry only dwelled on listed energy and petroleum companies at the NSE which differ from the insurance industry in terms of institutional framework.

2.3.4 Process Alignment and Delivery of Service

Sumardi and Fernandes (2019) studied the possible impact of process alignment on Makassar HE performance within Indonesia, which was mediated by organizational commitment and service quality. The study targeted all HE institutions offering undergraduate programs in Makassar where 312 participants were involved. They established that both organizational commitment and service quality significantly mediate the impact of management process on the sampled institutions' performance. However,

since the study was conducted in Indonesia, its results cannot be directly applicable to other contexts due to differences in institutional frameworks, geographical locations, and economic conditions, such as those between Kenya and Indonesia.

Yang and Jih-Ming (2020) examined the relationships in organizational process alignment, culture, and innovation. Building on previous research, they conceptualized a model in which three types of process alignments that is, structural, IT, and strategic had positive impacts on adaptability culture, in turn promoting process and product innovations. Analyzing data from 175 surveys collected from high-tech firms in Taiwan using structural equation modeling, the study found that structural and strategic alignments positively affected adaptability culture, whereas IT alignment did not. Additionally, the study revealed that adaptability culture directly impacts process innovation and indirectly influences product innovation through process innovation. However, since the study emphasized on innovation as a dependent variable, it differs from research centered on delivery of services.

A recent study that focused on strategic management and delivery of services by public institutions in Nigeria, Anambra State was undertaken by Chukwuemeka and Agbazue (2020). They utilized a survey research design focusing on 454 staff members from these organizations. The findings indicated that digitalization, strategic financial management and strategic management of human resources had an statistically significant effect on delivery of quality services within the selected organizations. In conclusion, strategic management of human resources significantly impacted delivery of services within these public sector entities. However, since the research was conducted within Nigerians public sector organizations in Anambra State, its findings may not be directly applicable to insurance firms in Kenya due to differences in sector and geographic context.

Wang, Toseef, and Yingmei (2021) examined the role that the alignment of IT process might play in business strategy, considering influence of organizational culture and transactional leadership. The results indicated that management-by-exception and leader contingent reward significantly affect IT-business process alignment. Moreover, while market culture moderated leaders' transactional behaviors with respect to IT-business process alignment, contingent reward behavior in its relation to the alignment of IT-

business process was moderated by hierarchy culture. However, hierarchy culture had a relatively minor influence on the association between management-by-exception and technological alignment of the organizations' business process. Therefore, the research highlights the IT-business process alignment and transactional leadership relationship but also explains how this association is moderated by organizational culture. Nevertheless, since the study looked at organizational culture instead of service delivery, its findings differ from research centered on service delivery outcomes.

Hung, Chung, and Ya-Hui Lien (2023) investigated alignment of organizational processes and dynamic capabilities with regard to performance within the High-Tech Industry. Their study posits that organizational performance is largely driven by process alignment. In this study, three hypotheses were tested through a questionnaire survey. The results indicated that while alignment of organizational processes positively impact performance, the impact is mediated by organizational dynamic capabilities. Also, the fit for the proposed structural equation model was found to be marginal. However, as the research was confined to the High-Tech Industry, its results cannot be directly applicable to the insurance industry due to differences in institutional frameworks.

Njoroge and Nyaga (2022) studied some of the big Kenyan manufacturing firms in terms of their practices of continuous improvement and overall industry performance. The study employed a descriptive research approach concentrating on 190 personnel from various departments at Nairobi Bottlers Limited. A stratified random procedure was utilized to get a study sample/population comprising of 57 participants. Descriptive data were collected through the use of questionnaire. From the results, it was observed that all-the four independent incorporated variables had a statistical significant impact the performance of manufacturing companies. The study concluded that predictable and consistent outcomes are essential process indicators for improving the performance of an organization. Additionally, the effective utilization of resources as well as the management of both processes and interrelated processes were identified as crucial for enhancing organizational performance. This study failed to show how process alignment (cross-functional integration, technology enablement, and continuous improvement in service delivery.

2.4 Summary Review and Identification of Research Gaps

Quite a number of researchers have examined the relationship between strategic alignment and service delivery. Nevertheless, most of these investigations were confined to specific countries and institutions, employing varied independent factors, sampled populations, and methodological approaches. Consequently, outcomes observed in one national context may not be applicable elsewhere. In addition, variations in study variables, target groups, and research frameworks limit the generalizability of findings across different studies.

Table 2.1: Summary of Research Gaps

Author	Study	Results	Research gaps	Focus of the study
Structural Alignment and Service Delivery				
Yuliansya (2019)	Attributes that influence structural alignment within the service sector: focusing onIndonesian banking industry	The study found one of the major attributes to emerge, which was of the most importance in Indonesian banking context, was standard operational procedures.	This study focused on the banking sector in Indonesia. The study failed to show how components of structural alignment influence service delivery	The study investigated the impact of structural alignment on service provision within the insurance industry in Nairobi City County.
Waribugo and Etim (2020)	The effect of structural alignment on strategy implementation in telecommunication firms in Nigeria.	The study established that centralization is insignificantly related to Implementation of budgetary programs and resource control. In contrast, specialization was established to significantly influence on various aspects of	This study was conducted in Nigeria and was limited to strategy implementation in telecommunication firms	The research examined service delivery within the insurance industry in Kenyan context.

		strategy implementation.		
Maina and Anamanjia (2022)	Structural Alignment and Its Impact on KRA Performance	It adopted descriptive approach, targeting all employees in job groups 3-10. This study has established that the independent variables: structural, cultural, resource and business environment alignment had a significant positive effect on dependent variable, which is KRA performance.	This study focused on the Kenya Revenue Authority, a public institution dedicated to enhancing service delivery.	The study concentrated on structural alignment as well as service delivery in the insurance sector within Nairobi City County.
Cultural Alignment and Service Delivery				
Ahmed and Adnan (2019)	The alignment between the dimensions of competitive strategy and the dimensions of	The instrument this study used was a survey questionnaire. Target Population: 77 Respondents and 8	The study was carried out in Pakistan, which differs from Kenya in regard to economic development, institutional and legal	This study investigates the relationship between cultural alignment and service delivery in the

	supply chain strategy in terms of organizational culture.	companies in Pakistan. The results found a strong association between competitive and supply chain strategy alignments; CS and SCS combination will choose affecting the business and supply chain performance.	frameworks and geographical boundaries	insurance industry of Nairobi City County.
Uwanyiligira (2021)	The investigation focused on how strategic management is implemented and its influence on the quality of services offered by public institutions in Rwanda,	The conclusion drawn indicates a strong correlation between cultural alignment, implementation, evaluation, and service delivery at the National Land Centre.	This study failed to show how shared values, leadership role modeling and communication influence service delivery	The study concentrated on assessing the impact of cultural alignment (shared values, leadership role modeling and communication) on quality service delivery in insurance sector in Nairobi
Mutegi, Nzioki and	Cultural alignment and its impacts on	The study assessed the relationship between	This study was confined to government ministries that	This research examines how cultural alignment

King'oriah (2021)	public service delivery at Huduma Centers in Kenya were the focus of the research, which sampled branch managers from the 52 Huduma Centers, 1,456 supervisors, and 1,456 customers from government ministries utilizing services at Huduma Center branches.	public service delivery and cultural alignment as positive, low, linear, and significant. There was a positive link between Government policy and delivery of services within public entities.	offered public services in Huduma center branches; hence the research outcomres can't directly be applied in the present invesgtation because of the difference in institutional frameworks between the private sector and public sector.	affects service delivery within the Nairobi City County insurance industry in
Resource Alignment and Service-Delivery				
Tsai & Shou (2019)	The effect of aligning resources between partners and absorptive capacity on the effectiveness of knowledge transfer.	The research findings suggest that resource sharing between partners is positively associated with University-Industry (U-I) interaction.	This research was conducted in Taiwan, and as such, its findings are not directly transferable to the current study due to variations in institutional structures, location-specific	The study examined how resource alignment affects service delivery within the insurance industry in Nairobi City County.

		Additionally, a higher absorptive capacity within a firm leads to more favorable U-I interactions, which in turn positively influences knowledge transfer performance.	factors, and levels of economic advancement.	
Huang and Yong-Hui (2019)	How does the resource alignment moderation affect the association between the strategy for environmental innovation and green innovation performance.	The findings show that in terms of green innovation performance and environmental innovation strategy, a positive relationship between the partners performance. Resource alignment also emerged as a key contingent moderator in this study.	This study failed to show how resource alignment (human resource alignment, technological resource alignment and physical resource alignment) influence service delivery	This research concentrates on resource alignment on service delivery in Nairobi City County insurance industry.

Bichii and Waruguru (2020)	Resource alignment and performance of companies listed in Kenya's energy and petroleum sector.	The research proved that resource alignment really affects organizational performance. In other words, the study concluded that resource alignment is a critical factor influencing the performance of companies listed in energy and petroleum sector in Kenya.	This study concentrated on companies listed in energy and petroleum sector in Kenya, which differs from the banking industry in regard to their institutional frameworks.	The study aimed to examine the effect of resource alignment on service delivery within insurance service sector
Process Alignment and Service Delivery				
Sumardi, and Fernandes (2019)	Service quality and organizational commitment play a mediating role in the relationship between the alignment of management	The research revealed that mediation variables such as service quality and organizational commitment have a significant impact on	The research took place in Indonesia, making its outcomes potentially unsuitable for application in the Kenyan context, given the contrasting economic conditions,	The study examined how process alignment affects service delivery within the insurance industry in Nairobi City County.

	processes and the performance of higher education institutions in Makassar, Indonesia.	the relationship between management process alignment and high educational performance in Makassar, Indonesia.	institutional structures, and geographical settings of the two nations	
Hung, Chung and Ya-Hui Lien (2023)	Alignment of organizational processes and dynamic capabilities within the high-tech industry	The findings indicate that while organizational process alignment influenced organizational performance in this study, its impact was mediated by organizational dynamic capability.	This study was restricted to the High-Tech Industry, different from the insurance industry in regard to institutional framework	The study explored the impact of process alignment on service delivery in the insurance industry.
Nyaga and Njoroge (2022)	Continuous improvement practices and their impact on organizational	The study indicates that continuous improvement impacted the performance of	This study failed to show how process alignment (cross-functional integration, technology enablement, and	The study investigates how process alignment including cross-functional integration, technology enablement, and

	performance in large manufacturing firms in Kenya: A case study of Nairobi Bottlers Limited.	manufacturing companies	continuous improvement in service delivery	continuous improvement affects service delivery in the insurance industry.

