

**INFLUENCE OF ORGANIZATIONAL AGILITY ON OPERATIONAL  
PERFORMANCE OF TRADEMARK EAST AFRICA**

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## DECLARATION

This research project has been done by me and has never been submitted for examination purpose in any college, University or any other institute of higher learning.

Signature.....

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

Signature.....Date.....

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SUPERVISOR:

## **DEDICATION**

This work is dedicated to my family who have always believed in me and encouraged me to follow my dreams. Their continued encouragement and support and counsel saw to it that I did my best through their encouragement and support.

## **ACKNOWLEDGEMENT**

I thank Almighty God for good health and for bringing me this far, His grace has been sufficient.

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## ABSTRACT

In today's volatile market, market competition is causing both demand and supply to fluctuate more rapidly, widely, and frequently than they used to. Under this condition, firms ought to be agile and be able to sense and respond to market changes quickly and smoothly to maintain their operational performance. Organizational agility, which emphasizes rapid and innovative response to market change, thus is becoming a critical weapon to respond to market uncertainties and opportunities. Organizational agility dictates an organization's capacity to adjust its internal processes in response to changes in the environment. Agile firms are resilient to shocks and upheavals, As such a firm remains an affected in terms of reliability, production cycle time and inventory turn. Therefore, all organization TMEA included requires acquiring agility to be able to respond to changes in business environment. This study seeks to investigate influence of organizational agility on operational performance in TMEA. This research problem was studied through the use of a descriptive research design. The target population for this study was the employees of Trademark East Africa. Also, transporters, clearing agents, recipients and government agencies were also are targeted. Stratified random sampling was used to select the study sample. Primary data was gathered through questionnaires and an interview guide. Both qualitative and quantitative methods were used for data analysis. The quantitative data in this research was analyzed by descriptive statistics using statistical package for social sciences (SPSS) version 20 while qualitative data was analyzed using content analysis.

The study revealed that Information technologies provided superior information management capabilities, analytical decision support, and enhanced communication for achievement of enhanced operational performance, and that IT helps firms in sharing of knowledge and development of skills in addressing their operational problems, the practice of HRM needs to be integrated with the overall strategy to ensure effective use of people and provide better returns to the organizations in terms of ROI (Return on Investment), strategic alliance can provide a powerful competitive advantage in new markets, cost, speed, knowledge, and technology access. Therefore the study concludes that adoption of IT, human resources management practices and strategic alliances by TMEA all had appositve influence its operational performance.

The study recommends that organisations need to adopt the use of ICT in their business operations, as ICT adoption was found to enhance organisational internal efficiency through reduction of operational cost and thus enhancing management, organisations need to have a strategic human resource plan in place, this will to help to highlight talent shortages, speeding up the process of identifying sources of new talent that could, upon hire, make significant business impact; organisations need to look forward in forming strategic alliances, formation of strategic alliance will helps to achieve organizational objectives better through collaboration and to gain access to intangible assets like brand name and expertise and that organization need also embrace change management strategies as this was found to be positively related with organisational competitiveness.

# CHAPTER ONE: INTRODUCTION

## 1.1 Background of the Study

In today's volatile market, market competition is causing both demand and supply to fluctuate more rapidly, widely, and frequently than they used to (Lee 2013). Under this condition, firms ought to be agile and be able to sense and respond to market changes quickly and smoothly to maintain their operational performance (Lee 2004; Weill & Vitale, 2002). Organizational agility, which emphasizes rapid and innovative response to market change, thus is becoming a critical weapon to respond to market uncertainties and opportunities. This agility reflects a firm-wide capability to deal with unexpected changes via rapid and innovative responses.

Reed and Blunsdon (2012) indicated that change is one of the great certainties of business life, and how well an organization responds is a measure of its agility. Organizations today find themselves increasingly challenged by having to manage unpredictable and continually changing customer opportunities. Forecasts become unworkable and success is dependent on an ability to respond rapidly and flexibly to customer requirements, to change gear and immerse the organization in these new opportunities on a constant basis. Organizations with adaptability as one of their main characteristics can survive and prosper in today's environment. Agility is an emerging theory on strategic change for organizations which could be considered as a unifying concept encompassing speed of reaction and acuity of reading environmental dynamics encompassing the ability to respond to changes in a timely and appropriate manner in the face of uncertain and rapidly changing competitive forces in the marketplace.

According to Reed and Blunsdon (2012), organizational flexibility is an organization's capacity to adjust its internal processes in response to changes in the environment. Similarly, Volberda (2011) indicated that a flexible organization emphasizes on its ability to adapt and respond to change. Firms encounter pressures for change in many forms, driven both by external and internal factors, such as new competition, new technologies and production processes, emerging markets, changing risk profiles, new customer needs, and new business opportunities.

Beneficial impacts of agility are increasingly acknowledged and more empirical support emerges on the link between agility and firm competitiveness (Giachetti, Martinez, Saenz & Chen, 2013). Organizational responses to such changes can also occur in a variety of forms, such as building new infrastructure capabilities, leveraging new technologies and platforms, reducing exposure in high-risk markets, developing new products or services, or even pulling out of a high risk market or exiting lines of business that are deemed unprofitable or otherwise unattractive (Bharadwaj & Sambamurthy, 2012).

### **1.1.1 Organisational Agility**

Organizational agility refers to firm's ability to sense opportunities and threats and respond by assembling the needed organizational resources with rapidity (Overby, Bharadwaj & Sambamurthy, 2006). Agility, as a business concept, was coined in a manufacturing context – particularly in relation to flexible manufacturing systems (Christopher & Towill, 2002). Agile organization has the ability to survive and prosper in a competitive environment of continuous and unpredictable change by reacting quickly and effectively to changing markets, driven by customer-defined products and services.

An agile system has capabilities (hard and soft technologies, human resources, educated management, and information) to meet the rapidly changing needs of the marketplace (speed, flexibility, customers, competitors, suppliers, infrastructure, and responsiveness) (Yusuf, Sarhadi & Gunasekaran, 2003). Organizational agility emphasizes on speed and flexibility as the primary attributes (Sharifi & Zhang, 2001). An equally important attribute of agility is the effective response to change and uncertainty. Responding to change in proper ways and exploiting and taking advantages of changes are the main characteristics of an agile organization.

Yusuf, Sarhadi and Gunasekaran (2003) proposed that organizational agility is the successful application of responses such as speed, flexibility, innovation, and quality by the means of the integration of reconfigurable resources and best practices of knowledge-rich environment to provide customer-driven products and services in a fast changing environment. Barney and Arkan (2001) note that organization agility helps an organization sustain competitive advantages in turbulent environments.

### **1.1.2 Operational Performance**

Operational performance refers to the measurable aspects of outcome of an organizational process. These aspects are given as reliability, production cycle time and inventory turn. Operational performance in return affects business performance measures such as market share and customer satisfaction. Elmuti (2002) noted that operational performance encompasses indicators such as productivity (cost savings, efficiency) and quality (customer service and percentage of defects).

According to Venkatraman and Grant (2006), through agility, firms would be able to achieve superior performance. Performance improvement is the natural objective of any intervention in the organisation. Performance improvement in operational terms is

particularly interesting when it is able to influence the competitive position of the firm. By being able to deliver superior value and/or offer prices through lower costs a firm will increase customer satisfaction and loyalty and potentially increase its market share and profitability (Leddick, 2009).

Operational performance also encompasses the speed of carrying activities in the business. However, consideration of differential execution speeds requires higher order concepts associated with agility (e.g., acceleration of variety change) as well as factors that hinder or help agility execution (e.g., costs, coordination) (Teece, 2007).

### **1.1.3 Organizational agility and Operational Performance**

Lee (2004) highlighted that firms ought to be agile and be able to sense and respond to market changes quickly and smoothly to maintain and improve their operational performance. Firms that fail to be agile might find themselves losing market share and competitive advantage due to a lapse in their operational performances. Organizations have accepted the fact that turbulence in the marketplace is uncontrollable and unpredictable, limiting firms' ability to respond effectively in a pre-planned manner. Sambamurthy, Bharadwaj and Grover (2010) highlighted that there is increasing recognition that agility is an imperative for success of contemporary firms as they face intense rivalry, globalization, and time-to-market pressures. Through organizational agility the firm is able operations with speed and surprise, without disrupting enhanced operational performance. Agile firms are resilient to shocks and upheavals in their business environments, adaptive to emerging opportunities, and entrepreneurial in creating new business models to ensure enhanced operational performance (Bharadwaj & Sambamurthy, 2012).