Source: Author (2024)

2.5 Conceptual Framework

A conceptual framework refers to a visual representation that links various ideas, theories, and principles, offering a comprehensive explanation of a specific phenomenon. In this study, the independent variables consist of strategic alignment, which encompasses alignment in structure, culture, resources, and processes. The dependent variable is service delivery.

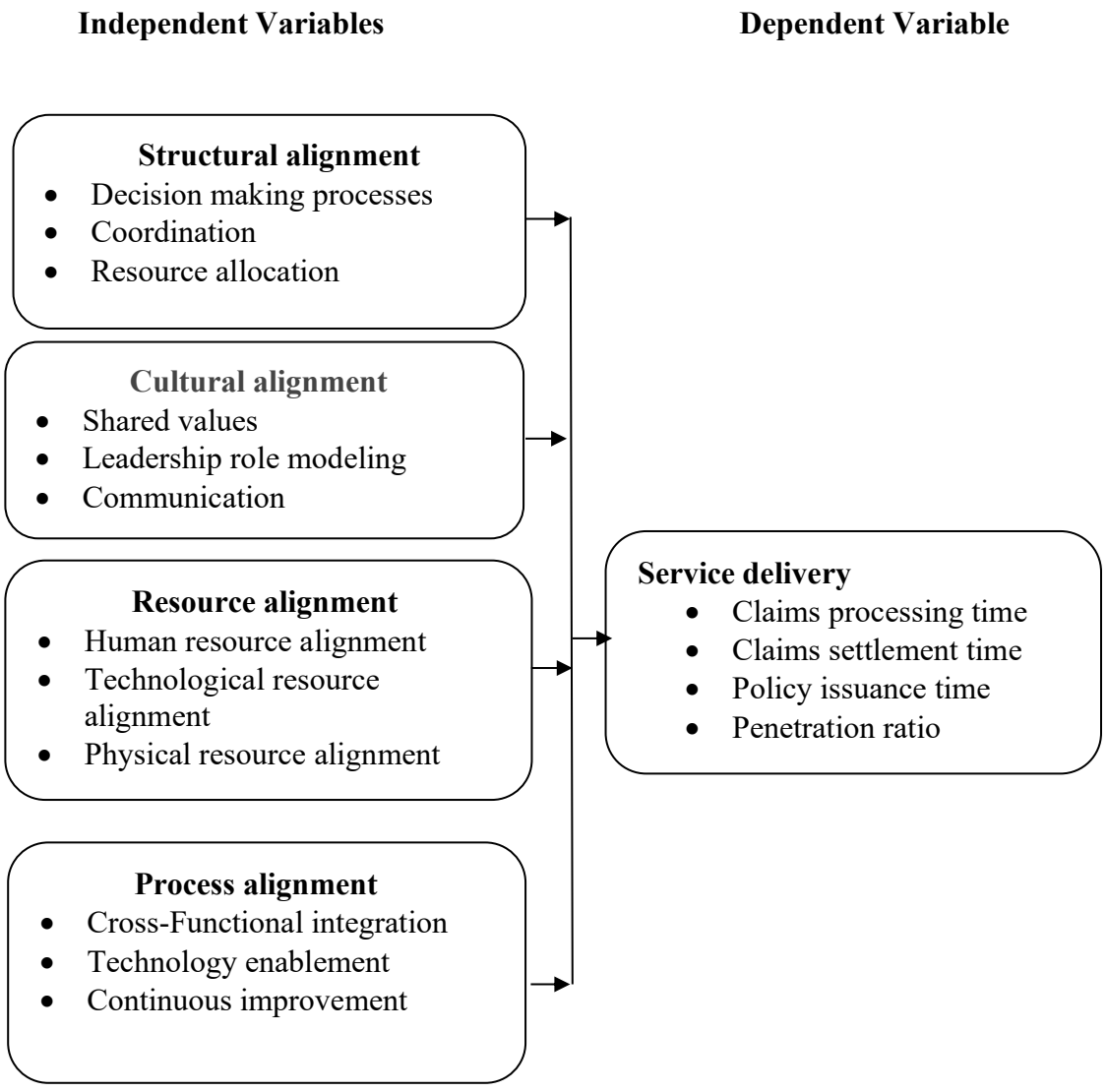

Figure 2.1: Conceptual Framework

Source: Author (2024)

2.5.1 Structural Alignment and Service Delivery

Structural alignment focuses on decision-making processes, coordination, and resource allocation. When an establishment's structure is well-aligned with its strategic goals, efficiency in service delivery improves (Ndungu & Kiiru, 2024). Efficient decision-making processes ensure that policies are formulated with clarity, reducing delays in claims processing time and policy issuance time. Coordination mechanisms enhance interdepartmental communication, leading to improved service flow and faster claims settlement times (Kamuri et al., 2023).

2.5.2 Cultural Alignment and Service Delivery

Cultural alignment involves shared values, leadership role modeling, and communication, all of which play a crucial role in improving service delivery. A strong organizational culture enhances employee motivation and commitment, leading to improved claims settlement time and customer service efficiency (Kamuri et al., 2023). Leadership role modeling fosters accountability and responsiveness in service provision, ensuring that policies are implemented effectively and reducing policy issuance delays. Additionally, open communication channels improve internal processes, minimizing errors and enhancing overall efficiency in service delivery (Tampio, 2023).

2.5.3 Resource Alignment and Service Delivery

Resource alignment includes human resource alignment, technological resource alignment, and physical resource alignment. Organizations that strategically align their human capital with service delivery objectives experience reduced inefficiencies and improved responsiveness (Ndungu & Kiiru, 2024). Technological resource alignment, such as automated claim processing systems, reduces delays in claims settlement time and policy issuance. Similarly, physical resource alignment, such as well-equipped customer service centers, improves client interactions, leading to higher penetration rates in financial services (Kamuri et al., 2023).

2.5.4 Process Alignment and Service Delivery

Process alignment refers to cross-functional integration, technology enablement, and continuous improvement. Cross-functional integration ensures seamless coordination among departments, reducing bottlenecks in service workflows and improving claims processing time. Technology enablement, such as digitized insurance claim systems, significantly enhances speed and accuracy in service provision (Tampio, 2023). Additionally, a culture of continuous improvement fosters innovation in service models, leading to enhanced efficiency and customer satisfaction (Kamuri et al., 2023).

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This-section (Chapter 3) presents the approaches and procedures to be followed in the identification of the target populace, the sample size, collecting data, and analyzing it. Specifically, the section covers specific areas of the research design, the target population, the sampling procedures, the instrumentation, the data collection techniques and analysis methods.

3.2 Research design

The investigation utilized a descriptive approach. A descriptive research approach is a research approach that describes phenomena, behaviors or characteristics of a given population or phenomenon. This involved gathering and analyzing the data systematically in order to give an in-depth description of the subject under study without interfering or controlling any variables involved (Babbie, 2021). Descriptive research was adopted in this research because it allows the researcher to systematically describe and analyze the current state of strategic alignment as well as service delivery practices within the insurance industry in Nairobi City County. In addition, descriptive research methodology has been adopted in previous studies by Lerionka and Kimaku (2023) relating strategic alignment and performance of Nairobi County privately owned meat processing companies in Kenya.

3.3 Target Population

A target population is a whole group of elements or individuals about whom a researcher wants to make generalizations (Creswell & Creswell, 2020). The study solely featured the Kenyan insurance industry which comprises 56 insurance companies. The unit of observation was the heads of finance, marketing, human resources as well as customer service. Table 3.1 presents target population distribution across the 56 insurance companies.

Table 3.1: Target Population

Institutional Department	Number of Targeted Employees
Human Resources	49
Customer service	52
Finance	56
Marketing	46
Total	**203**

Source: Insurance Regulatory Authority (2023)

As depicted in Table 3.1, above the whole target population in the research encompassed 203 finance heads, marketing, human resources and customer service in the 56 insurance firms operating in Nairobi City. The unit of observation-in this research included heads of finance unit, marketing department, human resources, and customer service in insurance companies. These individuals were selected due to their strategic decision-making roles that significantly influence service delivery. Heads of finance oversee resource allocation, budgeting, and financial risk management, which are essential for maintaining liquidity and funding operational processes that directly impact claims processing time and policy issuance efficiency (Omondi & Otieno, 2023). Similarly, heads of marketing are responsible for customer acquisition, brand positioning, and market penetration, making them key players in enhancing policy uptake rates and improving the penetration ratio of insurance services (Mutua & Karimi, 2023). Meanwhile, heads of human resources manage employee training, performance evaluation, and organizational culture, all of which contribute to service quality, customer satisfaction, and claims settlement efficiency (Muthoni et al., 2023). Lastly, heads of customer service serve as the direct link between the company and policyholders, influencing claims settlement time, policy issuance processes, and the overall customer experience (Wanjiru & Muriuki, 2024). Their insights are particularly valuable in understanding how internal alignment factors shape service outcomes.

3.4 Sampling Design

The sampling design is the systematic plan or framework researchers use to select members of a population to study, examine, or analyze (Bryman, 2022). It involves determining the method, procedure, and criteria for selecting samples that represent the population of

interest accurately and reliably. The study employed a stratified random sampling technique combined with simple random sampling in disaggregating the sample size. Stratified-random sampling applies to methods that guarantee the sample is a true representation of a population. According to Devi (2019), the population is partitioned into different subgroups or, rather, strata according to some characteristics; then, the samples are chosen randomly from each stratum to become the total pool of samples. In this study, strata had the heads of finance, marketing, human resources, and customer service. This makes it more effective in sampling, allowing accurate estimations of population parameters as the subgroups are proportionately represented in the sample.