Sambamurthy, Bharadwaj and Grover (2010) argue that information technology (IT) management capabilities provide a platform for firms to develop the appropriate digitized processes and knowledge systems that enhance their agility and therefore ensure their operational performances are increased. Weill and Vitale (2012) indicates that information technologies provide superior information management capabilities, analytical decision support, and enhanced communication. Organisations are able to utilize information technologies in creating new business models for enhanced performance. A strategic alliance is also an agility strategy which companies use to achieve operational performance; they are based on cooperation between companies. Through strategic alliances, companies can improve their competitive positioning, gain entry to new markets, supplement critical skills, and share the risk and cost of major development projects and thus enhance their operational performance. Also, organization employ HRM practices as an agility strategy seeking to employ, train and motivate it employees to ensure it them and thus ensure enhanced operational performances.

#### **1.1.4 TradeMark East Africa**

TradeMark East Africa (Trade and Markets East Africa – TMEA) is an East African not-for profit Company Limited by Guarantee established in 2010 to support the growth of trade - both regional and international - in East Africa. The company is headquartered in Nairobi with branches in Arusha, Bujumbura, Dar es Salaam, Juba, Kampala and Kigali. TradeMark East Africa (TMEA) is focused on ensuring gains from trade result in tangible gains for East Africans. The company is funded by a range of development agencies with the aim of growing prosperity in East Africa through trade. The company believes that enhanced trade contributes to economic

growth, a reduction in poverty and subsequently increased prosperity. In fact, its mission is to promote rapid advances in East Africa's integration, trade and global competitiveness for all East Africans, with a vision to have a united East Africa with flourishing trade, strong investment and less poverty (TMEA, 2015).

TMEA works closely with East African Community (EAC) institutions, national governments, the private sector and civil society organizations. It has operations in Kenya, Uganda, Rwanda, Burundi, Tanzania and South Sudan. TMEA seeks to increase trade by unlocking economic potential through its strategic objectives: increased physical access to markets enhanced trade environment and improved business competitiveness. Therefore, TMEA has specific objectives to ensure reduced transit times and costs, improved port efficiency, constructing trade infrastructure, eliminating non tariff barriers to trade, upgrading customs management and harmonizing standards. Further, the company seeks to ensure increased smallholder incomes, facilitating cross border trade for small businesses and upgrading exports to meet standards (TMEA, 2015).

## **1.2 Problem Statement**

Agility enable firms to quickly switch resources from highly fungible forms (such as cash, many kinds of machinery, and general management skills), to much more specialized resources, as its sees fit and in accordance to its needs, in responding to and surviving changes and the ever increasingly competitive environment. Organizations employ various strategies to respond to agility. Bharadwaj and Sambamurthy (2012) highlighted that IT adoption have enhanced the way business is conducted. Also in realization that human resources is the most important resource to an organization, organization must invest in efficient human resources management

practices and ensure quality of products and services to achieve enhanced operational performance in an agile business environment and hence an increase in market share.

Yusuf, Sarhadi and Gunasekaran (2003) noted that despite the importance of agility in organizations, many organizations are turning it down. Sharifi, and Zhang, (2010) add that the attention of most organizations is focused on their concrete material resources and leave the concept of changing agility, despite its importance without the observance of the factors affecting them. Therefore, Sanchez and Nagi, (2011) highlights the need of an organization to be agile in its operation to handle the uncertainty and unpredictability associated with operational environment.

The business environment in which TMEA operates in is very dynamic. This has necessitated the need to employ strategies to deal with an agile business environment. Measure of enhanced operational performance at TMEA can be measured by its ability to ensure increased physical access to markets, enhanced trade environment and improved business competitiveness. A lag in agility capability may lead to TMEA not achieving its strategic objectives. Further, TMEA faces challenges of increased employees' turnover coupled loss of important organizational information. Such scenarios have made competition even stiffer and therefore reduced operational performance, to deal with such challenges; there is need for an agile organization which is able to align itself with changes in the business environment. To enhance operational performance, TMEA need to be agile to respond to changes in business environment that might affect the way they do business and thus influencing their operational performances. To achieve enhanced operational performance, TMEA needs a combination of flexibility, nimbleness, and speed which is increasingly regarded as a source of competitive advantage in today's fiercely competitive and fast changing market.



Research has been done in areas of organization agility and operational performance. Thao (2012) did a study on enterprise systems and organizational agility aimed at developing and exploring a causal model. The study established that organizations can achieve agility out of their enterprise systems investment in three ways: by developing an enterprise systems for technical, human, managerial, vendor, and functional competences; by exploiting their enterprise systems competences to build ES-enabled capabilities that digitize their key sensing and responding processes; and when enterprise systems-enabled sensing and responding capabilities are aligned than when they are not and when organisations operate in a relatively turbulent environments. Also, van Stekelenburg (2012) conducted a study to explore organizational agility and the added value of human resources aimed at creating organizational agility by using individual competencies and organizational practices. This study found out that individual competencies of the workforce have a significant contribution to organizational agility. Locally, Misiko (2014) conducted a research on TQM and operations management tools as agility strategies used by firms in Kenyan Dairy Industry. The study established that creativity and innovation contributes most to the agility followed by TQM and then IT adoption. Further, Hashim (2015) conducted a study to investigate the influence of organizational agility on competitive advantage of firms in oil and gas industry taking a case of Hass Petroleum limited. The study established that IT adoption, creativity and innovation, adoption of new human resources management practices and adoption of TQM influences achievement of competitive advantage in Hass Petroleum.

However, despite massive inquiry into the areas of competitive advantage and organizational agility no study local or international has been done to investigate influence of organizational agility on operational performance in TMEA. From this

situation, this study seeks to establish the influence of organizational agility efforts by TMEA on its operational performance. Particularly, the study will seek to answer the following research questions; what is the role played by adoption of IT in ensuring operational performance at TMEA? Are strategic alliances as used by TMEA effective in ensuring operational performance? To what extent does human resources management practices influence operational performance at TMEA?

### **1.3 Objective of the Study**

The study was guided by the following objectives;

- i. To establish the influence of adoption of IT on operational performance at TMEA.
- ii. To investigate the influence of strategic alliances by TMEA on its operational performance.
- iii. To find out the extent to which human resources management practices influence operational performance at TMEA.

### **1.4 Value of the study**

The study would be important to the governments of East African region, EAC, the relevant ministries and other stakeholders. The result of this study may be used by these stakeholders in policy formulation that would enhance firms' operational performance in an agile business environment. Therefore, the results of the study and its recommendation would act as guidelines to formulation of these policies.

The study results would important to all organization in that it will help describe an edge organization, which is characterized by decentralization, empowerment, shared awareness, and freely flowing knowledge required to push power for informed

decision making and competent actions to the “edges” of the organization. Also, the management of TMEA would benefit from this study in that implementation of the recommendations; the organization would remain relevant in its operations through aligning itself with changes in the business environment.

Further, the study will contribute to the pool of knowledge in areas of operational strategies and organizational agility. This study will be important to scholars and academicians, as it will form part of reference material. Also, the study will identify gaps in literature which future scholars and academicians may seek to fill.

## **CHAPTER TWO: LITERATURE REVIEW**

### **2.1 Introduction**

This chapter discusses what has previously been done in relation to organization agility. A detailed review of literature is presented on concepts related to IT, creativity and innovation, and TQM have also been examined.

### **2.2 Theoretical Framework**

This study will be based on resource based view (RBV) and expectancy theory. While the RBV emphasizes that capacity of a firm to improve its operational performance lies on its resources, expectancy theory emphasizes that motivation to employ certain strategies is ultimate product of three factors namely Valence (V), Expectancy (E), and Instrumentality (I).

#### **2.2.1 Resource Based View**

According to the Resource Based View Theory, competitive advantage stems from a firm's unique resources that are valuable, rare, and inimitable (Barney, 1991). Firm resources include both assets and capabilities. Assets are observable and can be valued, such as spatial preemption, brand equity, and patents. In contrast, capabilities are not observable and difficult to quantify; they are the glue that brings the assets together and deploys them advantageously (Makadok, 2001). Because capabilities are deeply embedded in organizational routines, they are idiosyncratic and difficult to imitate or duplicate, which makes them the most likely sources of competitive advantage (Day, 1994).