This study used Slovin's method to identify the appropriate sample size.

$$n = \frac{N}{1 + N(e)^2}$$

Where: n = number of samples; N = total population; and e = margin of error (0.05).$n = \frac{203}{1+(203*(0.05^2))}$

$$n = 134$$

The sample size distribution was as depicted in Table 3.2.

Table 3.2: Sample Size

Departments	Target Population	Sample Size
Finance	56	37
Human resource	49	32
Customer service	52	34
Marketing	46	31
Total	**203**	**134**

Source: Insurance Regulatory Authority (2023)

As depicted in Table 3.2, the selected sample size comprised of 37 heads of finance departments, 32 heads of human resource departments, 34 heads of customer service and 31 heads of marketing. By randomly selecting participants from each department, the study aimed to minimize bias and obtain a diverse range of insights into strategic alignment and

service delivery practices within insurance companies (Greene & Dreyer, 2021). This approach allowed for the inclusion of voices from various organizational levels and ensures that findings are applicable and generalizable to the broader population of employees in similar roles within the Nairobi City County insurance industry.

3.5 Data Collection Instrument

Data collection instruments refer to the techniques or tools employed to gather targeted information required for a particular research objective. These instruments can differ widely in regard to the study nature and type of collected data (Hair, Page & Brunsveld, 2020). Common examples of data collection instruments include surveys, interviews, questionnaires, observations, experiments, and document analysis. This study used both primary and secondary data. Secondary data on measures of service delivery was obtained from the financial statements' insurance companies. Primary data was collected by the use of structured questionnaires.

The questionnaire was categorized into five parts. Part one sought demographic information from the participants through a nominal scale. The second, third, fourth, and fifth parts included questions that elaborate more on the independent variables. All variables were evaluated using a 5-point Likert scale, ranging from "Strongly Disagree" to "Strongly Agree" including intermediate options of "Disagree," "Neutral," and "Agree."

3.6 Pilot Test

A pilot test is a preliminary evaluation conducted on a smaller scale before implementing a study or research project on a larger scale (Kumar, 2019). Its primary purpose is to assess the feasibility, reliability, validity, and effectiveness of research methods, instruments, procedures, or interventions. Pilot tests help researchers identify and address any logistical, technical, or operational problems before conducting the full-scale study (Latwal, 2020). Common issues may include difficulties in recruitment, data collection procedures, instrument reliability, or unforeseen obstacles in implementing interventions.

The pilot test for this study was conducted at Britam Insurance Company to assess the effectiveness and reliability held by research tool before the full-scale research process. A

pre-test group comprising 10% of the total sample size was randomly selected to ensure representative feedback on the study's methodology. This proportion aligns with the recommendation of Kumar (2019), who recommends that a pilot study ought to involve at least 10% of the total targeted sample size to provide meaningful insights while maintaining resource efficiency. The pilot test helped identify potential challenges in data collection, refine survey questions for clarity, and enhance the overall reliability and validity of the research instruments, thereby strengthening the study's methodological rigor.

3.6.1 Validity

The validity of a research instrument is the extent to which it accurately measures the concepts or variables it is required to measure (Mukherjee, 2020). The study focused on face, content, construct and criterion validity. Content validity was enhanced by engaging subject matter professionals in the fields of strategic management to review research methods. This was also done by seeking feedback on the clarity, relevance, and comprehensiveness of the instrument items to ensure that they accurately capture the key constructs under investigation.

The face validity was enhanced through pretesting in the piloting phase of the study. Criterion validity refers to a measure's conformity with a specific criterion or outcome (Hall, 2020). It assesses whether the measure has an appropriate prediction or association with some relevant external criterion that corresponds to what is being measured. Criterion validity was enhanced by conducting a thorough pilot testing and validation study prior to the main study can help identify and address any potential validity issues.

Construct validity may be explained as the degree to which the operationalization of the concepts or variables in a study accurately represents the underlying theoretical constructs or concepts (Kumar, 2019). This study used confirmatory factor analysis to assess the study variables' construct validity.

3.6.2 Reliability

Reliability entails consistency and stability of measurements obtained from a study instrument when administered repeatedly under the same conditions (Punch, 2020).

Probably, Cronbach's alpha is the most used statistic to estimate internal consistency reliability for a scale. A high Cronbach's alpha value shows that the items are closely related and provide a reliable measure of the intended construct (Waddell, 2020). Cronbach's alpha ranges from 0 to 1, with higher values reflecting greater internal consistency. Typically, while a Cronbach's alpha of 0.70 is considered adequate in most research, higher values are always preferred. Values below 0.70 may suggest that the items are not adequately correlated, indicating lower internal consistency reliability. The outcomes were presented as illustrated in Table; 3.3

Table 3.3: Reliability Results

Variables	Cronbach's-Alpha	Items Tally
Structural alignment	0.813	9
Cultural alignment	0.858	9
Resource alignment	0.814	9
Process alignment	0.876	9

The results indicated that structural alignment had a Alpha coefficient of 0.813, cultural alignment had 0.858, resource alignment had 0.814, and process alignment had 0.876. This implies that process alignment, resource alignment, cultural alignment, and structural alignment were reliable.

3.7 Data Collection Procedure

Prior to commencing fieldwork, permission for data collection was sought from the KU Graduate School. Following this, a research permit was secured from NACOSTI. The investigator employed a drop-off and pick-up later technique, allowing respondents a two-week window to complete the research instruments (questionnaires) before retrieval. This method is chosen due to limited participant availability, ensuring a systematic approach to data collection. Notably, the drop-off and pick-up later procedure promotes organization and enhances participant engagement and cooperation (Sileyew, 2019). Respondents were urged to provide honest and comprehensive responses, with a guarantee of strict confidentiality regarding their identities. The full process of gathering data was expected to take around four weeks to complete.

3.8 Data Analysis and Presentation

The research instruments produced qualitative data. The info that was collected from the questionnaires was well edited, coded, and entered into the Statistical Package for Social Sciences (SPSS version 28). The analysis included both inferential and descriptive statistics. Descriptive statistics, including standard deviation, mean, percentages and frequency distribution were utilized. Subsequently, inferential statistics was conducted, including linear regression analysis and Pearson's correlation analysis. A confidence level of 95% was adopted, corresponding to a probability value of 0.05. Thus, a lower p-value was considered statistically significant, while those above 0.05 was considered statistically not significant. The findings were tabulated in figures as well as in tables, including pie charts and bar charts. Given that the research involved four independent variables, the multivariate regression model was structured as follows:

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

Whereby:

Y = Service Delivery;

β_0 = Constant;

β_1, β_2, β_3, β_4 = Coefficients of determination;

X1 = Structural Alignment;

X2 = Cultural Alignment;

X3 = Resource Alignment;

X4 = Process Alignment; and

ε = Error term

3.9 Ethical Considerations

Ethical considerations are an integral aspect of any research or study, guiding researchers in ensuring that their work respects the rights, dignity, and well-being of participants, as well as adheres to ethical principles and standards (Greene & Dreyer, 2021). In this study, the researcher[3] obtained[3] permissions from the National Commission for Science, Technology, and Innovation (NACOSTI) to conduct the research. The study participants

were requested to complete an informed consent form, indicating their willingness to take part in the study. Only those who consented were provided with the questionnaire. Participants received assurance from the researcher regarding the strict confidentiality of the information provided, ensuring it is solely used for research purposes. Data documents were securely stored in a locked location, with restricted access granted only to authorized individuals. To preserve participant anonymity, the tool used for data gathering avoided requesting any identifying details unless absolutely necessary for the research design. Participants were advised to exclude names or contact information while filling out the study questionnaires.

CHAPTER FOUR

RESEARCH FINDINGS AND DISCUSSIONS

4.1 Introduction

The fourth chapter purely focuses on the results of the analyses, along with their interpretations and discussions. It also provides a comprehensive comparison of the conclusions drawn from the findings and the literature reviewed in the chapter two.

4.2 Rate of Responses

All the 134 questionnaires got administered to the heads of finance, marketing, human resources as well as customer service in the 56 insurance companies in Nairobi County. By the end of the allocated period, 120 completed questionnaires were returned, as shown in Figure 4.1.

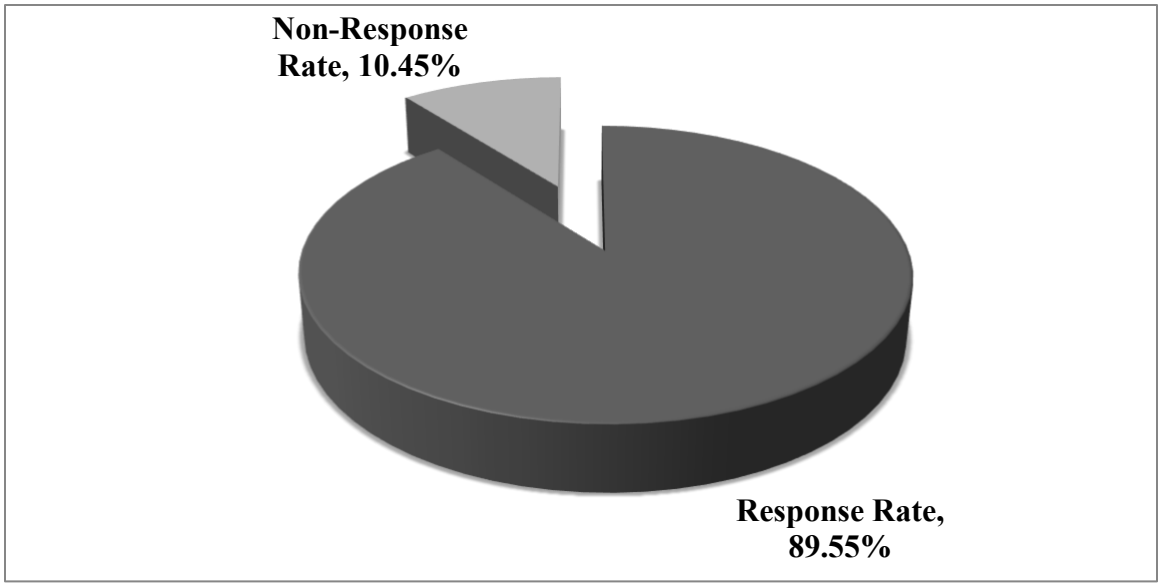

Figure 4.1: Participation Rate for the Research

Source: Survey Observations (2024)

The valid questionnaires accounted for 89.55 percent of the total distributed, indicating a non-participation rate of 10.45 percent. This level of participation significantly surpassed the average return rate for field surveys. According to Babbie (2021), a questionnaire return

rate of 75 percent is acceptable for analysis and drawing conclusions about a population. Thus, the Survey completion rate of 89.55% was deemed sufficient for analysis, drawing conclusions and reporting.