According to RBV capability can transform firm assets into superior performance (Hult, Ketchen & Slater, 2005; Zhou, Yim & Tse, 2005). Therefore, in relation to this

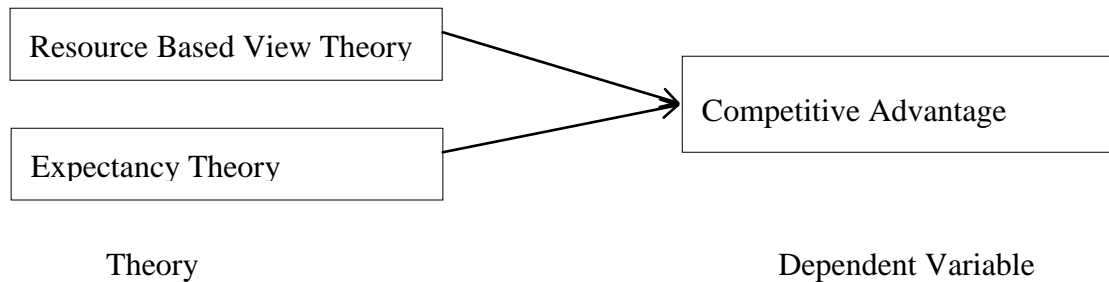
study, these specific capabilities are at the center stage in determining how an organization responds to changes in the environment in which it operates. In this study, the capabilities are seen in form of IT adoption, strategic alliances and human resources management practices. Further, capabilities touches on the intricate aptitude for the firm to offer high quality services to match customer needs and expectations. This to a great extent would enhance operational performance of the firm.

### **2.2.2 Expectancy Theory**

This theory was first developed by Vroom (1964) and later expanded and refined by Porter and Lawler (1983). According to Vroom, motivation is ultimate product of three factors namely Valence (V), Expectancy (E), and Instrumentality (I). Valence refers to the strength of a person's/organizations' preference for receiving a reward of a particular outcome; it expresses one's amount of desire for a goal. For instance, if an organization commits its resources to enhance its agility and hence it's competitive advantage, then competitive advantage has a higher valence for the organization.

Expectation is the strength of a belief that work related effort will result in enhanced competitive advantage for an organization. It establishes an association between effort and outcomes. If the organization is highly confident that agility and hence operational performance will be increased after strategies such as IT adoption, strategic alliances and human resources management practices, the expectancy has a value of 1. At the other extreme, if there is no chance that these strategies will lead to desired result then expectancy is zero. Instrumentality represents management belief that enhanced competitive advantage will be attained after employing certain strategies. Organizations commitment to improving operational performance is seen through adoption of TQM, conducting employees training and development and

engaging in strategic alliances which is expected to result in better organizational performance.



**Figure 2.1: Theoretical Framework**

Source: Author (2015)

## **2.3 Determinants of Organisational Agility**

There are several factors that determine adoption of organizational agility in a firm. This study has reviewed some including adoption of it systems, strategic alliances and human resources management practices.

### **2.3.1 Adoption of IT Systems**

One of the reasons underlying the heightened attention to organizational agility is the growing sophistication of information technologies. As information technologies provide superior information management capabilities, analytical decision support, and enhanced communication, firms are able to utilize information technologies in creating new business models and competitive advantage (Weill & Vitale 2002). Sambamurthy, Bharadwaj and Grover (2003) argue that information technology (IT) management capabilities provide a platform for firms to develop the appropriate digitized processes and knowledge systems that enhance their agility. Piccoli and Ives (2005) further propose that IT management capabilities are an important part of basis

through which firms can launch and sustain competitive success through IT-dependent initiatives.