4.3 Characteristics of Research Participants

The researcher recorded details such as the participants' gender, age range, highest level of education attained, and length of service within the organization. These characteristics were analyzed as presented in Table 4.1

Table 4.1: Descriptive Statistics for Characteristics of Research Participants

Characteristic	Categories	Frequency Count	Percentage Frequency
Gender	Male	65	54.2
	Female	55	45.8
	Total	**120**	**100**
Age Bracket	31 up to 35 yrs.	19	15.8
	36 up to 40 yrs.	33	27.5
	41 up to 45 yrs.	44	36.7
	over 46 yrs.	24	20
	Total	**120**	**100**
Highest Level of Education	Diploma	37	30.8
	Undergraduate Degree	56	46.7
	Master's Degree	27	22.5
	Total	**120**	**100**
Duration of Working	Less than 3 yrs.	7	5.8
	4 to 7 yrs.	19	15.8
	8 to 11 yrs.	40	33.4
	Above 12 yrs.	54	45
	Total	**120**	**100**

Source: Survey Observations (2024)

Male respondents made up 54.2 percent of the sample, slightly outnumbering their female counterparts, who accounted for 45.8 percent. The near parity in gender representation suggests that organizations in Nairobi County are making strides toward inclusivity in leadership positions. This balance can foster a more diverse workplace environment, encouraging varied perspectives and ideas in decision-making. The significant presence of

women in leadership roles can serve as a positive signal to other companies, potentially inspiring further initiatives aimed at promoting gender diversity. Additionally, it may enhance employee morale and attract a broader talent pool, ultimately leading to improved organizational performance and innovation.

In terms of age bracket, a notable portion of participants 44 percent were aged between 41 and 45 years, followed by 33 percent aged between 36 and 40 years. Additionally, 24 percent were over 46 years, while 19 percent were aged between 31 and 35 years. This suggests that the leadership demographic is predominantly composed of experienced professionals in the mid to later stages of their careers. The significant representation of participants aged 41 to 45 years reflects a wealth of experience and industry knowledge within leadership roles. This can be advantageous for the organizations, as seasoned professionals are likely to bring valuable insights, strategic thinking, and effective problem-solving skills to their positions. Furthermore, the presence of younger leaders (aged 31 to 35 years) indicates a potential for mentorship and succession planning, fostering an environment where knowledge and skills can be transferred to the next generation of leaders. This blend of experience and youth can enhance innovation and adaptability within companies, positioning them well for future challenges and opportunities.

It was evident that the majority of participants, 56 percent held a bachelor's degree, 37 percent had attained a diploma, and 27 percent possessed a master's degree. This distribution indicates a strong educational foundation among the leaders, with a significant portion having completed advanced studies. The high percentage of participants with bachelor's and master's degrees suggests that the leadership in these sectors is well-educated, which is likely to enhance the overall competency and effectiveness of the organizations. Leaders with advanced degrees often bring critical thinking skills, analytical capabilities, and a broader understanding of industry trends, which can drive strategic decision-making and innovation. This educational diversity can foster a culture of continuous learning and development within companies, ultimately contributing to better performance and adaptability in a competitive market.

In regard to work duration, 54 percent of participants had been with the organization for over 12 years, while 40 percent had worked there for between 8 and 11 years. Additionally, 19 percent had been employed for duration of 4 to 7 yrs, and 7 percent had served for a duration not exceeding 3 years. The findings indicate that a substantial majority of the heads of finance, marketing, human resources, and customer service in the 56 insurance companies in Nairobi County possess considerable tenure within their organizations. The high tenure among participants reflects a strong level of commitment and loyalty to their organizations, which can lead to greater stability and continuity in leadership. Leaders with extensive experience are likely to have a profound understanding of the company's operations, culture, and industry dynamics, enabling them to make informed decisions and drive strategic initiatives effectively. This stability can also foster a collaborative environment, where seasoned leaders mentor newer employees, thereby enhancing knowledge transfer and organizational learning.

4.4 Strategic Alignment

Strategic alignment refers to the process of ensuring that an organization's structure, resources, and activities are in sync with its overarching strategy and goals (Bufquin, 2022). It involves aligning all components of a business such as its operations, human resources, technology, and processes with its mission, vision, and objectives to ensure that every part of the organization contributes to achieving its long-term goals (Anabila & Ameyibor, 2022). Strategic alignment includes process alignment, resource alignment, cultural alignment, and structural alignment.

4.4.1 Structural Alignment

Structural alignment refers to how well the organization's structure, such as its departments and teams, supports and fits with its strategies and goals. It means making sure that the way the organization setup helps it achieve its objectives efficiently. Structural alignment was measured in terms of decision-making process, coordination and resource allocation. The set of observations related to aspects indicating structural alignment has been analysed in tabular form.

Table 4.2: Structural Alignment

Statements	Frequency	Mean	Std. Dev
Decision-making processes in our organization are streamlined and efficient.	120	4.00	.59
Decisions are made collaboratively with input from relevant stakeholders in our organization.	120	3.87	.80
There is clarity and transparency in the decision-making process within our organization.	120	3.83	.96
Teams coordinate effectively across departments and functions in our organization.	120	3.98	.95
Communication channels are well-established for seamless coordination within our organization.	120	3.90	.92
Resources are aligned and utilized efficiently across teams and departments in our organization.	120	3.61	.96
Resources are allocated strategically based on organizational goals in our organization.	120	3.67	.92
There is flexibility in resource allocation to adapt to changing needs within our organization.	120	3.87	.79
Allocation decisions are transparent and equitable, considering the needs of all departments in our organization.	120	3.80	.98
Structural Alignment	120	**3.82**	**0.87**

Source: Survey Observations (2024)

The measurements related to structural alignment revealed significantly low levels of variability in the responses provided by participants. In regard to the decision-making process, the highest mean of 4.00 was attained for the aspect that decision-making processes in their organization are streamlined and efficient with a Std deviation of 0.59, indicating a strong consensus amongst participants regarding this statement. In addition, participants' responses showed significant disparities regarding the aspect of whether there is clarity and transparency in the decision-making process within their organization. Further, the next aspect that decisions are made collaboratively with input from relevant stakeholders scored a mean of 3.87 with a standard deviation of 0.80. This indicates that while collaboration is generally valued, there is slightly more variability in perceptions,

suggesting that not all participants may feel equally involved or consulted in decision-making processes.

Regarding team coordination, the mean score of 3.98 indicates that participants believe teams coordinate effectively across departments and functions. The standard deviation of 0.95 points to moderate variability, suggesting that while many feel that coordination is effective, experiences may differ depending on specific teams or projects. Similarly, the aspect that communication channels are well-established for seamless coordination scored 3.90 with a standard deviation of 0.92. This reinforces the idea that while communication mechanisms are generally perceived as effective, there may still be inconsistencies in how they are experienced across the organization. Additionally, the aspect of resources is aligned and utilized efficiently across teams and departments attained a weighted mean score of 3.61 and a Std deviation of 0.96. This suggests significant variability in responses, implying that participants may have differing opinions on how well resources are managed across teams.

In terms of resource allocation, the aspect of flexibility in resource allocation received a mean score of 3.87 with a standard deviation of 0.79, indicating that participants perceive the organization as responsive to changing needs. This suggests that employees recognize the organization's ability to adapt resources effectively. Also, the slightly higher mean score of 3.67 for the aspect on resources are allocated strategically based on organizational goals further indicates a positive sentiment but with a similar level of variability as indicated by standard deviation of 0.92, highlighting that not all employees feel that resource allocation aligns with strategic objectives. The average mean score of 3.82 for structural alignment suggests a reasonably positive perception of the organization’s alignment with strategic goals. Nonetheless, the standard deviation of 0.87 highlights varying levels of agreement among employees, indicating that certain areas may require focused attention to ensure a cohesive understanding of structural alignment throughout the organization

As noted by. Marín-Idárraga and Cuartas-Marín (2023), effective communication channels ensure that information flows seamlessly, enabling teams to collaborate and address

customer needs promptly. In addition, when employees across different departments work together harmoniously, they can resolve issues more efficiently and provide a more cohesive service experience for clients (Yuliansya, 2019). Structural alignment clarifies roles and responsibilities within the organization thus fostering higher accountability, leading to better service outcomes, as employees understand how their contributions impact overall service delivery (Alsmairat & Alhawamdeh, 2019).

4.4.2 Cultural alignment

Cultural alignment is about making sure that the values, beliefs, and behaviours of people within an organization match and support its goals and strategies. It means creating a work environment where everyone shares similar attitudes and practices that help the organization succeed. Cultural alignment was measured in terms of shared values, leadership role modelling and communication. The set of observations related to aspects indicating cultural alignment has been analysed in tabular form and discussed accordingly.