Sambamurthy Bharadwaj and Grover (2003) notes that IT applications, such as Internet computing, customer relationship management, enterprise resource planning, and supply chain management, allow firms to rapidly detect changes, flexibly alter their market strategies, and thus respond more quickly to customers' changing requirements thereby attaining competitive advantage. Information technologies should be viewed as digital options generators, because they have the potential to help firms develop high levels of operational capabilities for organizations. Many of the contemporary business processes are either innovated or reengineered through the functional capabilities of existing or emerging information technologies. However, the ability of firms to harness the power and functionality of information technologies depends on their ability to make appropriate decisions about the acquisition, implementation, and use of the appropriate technologies.

Bharadwaj (2000) notes that for firms to be competitive, their IT management capability should be such that the firms acquire, utilize, and manage information technologies in support of its business processes and activities adequately. Keen (2003) argues that with the same IT resources in an industry, the way that these IT resources are managed determine the competitive advantages or disadvantages of firms.

Earl (2000) noted that rapid adoption of IT have been necessitated by the need for increased efficiency of activities, reduction in transaction time and/or reduces costs that results. This has led to development of programs that will assist business achieve efficiency; this explains how ERP came to being. In advancing the capabilities that IT offers the customer service function, Quinn, Dorley & Paquette (1990) argue that,

with new technologies, executives can manage the strategic elements to achieve competitive advantage with minimum transaction costs thus reducing customers exit/turnover. Meuter, Bitner, Ostrom and Brown (2004) argue that customer's interactions with innovative technologically intellect staff in any industry/sector affect their evaluations and behaviors. Information technology can play an important role in leveraging productivity and efficiency in both public and private organizations. Advancement in technology, has built a platform on which ERP is built on to aid diverse business processes.

Business practices are now taking new forms and shapes owing to the increase technological advancement and change in consumers' tastes and preferences as well as heightened competition. This has led to rapid advances in IT to link the activities of many enterprises into large networks, enabling widely dispersed organisations to cooperate via computer networks including the internet. These clusters or "digital enterprise communities" (Brown & Lockett, 2001, p. 56) not only change the way that firms interact; the basis on which business is conducted is also dramatically changed. Regular risk monitoring provides management and the board with assurance that established control is functioning properly. Communication is an indispensable element of business processes which has greatly been improved since the adoption of ERP. Oke Pisano and Shuen (2007) identified that IT helps firms in sharing of knowledge and development of skills in addressing their problems; therefore, the adoption of IT comes in handy to enhance the very communication that business practices are based on. Therefore, the need to improve business processes has led to many firms to adopt IT systems in order to remain relevant and competitive in the environment they operate from.



### **2.3.2 Strategic Alliances**

According to Mockler (2009), strategic alliances are agreements between companies (partners) to reach objectives of common interest. A strategic alliance involves at least two partner firms that: remain legally independent after the alliance is formed; share benefits and managerial control over the performance of assigned tasks; and make continuing contributions in one or more strategic areas, such as technology or products (Yoshino & Rangan, 2005). Strategic alliances are among the various agility strategies which companies use to achieve operational performance; they are based on cooperation between companies. Strategic alliances developed and propagated as formalized inter-organizational relationships, particularly among companies in international business systems. These cooperative arrangements seek to achieve organizational objectives better through collaboration than through competition. Frankel, Whipple and Frayer (2006) noted that strategic alliances are critical to organizations for a number of key reasons that are related to organization agility; organic growth alone is insufficient for meeting most organizations' required rate of growth; speed to market is essential, and partnerships greatly improve it; complexity is increasing, and no single organization has the required total expertise to best serve the customer; partnerships can defray rising research and development costs; and that alliances facilitate access to global markets.

Further, (Yi, 2007) noted that strategic alliances are an important form of business activity in view of the realization that companies are competing on a global field. Through strategic alliances, companies can improve their competitive positioning, gain entry to new markets, supplement critical skills, and share the risk and cost of major development projects and thus enhance their operational performance. Booz-Allen and Hamilton, (2009) acknowledged that strategic alliances results in higher

return on equity, better return on investment, and higher success rates, compared with integration through mergers and acquisitions. Further, (Gugler, 2002) noted that trust, partner selection, knowledge transfer through co-operative business ventures, complementarities and synergies between partners ensures enhanced operational performance in businesses. Simonin (2009) noted that strategic alliances may result in knowledge ambiguity but it has advantage of allowing technological knowledge transfer.