Table 4.3: Cultural Alignment

Statements	Frequency	Mean	Std. Dev
Shared values are clearly articulated and understood across our organization.	120	3.98	.56
Employees consistently demonstrate behaviours that reflect our shared values.	120	3.83	.77
Our organizational culture promotes alignment with shared values among all employees.	120	4.00	.66
Leadership exemplifies the shared values and behaviours expected within our organization.	120	3.92	.71
Leaders actively model the desired cultural traits and behaviours for others to emulate.	120	3.95	.62
Leadership's commitment to cultural alignment positively influences employee behaviour and attitudes.	120	3.91	.58
Communication channels are open and encourage dialogue throughout our organization.	120	3.87	.66
Information flows effectively across all levels of our organization through various communication channels.	120	3.96	.59
Our organizational culture fosters transparent and honest communication among employees and leadership.	120	3.92	.62
Cultural Alignment	120	**3.93**	**0.64**

Source: Survey Observations (2024)

Observations regarding key aspects of cultural alignment showed consistently low levels of variation in participants' responses. The highest mean of 4.00 on the aspect of shared values indicates that organizational culture promotes alignment with shared values is associated with relatively low levels of standard-deviation of 0.66, reinforcing the notion that the culture actively supports these values. The statement on shared values is clearly articulated and understood received a weighted mean of 3.98 with a Std deviation of 0.56 indicating strong positive perception among participants that the organization's core values are well-defined and communicated. The low standard-deviation suggests a high level of consensus, meaning that most employees agree on the clarity of these values. Further, the statement on employees consistently demonstrates behaviors that reflect shared values received a slightly lower weighted mean of 3.83 with a standard deviation of 0.77 suggesting that while shared values are well articulated, there may be some variability in how consistently these values are reflected in everyday behaviors.

In regard to leadership role modeling, the statement on leaders actively models the desired cultural traits and behaviors for others to emulate scored a mean of 3.95 with a standard deviation of 0.62, indicating that employees feel that their leaders not only understand the organization’s culture but actively practice it. The statement on leadership exemplifies the shared values and behaviors expected within their organization obtained a weighted mean of 3.92, with a standard deviation of 0.71. This indicates a solid consensus among employees that their leaders embody the values that the organization promotes. Furthermore, the weighted mean of 3.91 for the statement leadership's commitment to cultural alignment positively influences employee behavior and attitudes with a standard-deviation of 0.58, indicating that while there is general agreement about leadership's influence, there may still be some differing views on how effectively this is achieved.

In terms of communication, the aspect of Information flows effectively across all levels through various communication channels obtained a mean-score of-3.96 and a standard - deviation of 0.62, suggesting that employees feel well-informed and connected. In the aspect of organizational culture fostering transparent and honest communication among employees and leadership scored a mean of 3.92 with a standard-deviation of 0.62**.** This points to a perception of a culture that values transparency. Further, on the aspect of

communication channels are open and encourage dialogue throughout received a mean score of 3.87 with a standard-deviation of 0.66, indicating a generally positive perception of communication practices. On average, a weighted mean of 3.93 for cultural alignment reflects a positive perception among employees regarding shared values, leadership role modeling, and communication. The findings align with the Dynamic Theory of Service Delivery**,** which emphasizes the continuous adaptation and alignment of organizational practices to evolving service demands (Chase, 1996).

Cultural alignment shapes the overall work environment and influencing employee engagement, motivation, and performance. When cultural alignment is strong, employees not only understand the organization's mission and values but also actively embody them in their daily activities, fostering a cohesive and productive workplace (Alsayed, Motaghi, and Osman, 2022) One key aspect of cultural alignment is the articulation of shared values which serve as guiding principles that inform decision-making, shape behavior, and influence interactions among employees (Uwanyiligira, 2021)Leadership promotes cultural alignment by modeling desired behaviors and demonstrating commitment to shared values. Open and transparent communication channels facilitate the flow of information and ideas, ensuring that everyone clearly understands the organizational goals as well as the guiding values (Munyi & Muthimi, 2020)

4.4.3 Resource Alignment

Resource alignment means making sure that the resources a company has, like money, people, and equipment, are used in the best way to support its goals and strategies. It involves organizing and directing these resources effectively to achieve what the company aims for. Resource alignment was measured in terms of human resource, technological resource and physical resource alignment. The set of observations related to aspects indicatingto resource alignment have been analysed in tabular form and discussed accordingly.

Table 4.4: Resource alignment

Statements	Frequency	Mean	Std. Dev
Our organization effectively aligns human resources with strategic goals and objectives.	120	4.04	.52
Employees' skills and competencies are matched with the requirements of our organizational strategy.	120	3.93	.53
There is alignment between our workforce planning efforts and the strategic direction of our organization.	120	3.97	.51
Our organization's technological resources are well-aligned with our strategic priorities.	120	4.35	.85
Investments in technology support our organizational objectives and enhance efficiency.	120	4.23	.74
Technological capabilities are continuously updated to meet the evolving needs of our business strategy.	120	3.98	.53
Our physical resources are strategically deployed to support key business functions.	120	3.98	.97
There is effective utilization of physical assets to achieve our organizational goals.	120	4.11	.88
Physical resource allocation is aligned with the priorities outlined in our strategic plan.	120	4.13	.89
Resource Alignment	**120**	**4.08**	**7.13**

Source: Survey Observations (2024)

In terms of human resource alignment, the statement regarding the alignment of human resources with strategic goals and objectives received a high acknowledgement (Mean = 4.04; SD = 0.52). This indicates that employees generally feel that the organization effectively aligns its human resources with its strategic objectives, suggesting a strong consensus among respondents. Additionally, the alignment between workforce planning and the organization’s strategic direction was averagely acknowledged (Mean = 3.97; SD = 0.51), further reflecting a generally positive view with a shared understanding of workforce needs relative to strategic goals. Similarly, the statement about matching employees' skills and competencies to organizational strategy obtained a mean of 3.93 and a Std dev of 0.53, indicating that while there is positive sentiment, there is still room for improvement in competency alignment.

On the aspect of technological resource alignment, the statement that technological resources are well-aligned with strategic priorities received the highest weighted mean of 4.35, indicating strong agreement. However, the higher standard deviation of 0.85 suggests some variability in perceptions, implying that while many see strong alignment, there are differing views among respondents. The weighted mean for investments in technology supporting organizational objectives and enhance efficiency was 4.23 and a Std Dev of 0.74, demonstrating a positive-perception of technology's role in enhancing efficiency. Yet, the statement regarding continuous updates to technological capabilities to meet the evolving needs of business strategy scored slightly lower at 3.98 and a standard deviation of 0.53, suggesting that there may be a need for greater focus on ensuring that technological resources keep pace with evolving business needs.

Regarding physical resource alignment, the statement about alignment of physical resource allocation with strategic priorities obtained favorable recognition (Mean = 4.13; SD = 0.89), reinforcing the positive sentiment among participants. Conversely, the effective utilization of physical assets to achieve organizational goals scored a mean of 4.11, indicating strong agreement and a relatively low Std Dev of 0.88, showing shared understanding. Similarly, the statement regarding the strategic deployment of physical resources garnered a mean of 3.98, indicating a neutral to positive perception. The higher Std Dev of 0.97 indicates variability in opinions, suggesting that not all respondents share the same level of confidence. Average mean score for resource alignment was 4.08, this suggests a general consensus on the importance of aligning human capital with strategic goals, although the variation in responses indicates room for improvement in competency alignment. The RBV theory reinforces this perspective**,** highlighting that organizations gain a sustainable competitive advantage when they effectively leverage their internal resources particularly skilled employees to achieve operational efficiency and superior service delivery (Wernerfelt, 1984).

The reported standard deviation of 7.13, however, may be an error and should be revisited, as it suggests an unusually high level of variability that is inconsistent with the other findings.

According to Makanga and Thoronjo (2019) resource alignment ensures that the right resources are allocated to meet client needs effectively. When financial, human, and technological resources are aligned with service delivery goals, companies can operate more efficiently and respond swiftly to customer inquiries and claims (Bichii &Waruguru, 2020). Adequate staffing levels, along with well-trained employees equipped with the latest tools, allow organizations to provide timely and accurate service. This alignment not only improves operational efficiency but also fosters a culture of responsiveness, as employees are better positioned to address customer concerns (Tsai & Shou, 2019). An environment that prioritizes resource alignment fosters a culture of continuous improvement, where employees are motivated to identify and act on opportunities to enhance service delivery further.

4.4.4 Process Alignment

Process alignment means making sure that the steps and procedures a company uses to do its work are in line with its goals and strategies. It involves adjusting workflows and operations so that everything runs smoothly and supports the company's objectives. Process alignment was measured in terms of cross-functional integration, technological enablement and continuous improvement. The set of observations related to aspects indicatingto process alignment have been analysed in tabular form and discussed accordingly.

Table 4.5: Process Alignment

Statements	Frequency	Mean	Std. Dev
Our organization fosters seamless collaboration and communication across different departments.	120	4.30	.94
Cross-functional teams effectively work together to achieve common goals and objectives.	120	4.23	.97
Integration between departments enhances efficiency and promotes innovation in our organization.	120	4.23	.92
Technology plays a vital role in streamlining our processes and enhancing overall productivity.	120	4.15	.84
Our organization effectively leverages technology to automate manual tasks and improve decision-making.	120	4.08	.87
Technology solutions are aligned with our business needs and contribute to achieving strategic objectives.	120	4.10	.87
Our organization prioritizes continuous learning and adaptation to drive ongoing improvement.	120	4.07	.86
There is a culture of innovation and experimentation to identify areas for enhancement.	120	4.17	.78
Feedback mechanisms are in place to gather insights and drive iterative improvements across processes.	120	4.27	.75
Process Alignment	120	**4.18**	**0.87**

Source: Survey Observations (2024)

Ratings on cross-functional integration received particularly high scores (Mean = 4.30; SD = 0.94) for fostering seamless collaboration and communication across different departments. This suggests that employees feel their organization is effective in promoting teamwork and breaking down silos. Similarly, the weighted mean of 4.23 for the effectiveness of cross-functional teams working together to achieve common goals and objectives and integration of departments to enhance efficiency and promote innovation indicates that employees perceive these teams as crucial in achieving common objectives. The relatively low standard deviations (0.94 and 0.97) imply that there is a strong consensus among respondents about the importance of collaboration. This high level of integration is likely to enhance overall efficiency and foster an innovative culture, as diverse teams can leverage varied perspectives to solve problems more creatively.

Aspect of technological enablement is another critical area of process alignment. The 4.15 mean agreement (SD = 0.84) for the role of technology in streamlining processes indicates that employees recognize its significance in enhancing productivity. Additionally, 4.10

mean score (SD = 0.87) for ensuring that technology solutions align with business needs and contribute to achieving strategic objectives indicate some room for improvement. However, a mean score of 4.08 and a Std Dev of 0.87 for effectively leveraging on technology to automate the manual tasks suggest that automation is playing a crucial role in improving decision-making and operational efficiency. While technology is acknowledged as beneficial, there may be gaps in how well these solutions support specific organizational strategies.

In regard to continuous improvement, presence of feedback mechanisms, with a weighted mean of 4.27 and a standard-deviation of 0.75, emphasizes the entities' commitment to gathering insights for iterative improvements. This focus on continuous improvement is vital for maintaining competitive advantage, as it empowers employees to contribute to organizational growth actively. Furthermore, the score of 4.17 and standard-deviation of 0.78 for the aspect of a culture of innovation and experimentation to identify areas for enhancement indicates that staffs were encouraged to explore new ideas and approaches. The aspect of prioritizing continuous learning adaptation to drive ongoing improvement suggests that the organization values a culture of development and adaptability among its workforce obtained a weighted mean of 4.07 and a Std deviation of 0.86. weighted mean score for process alignment was 4.18, with a Std deviation of 0.87, reflecting a generally positive perception of how well the organization aligns its processes. The findings aligns with the Dynamic Capabilities Theory (Teece et al., 1997), which emphasizes an organization's ability to integrate, build, and reconfigure internal and external processes to adapt to changing environments.

Process alignment encourages a customer-centric approach within insurance companies. When processes are designed with the customer experience in mind, employees are better equipped to meet client needs effectively (Wang, Toseef & Yingmei, 2021). For instance, aligning underwriting, claims processing, and customer service processes can create a seamless experience for clients, reducing friction and improving satisfaction (Hung, Chung & Ya-Hui Lien, 2023). By prioritizing processes that enhance customer interactions, companies can not only address client concerns more efficiently but also anticipate their needs. According to Sumardi and Fernandes (2019), this proactive approach fosters trust

and loyalty, as clients feel valued and understood. In this way, effective process alignment directly contributes to higher levels of customer satisfaction and retention, ultimately benefiting the organization's reputation and success.

4.4.5 Service Delivery

Service delivery is about how a company provides its services to customers. It includes everything from the way services are offered, how they meet customer needs, and how they are delivered efficiently. Service delivery encompasses claims processing time, claims settlement time and policy issuance time were the measures of service delivery for the period between 2019 and 2023.

4.4.5.1 Claims Processing Time

The study sought to examine processing time as a measure of service delivery in their insurance firms as from 2019 up to 2023. The outcomes were tabulated Table 4.6.

Table 4.6: Claims Processing Time (Days)

Years	Mean	Std. Deviation
2019	15.49	3.822
2020	14.91	3.671
2021	15.63	3.692
2022	14.31	2.486
2023	15.97	3.350

Source: Survey Observations (2024)

Table 4.6 shows the mean and Std Dev for claims processing time (in days) among insurance companies in Nairobi City County from 2019 to 2023. In 2019, the average claims processing time was 15.49 days, with a standard deviation of 3.822 days, portraying moderate variability in processing times. The mean slightly decreased in 2020 to 14.91 days, with a marginally lower standard-deviation of 3.671 days, showing some consistency. In 2021, the mean increased to 15.63 days (standard deviation of 3.692), suggesting a slight rise in processing time with stable variability. In 2022, the mean dropped to 14.31 days, the lowest in the period, with reduced variability (standard deviation of 2.486), indicating improved efficiency. However, in 2023, the average processing time increased again to

15.97 days, with variability (standard deviation of 3.350) still within a moderate range, showing fluctuations in processing efficiency across the years.

4.4.5.2 Claims Settlement Time

The study sought to assess claims settlement ratio as a measure of service delivery in their insurance firms for the durations lasting between 2019 and 2023. The results are presented in Table 4.7.

Table 4.7: Claims Settlement Ratio (Percent)

Years	Mean	Std. Deviation
2019	65.57	9.817
2020	65.93	8.319
2021	64.89	8.049
2022	63.87	7.771
2023	64.62	6.882

Source: Survey Observations (2024)

Table 4.7 provides the mean and Std Dev for the claims settlement ratio (in percent) of insurance payers in Nairobi County lasting from 2019 up to 2023. In 2019, the average claims settlement ratio was 65.57%, with a relatively high standard deviation of 9.817%, indicating considerable variability in settlement rates across companies. In 2020, the mean slightly increased to 65.93%, with a lower standard deviation of 8.319%, suggesting a slight improvement in settlement performance with reduced variability. In 2021, the mean decreased to 64.89%, and the standard deviation dropped to 8.049%, reflecting a minor decline in the average ratio and more consistent performance across firms. In 2022, the mean further decreased to 63.87%, with variability continuing to shrink (standard deviation of 7.771%), suggesting a consistent but slightly lower settlement ratio. By 2023, the average claims settlement ratio increased to 64.62%, with the lowest standard deviation in the period (6.882%), indicating improved consistency in claims settlement practices across companies, although overall settlement rates remained slightly below earlier years.

4.4.5.3 Policy Issuance Time

The study aimed to evaluate policy issuance time as an indicator of service delivery in insurance firms over the period from 2019 to 2023. The findings are summarized in Table 4.8.

Table 4.8: Policy Issuance Time (hrs)

Years	Mean	Std. Deviation
2019	11.83	5.958
2020	10.83	7.355
2021	13.17	6.067
2022	15.48	6.163
2023	12.98	6.713

Source: Survey Observations (2024)

The results show variability in both the mean policy issuance time and standard deviation among insurance companies in Nairobi City County from 2019 to 2023. In 2019, the mean issuance time was 11.83 hours with a standard deviation of 5.958 hours, reflecting moderate consistency. The mean decreased to 10.83 hours in 2020, but the standard deviation increased to 7.355 hours, indicating greater variability during this period, likely influenced by the pandemic. The mean time rose again in 2021 to 13.17 hours (standard deviation of 6.067), and further increased in 2022 to 15.48 hours, with a stable deviation of 6.163 hours. By 2023, the mean improved slightly to 12.98 hours, with variability still high at 6.713 hours, suggesting ongoing inconsistencies in policy issuance times.

4.5 Linear Regression Analysis

The analysis involved examination of service delivery in relation to the four variables including process alignment, resource alignment, cultural alignment, and structural alignment. The resulting statistical data was compiled and interpreted accordingly.

Table 4.9: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.827[a]	.684	.675	.25708

Source: Survey Observations (2024)

The model established through the analysis revealed a correlation index 0.827 indicating the estimated relationship between strategic alignment and service delivery. This coefficient indicates a statistically significant positive association between the four elements of strategic alignment and service delivery, further supported by 0.675 value of R-squared adjusted for the predicted model. This suggests that process alignment, resource alignment, cultural alignment, and structural alignment collectively account for 67.5 percent of the variability in service delivery among surveyed insurance companies. Additionally, the F-statistic was used in assessing the statistical suitability of predicted model.

Table 4.10: F-Statistics

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression-	18.62	4	4.655	62.305	.000[b]
	Residual	8.592	115	0.075		
	Total	27.212	119			

a. Dependent Variable: Service Delivery

b. Regressors: (Constant), Process Alignment, Cultural Alignment, Resource Alignment, Structural Alignment

Source: Survey Observations (2024)

The observed F-statistic value was 62.305, with a computed probability (p-value) of 0.000. These statistical results clearly indicate that the estimated model is appropriate for forecasting service delivery based on process alignment, resource alignment, cultural alignment, and structural alignment. In essence, the predicted model demonstrates a strong fit with the observed data.

Table 4.11: Beta Coefficients

Model		Unstandardized-Coefficients		Standardized-Coefficients	t	Sig.
		B	Std. -Error	Beta		
1	(Constant)	1.980	.563		3.517	.001
	Structural Alignment	.428	.099	.378	4.323	.000
	Cultural Alignment	.284	.111	.231	2.559	.013
	Resource Alignment	.323	.121	.268	2.669	.009
	Process Alignment	.348	.120	.231	2.900	.004

a. Dependent Variable: Service Delivery

b. Regressors: (Constant), Process Alignment, Cultural Alignment, Resource Alignment, Structural Alignment

Source: Survey Observations (2024)

The estimated parametric values from the regression analysis produced the following statistical equation.

Service Delivery = 1.980+ 0.428 Structural Alignment +0.284 Cultural Alignment +0.323 Resource Alignment +0.348 Process Alignment

It is clear that if the four predictor variables related to service delivery are held constant at zero, the estimated model simplifies. This means that service delivery in this context would equal 1.980 times the y-intercept. This value is statistically-significant, as its computed probability of 0.001 is below the 0.05 threshold.

Regarding structural alignment as a predictor variable, the predicted model clearly shows that when cultural alignment, resource alignment, and process alignment are all set to zero, the resulting slope is 0.428. This indicates that if structural alignment is valued at 1, service delivery would be 0.428. This model, linking service delivery to structural alignment, has a computed probability of 0.000, making it statistically significant. Thus, it can be concluded that structural alignment positively impacts service delivery in insurance companies.

Thedeductions made on structural alignment as an input variable for service delivery are supported by a substantial body of literature (Marín-Idárraga & Cuartas-Marín, 2023; Yuliansya, 2019; Alsmairat & Alhawamdeh, 2019). The review by Marín-Idárraga and

Cuartas-Marín (2023) revealed that when structural factors are evaluated together, they have a significantly positive effect on performance. Yuliansya (2019) observations indicated standard operational procedures as a key attribute crucial to structural alignment in Indonesian banks. The review of existing literature by Alsmairat and Alhawamdeh (2019) highlights that many previous studies have emphasized strategic decision-making to be a key factor that impinge on performance of an organization.

In terms of cultural alignment, the predicted model clearly indicates that when structural alignment, resource alignment, and process alignment are all set to zero, the resulting slope is 0.284. This indicates that if cultural alignment is valued at 1, service delivery would be 0.284. This model, linking service delivery to cultural alignment, has a computed probability of 0.013, making it statistically significant. Thus, it can be concluded that cultural alignment has a positive significant influence on process of service delivery in insurance companies.

The deductions made on cultural alignment as an explanatory variable for service delivery are supported by a wide range of literature (Ahmed & Adnan, 2019; Markham et al.,2020; Uwanyiligira, 2021). Ahmed and Adnan (2019 observed a high correlation between competitive and supply chain strategies alignments and the choice of CS and SCS combination impacts supply chain and business performance. A review by Markham et al. (2020) revealed that leader-member exchange (LMX) works at the dyadic level and that the link between LMX and performance is strong when there is an agreement between superior–subordinate ratings on LMX and value. According to Uwanyiligira (2021) multiple strategic implementations at the National Land Centre moderately and positively affected service delivery, with performance targets being the key strategy used.

In regard to resource alignment, the predicted model clearly indicates that when structural alignment, cultural alignment, and process alignment are all set to zero, the resulting slope is 0.323. This indicates that if resource alignment is valued at 1, service delivery would be 0.323. This model, linking service delivery to resource alignment, has a computed probability of 0.009, making it statistically significant. Thus, it can be concluded that resource alignment has a positive impact on service delivery within insurance companies.

The deductions made on structural alignment as an input variable for service delivery are supported by a vast body of literature (Huang & Yong-Hui, 2019; Tsai & Shou, 2019; Kinyua & Muthaura, 2021). An empirical study by Huang and Yong-Hui (2019) indicated that resource alignment and environmental innovation strategy between partners were influential in terms of green innovation performance. Regression analysis on 120 Taiwanese firms according to Tsai and Shou (2019) established that utilization of inter-partner resource is positively connected to university-industry (U-I) interaction. A study by Kinyua and Muthaura (2021) revealed a positive association between resource alignment as well as organizational performance, with linear regression analysis showing that resource alignment significantly influences performance.

In terms of process alignment, the predicted model clearly shows that when structural alignment, cultural alignment, and resource alignment are all set to zero, the resulting slope is 0.348. This indicates that if process alignment is valued at 1, service delivery would be 0.348. This model, linking service delivery to process alignment, has a computed probability of 0.004, making it statistically significant. Thus, it can be concluded that process alignment positively impact service delivery by the insurance companies.

The inferences made on structural alignment as an input variable for service delivery are supported by a vast body of literature (Sumardi & Fernandes, 2019; Yang & Jih-Ming, 2020; Chukwuemeka & Agbazue, 2020). A review by Sumardi and Fernandes (2019) indicated that both organizational commitment and service quality significantly mediate the relationship between management process alignment and the performance of higher education in the region. Yang and Jih-Ming (2020) analyzed data from 175 surveys collected from high-tech firms in Taiwan using structural equation modeling and determined that structural and strategic alignments positively affected adaptability culture, whereas IT alignment did not. A study by Chukwuemeka and Agbazue (2020) revealed that digitalization, strategic financial management and strategic human resource management had an impact on public service delivery within the selected organizations.

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This section (chapter five) presents a comprehensive analysis of the study's findings, drawing well-founded conclusions that directly address the research questions. Additionally, it offers actionable recommendations aimed at enhancing practical applications within the field. Furthermore, the chapter identifies potential areas for further research, ensuring that the study contributes meaningfully to both academic discourse and real-world practice.

5.2 Summary

Strategic alignment was proposed as a predictor variable and examined in terms of process alignment, resource alignment, cultural alignment, and structural alignment. Service delivery was defined as the outcome variable and analyzed through claims processing time, claims settlement time, policy issuance time and penetration ratio. The study focused on the insurance industry which comprises of 56 insurance companies which informed the target population while the unit of observation constituted of the heads of finance, marketing, human resource as well as customer service. In the last decade, insurance companies in Kenya have been operating in a turbulent business environment, characterized by increased competition, changing consumer needs, increased consumer demands, and globalization. Strategic alignment enables efficient resource allocation, streamlined operations, and a culture of innovation, ultimately resulting in improved customer satisfaction, enhanced financial performance, and sustainable growth for the firm.

However, despite the adoption of strategic alignment among insurance companies in Kenya, service delivery is still poor. The insurance industry in Kenya has faced a negative public perception, which may stem from either a lack of understanding of insurance concepts or negative experiences with insurers during the claims process. Further, many customers feel they are unfairly treated when it comes to claims payments. It is therefore important to explore the role of strategic alignment in the service delivery of insurance firms in Kenya. Various researches were carried out in Kenya on strategic alignment and

service delivery hence the results could not be applied to the Nairobi County insurance companies. Therefore, this study explored how strategic alignment influence service delivery in insurance companies within Nairobi City County in Kenya.

Dynamic capabilities theory, RBV theory and dynamic theory of service delivery formed the theoretical foundation of the study. A descriptive research approach informed the study's research approach. Simple random sampling was used to select a sample of one hundred and thirty-four participants from the departments of finance, marketing, human resources, and customer service from 56 insurance firms. Field observations were collected using semi-structured questionnaires. The research tool was concisely evaluated for validity and reliability thresholds prior to its use in data collection. Descriptive analysis provided insights into the characteristics of the observed sample, including standard deviation, mean, percentages and frequency distribution. Inferential analysis was conducted using linear regression analysis and Pearson's correlation analysis helped in coming up with conclusive conclusions.

The descriptive statistics revealed the measurable aspects of process alignment, resource alignment, cultural alignment, and structural alignment, as well as service delivery among the insurance companies. The quantitative relationship established between service delivery as the outcome variable and process alignment, resource alignment, cultural alignment, and structural alignment as input variables demonstrated a reliable model for management use in this sector. Ultimately, it was determined that process alignment, resource alignment, cultural alignment, and structural alignment serve as key explanatory variables for service delivery process.

5.3 Conclusions

In regard to structural alignment, as a predictor variable of service delivery, the findings reveal a significant direct association between structural alignment and service delivery, concluding that structural alignment positively impacts service delivery among the insurance companies. Similarly, it showed a direct relationship between cultural alignment and service delivery, indicating that cultural alignment also contributes positively to service delivery.

In terms of resource alignment, the study established a significant direct association with service delivery, concluding that resource alignment enhances service delivery among the surveyed insurance companies. In addition, the analysis of process alignment revealed a direct relationship with service delivery, suggesting that process alignment likewise positively influences service delivery among the insurance companies.

5.4 Recommendations

To strengthen strategic alignment and improve service quality, insurance firms operating in Nairobi County should prioritize structural alignment by streamlining decision-making processes that integrate input from all relevant stakeholders. Regular leadership training sessions should be conducted to enhance clarity, transparency, and inclusivity in decision-making. Additionally, strengthening communication channels within the organization will enable seamless coordination, ensuring swift responses to emerging challenges and opportunities.

Cultural alignment can be reinforced by organizing regular workshops and training sessions to instil shared values and ethical principles across all levels of the organization. Leadership should exemplify these values by acting as role models, inspiring employees to embrace the organization's core principles. Moreover, fostering a workplace culture that encourages employees to voice their ideas and concerns will enhance engagement and commitment to service excellence. Transparent communication mechanisms, such as town hall meetings, should be institutionalized to promote collaboration and trust between employees and leadership.

Resource alignment is another critical factor in improving service delivery. Insurance companies should regularly assess and update workforce planning processes to ensure that employee skills are aligned with strategic objectives. Investing in continuous professional development will enhance employees' ability to adapt to evolving industry demands. Additionally, fostering collaboration among departments will improve the effective use of human capital in achieving strategic priorities. Companies should also prioritize ongoing investment in technology and physical infrastructure, conducting regular evaluations to ensure alignment with organizational goals and market needs.

Process alignment can be improved by fostering a collaborative and communicative environment across departments. Holding regular cross-functional meetings will facilitate integration and alignment toward common goals. Leveraging technology to automate processes and enhance decision-making will also drive efficiency and productivity. Training employees on the use of digital tools will further optimize performance and service delivery. Establishing robust feedback mechanisms will enable the collection of valuable insights, supporting continuous process improvement. Furthermore, cultivating a culture of innovation and experimentation will empower teams to identify opportunities for improvement and implement changes effectively.

Policymakers and regulators should establish clear frameworks that mandate strategic alignment within insurance firms to enhance efficiency and service delivery. Regulatory bodies should enforce policies that require insurers to implement transparent decision-making structures, ensuring that key stakeholders are included in the formulation of policies and operational strategies. Additionally, developing industry-wide best practices for communication and coordination will support seamless service delivery and enhance customer satisfaction.

To promote cultural alignment, regulators should encourage insurance firms to adopt ethical business practices and establish standard guidelines on corporate values and leadership accountability. Policies that support workforce development through continuous professional training and ethical leadership should be reinforced. Furthermore, regulatory incentives can be provided to firms that demonstrate strong adherence to cultural alignment principles, such as transparency and inclusivity in corporate governance.

5.5 Recommendation for Further Research

The current survey empirically confirms that process alignment, resource alignment, cultural alignment, and structural alignment are predictors of service delivery. However, it also reveals that many other factors may contribute to this phenomenon, as indicated by the coefficient of determination in the predicted model. This highlights the need for future empirical research to identify and verify additional explanatory variables related to service delivery. Future studies should focus on sectors such as agriculture, tourism, transport and

infrastructure to validate the conclusions drawn in this survey. By examining these variables in different contexts, researchers can develop a more comprehensive understanding of the factors influencing service delivery.

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APPENDICES

Appendix I: Introduction Letter

Margaret Wangui Maina

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School of Business, Economics, and Tourism
P.O. Box 43844 – 00100
Nairobi, Kenya

Dear Sir/Madam,

RE: COLLECTION OF DATA

I am writing to introduce a research study titled "Strategic Alignment and Service Delivery in the Insurance Companies in Nairobi City County, Kenya," which is part of my academic research at Kenyatta University. This study essentially scrutinizes the link existing between strategic alignment and service delivery within the Nairobi City County insurance companies based in Kenya.

The study will involve collecting data through questionnaires and interviews with key stakeholders in selected insurance companies. The gathered information will be held with utter confidentiality and utilized solely for purpose of academics. The research commit to sharing of the study outcomes with participating companies upon completion, providing them with a comprehensive analysis of strategic alignment's role in enhancing service delivery.

I humbly request your participation in this study by allowing me to engage with relevant personnel within your organization. Your company's involvement will be instrumental in contributing to a deeper understanding of strategic alignment practices in the Kenyan insurance industry. Much appreciation for considering this request. Looking forward to your affirmative response and I am readily available to discuss any details or address any concerns I may have regarding this study.

Yours sincerely,

Margaret Wangui Maina
D53/CTY/PT/28748/2018

Appendix II: Questionnaire

This questionnaire aims to gather information on the impact of strategic alignment on service delivery in the Nairobi City County insurance industry in Kenya.

A. General Information

1. Gender

Male [ ] Female [ ]

2. Age Brackets:

20.0to 25 years [ ] 26 to 30 years [ ]

31 to 35 years [ ] 36 to 40 years [ ]

41 to 45years [ ] Over 46years [ ]

3. Education level

Primary education [ ] Secondary School [ ]

Diploma [ ] under graduate degree [ ]

Master's Degree [ ] PhD [ ]

4. Indicate your length of service in this organisation.

0 – 3 years [..]

4 – 7 years [...]

8 – 11 years [..]

Greater than 11 years [..]

B. Structural Alignment

1. Structural alignment refers to how well the organization's structure, such as its departments and teams, supports and fits with its strategies and goals. It means making sure that the way the organization is set up helps it achieve its objectives efficiently. Please specify the level of your agreement with each of the following statements about

structural alignment in your organization using the following scale: 1 stands for Strong Disagreement; 2 signifies Disagree; 3 denotes Neutral; 4 indicates Agree; 5 stands for Strong Agreement.

STATEMENT	**1**		**2**	**3**	**4**	**5**
Decision-making processes						
Decision-making processes in our organization are streamlined and efficient.						
Decisions are made collaboratively with input from relevant stakeholders in our organization.						
There is clarity and transparency in the decision-making process within our organization.						
Coordination						
Teams coordinate effectively across departments and functions in our organization.						
Communication channels are well-established for seamless coordination within our organization.						
Resources are aligned and utilized efficiently across teams and departments in our organization.						
Resource allocation						
Resources are allocated strategically based on organizational goals in our organization.						
There is flexibility in resource allocation to adapt to changing needs within our organization.						
Allocation decisions are transparent and equitable, considering the needs of all departments in our organization.						

C. Cultural alignment

2. Cultural alignment is about making sure that the values, beliefs, and behaviors of people within an organization match and support its goals and strategies. It means creating a work environment where everyone shares similar attitudes and practices that help the organization succeed. Please indicate your level of agreement with various statements regarding the cultural alignment in your organization, using the following scale: 1 stands for Strong Disagreement; 2 signifies Disagree; 3 denotes Neutral; 4 indicates Agree; 5 stands for Strong Agreement.

STATEMENT	**1**	**2**	**3**	**4**	**5**
Shared values					
Shared values are clearly articulated and understood across our organization.					
Employees consistently demonstrate behaviors that reflect our shared values.					
Our organizational culture promotes alignment with shared values among all employees.					
Leadership role modelling					
Leadership exemplifies the shared values and behaviors expected within our organization.					
Leaders actively model the desired cultural traits and behaviors for others to emulate.					
Leadership's commitment to cultural alignment positively influences employee behavior and attitudes.					
Communication					
Communication channels are open and encourage dialogue throughout our organization.					
Information flows effectively across all levels of our organization through various communication channels.					
Our organizational culture fosters transparent and honest communication among employees and leadership.					

D. **Resource alignment**

3. Resource alignment means making sure that the resources a company has, like money, people, and equipment, are used in the best way to support its goals and strategies. It involves organizing and directing these resources effectively to achieve what the company aims for. Please indicate how much you agree with a variety of statements regarding resource alignment in your organization using the following scale: 1 stands for Strong Disagreement; 2 signifies Disagree; 3 denotes Neutral; 4 indicates Agree; 5 stands for Strong Agreement.

STATEMENT	**1**	**2**	**3**	**4**	**5**
Human resource alignment					
Our organization effectively aligns human resources with strategic goals and objectives.					
Employees' skills and competencies are matched with the requirements of our organizational strategy.					
There is alignment between our workforce planning efforts and the strategic direction of our organization.					
Technological resource alignment					
Our organization's technological resources are well-aligned with our strategic priorities.					
Investments in technology support our organizational objectives and enhance efficiency.					
Technological capabilities are continuously updated to meet the evolving needs of our business strategy.					
Physical resource alignment					
Our physical resources are strategically deployed to support key business functions.					
There is effective utilization of physical assets to achieve our organizational goals.					
Physical resource allocation is aligned with the priorities outlined in our strategic plan.					

E. Process alignment

4. Process alignment means making sure that the steps and procedures a company uses to do its work are in line with its goals and strategies. It involves adjusting workflows and operations so that everything runs smoothly and supports the company's objectives. Please indicate your level of agreement with various statements regarding process alignment in your organization, utilizing the following scale: 1 stands for Strong Disagreement; 2 signifies Disagree; 3 denotes Neutral; 4 indicates Agree; 5 stands for Strong Agreement.

STATEMENT	**1**	**2**	**3**	**4**	**5**
Cross-Functional Integration					
Our organization fosters seamless collaboration and communication across different departments.					
Cross-functional teams effectively work together to achieve common goals and objectives.					
Integration between departments enhances efficiency and promotes innovation in our organization.					
Technology Enablement					
Technology plays a vital role in streamlining our processes and enhancing overall productivity.					
Our organization effectively leverages technology to automate manual tasks and improve decision-making.					
Technology solutions are aligned with our business needs and contribute to achieving strategic objectives.					
Continuous Improvement					
Our organization prioritizes continuous learning and adaptation to drive ongoing improvement.					
There is a culture of innovation and experimentation to identify areas for enhancement.					
Feedback mechanisms are in place to gather insights and drive iterative improvements across processes.					

Appendix III: List of Insurance Companies in Kenya

1. AAR Insurance Company Limited
2. Africa Merchant Assurance Company Limited
3. AIG Kenya Insurance Company Limited
4. APA Insurance Limited
5. Britam General Insurance Company (K) Limited
6. Cannon General Insurance Company Limited
7. CIC General Insurance Limited
8. Corporate Insurance Company Limited
9. Directline Assurance Company Limited
10. Fidelity Shield Insurance Company Limited
11. First Assurance Company Limited
12. GA Insurance Limited
13. Geminia Insurance Company Limited
14. ICEA LION General Insurance Company Limited
15. Invesco Assurance Company Limited
16. Jubilee Allianz General Insurance Limited
17. Jubilee Health Insurance Limited
18. Kenindia Assurance Company Limited
19. Kenya Orient Insurance Limited
20. Madison General Insurance Kenya Limited
21. Mayfair Insurance Company Limited
22. MUA Insurance (Kenya) Limited
23. Occidental Insurance Company Limited
24. Old Mutual General Insurance Kenya Limited
25. Pacis Insurance Company Limited

26. Pioneer General Insurance Limited
27. Sanlam General Insurance Company Limited
28. Star Discover Insurance Limited
29. Takaful Insurance of Africa Limited
30. Tausi Assurance Company Limited
31. The Kenyan Alliance Insurance Company Limited
32. The Monarch Insurance Company Limited
33. Trident Insurance Company Limited
34. ABSA Life Assurance Kenya Limited
35. APA Life Assurance Limited
36. Britam Life Assurance Company (K) Limited
37. Cannon Life Assurance (K) Limited
38. Capex Life Assurance Company Limited
39. CIC Life Assurance Limited
40. Equity Life Assurance (Kenya) Limited
41. GA Life Assurance Limited
42. Geminia Life Insurance Company Limited
43. ICEA LION Life Assurance Company Limited
44. Jubilee Life Insurance Limited
45. Kenindia Assurance Company Limited
46. Kenya Orient Life Assurance Limited
47. KUSCCO Mutual Assurance Limited
48. Liberty Life Assurance Kenya Limited
49. Madison Life Assurance Kenya Limited
50. Old Mutual Life Assurance Kenya Limited
51. Pioneer Assurance Company Limited
52. Prudential Life Assurance Kenya Limited
53. Sanlam Life Insurance Limited
54. Star Discover Life Insurance Limited
55. The Kenyan Alliance Insurance Company Limited
56. The Monarch Insurance Company Limited

Appendix IV: National Commission for Science and Innovation Permit

REPUBLIC OF KENYA

NATIONAL COMMISSION FOR SCIENCE,TECHNOLOGY & INNOVATION

Ref No: **347268**

Date of Issue: **23/October/2024**

RESEARCH LICENSE

This is to Certify that Ms.. MARGARET MAINA WANGUI of Kenyatta University, has been licensed to conduct research as per the provision of the Science, Technology and Innovation Act, 2013 (Rev.2014) in Nairobi on the topic: STRATEGIC ALIGNMENT AND SERVICE DELIVERY IN THE INSURANCE COMPANIES IN NAIROBI CITY COUNTY, KENYA for the period ending : 23/October/2025.

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