According to Baum, Calabrese and Silverman (2008), initial operational performances for organizations were enhanced by establishing alliance networks that provided access to “diverse information and capabilities with minimum costs of redundancy, conflict, and complexity,” gave more opportunities to learn from established rivals, but avoided risky intra-alliance rivalries. Also, Rowley, Behrens and Krackhardt (2009) noted that the startups’ alliance networks boosted organizational innovativeness as measured by rates of patenting and R&D growth and thus operational performances. Specifically, both innovation and sales rates increased substantially if a firm was connected to more technologically innovative and revenue-rich alliance partners (Stuart, 2007).

Firms that transfer proprietary knowledge and pool specialized resources and employee skills into a joint R&D project sometimes achieve technological breakthroughs with widespread product applications that yield market windfalls for all partners. Stuart (2007) noted that alliances decrease the manufacturing costs, other costs and risks of the project, product or services by sharing between the alliance partners. They also helps business to gain access to intangible assets like brand name, expertise etc. Rowley, Behrens and Krackhardt (2009) noted that due to alliances potential rivals also cooperate which helps to decrease internal and external

uncertainties in environment. Strategic alliances help to broaden product line, services processes and fill product line gaps in the current products. High cost and lack of technology may force a firm to seek a foreign partner to fill their product lines (Gugler, 2002).

According to Frankel, Whipple and Frayer (2006), alliances allow firms to gain efficiency by achieving economies of scales and vertical integration. Resources are increased in strategic alliances and thus there is an enhanced operational performance, as the all partners of alliance provide resources. So the firms that have less resources of any kind they create strategic alliances. Small firms often lack in research and development resources for which they create alliances. Yi (2007) indicated that, to achieve enhanced operational performances, strategic alliance is created to gain new skills and knowledge. Gaining knowledge is one of the most important factors in enhancing operational performance. Partners in an alliance learn from each other's skills, expertise, technology and technical standards.

Stuart (2007) indicated that alliances help to improve performance, productive capacity and existing market product and services by joint manufacturing and developing product jointly. Alliances are also made by following industry trends to attain competitive advantages and increase profits (Gulati, 2008). However, despite the many benefits of alliances, there are various negative consequences. Among negative consequences of alliance networks there is the effect of social embeddedness on market efficiencies by locking partners into unproductive relations or blocking collaboration with other viable firms, and rigidity in changing order levels and trading partners and potential lack of market stimulus (Gulati, Nohria & Zaheer 2000).

### **2.3.3 Human Resources Management Practices**

In realization that employees are the most important resource to an organization, agile organizations seek to employ, train and motivate to retain high caliber employees. Therefore, an agile organization employs human resources management practices to ensure that the organization sails through the turbulent business currents. According to Armstrong (2006), HRM is defined as a strategic and coherent approach to the management of an organization's most valued assets – the people working there who individually and collectively contribute to the achievement of its objectives. Schuler and Jackson (2003) defined HRM practices as a system that attracts, develops, motivates, and retains employees to ensure the effective implementation and the survival of the organization and its members.

Minbaeva (2005) indicated that it is through the development of human resource that organizations achieve enhanced operational performance in a dynamic competitive environment. According to Minbaeva (2005), HRM practices sets out practices by an organization to manage human resources through facilitating the development of competencies that are firm specific, produce complex social relation and generate organization knowledge to enhance its operational performance. Tan and Nasurdin (2010) highlights that an organization's approach of HRM practices have an influential effect on organizational innovation. HRM practices set the tone and condition of the employer-employee relationship which can encourage the employees to become more innovative (Rousseau & Greller, 2001).

Creativity and innovation represents a way of organization alignment with business environment to ensure that it remains relevant. Cook (2008) indicated that creativity is an element of competitive advantage for organizations. Majaro (2003) looks at

innovation as a process where ideas are generated and transformed for implementation to business products and services. Firms that continually launch creative and innovative actions outperform those that launch few competitive moves (Smith, Guthrie & Chen, 2001). According to Helfat and Peteraf (2003) adoption of IT ensures that organizations achieve the operational goals of speed, quality, cost, and effectiveness in managing interactions with customers, suppliers, and other important stakeholders.

Shapiro (2002) asserts that agile business emphasizes on interdependence through collaboration, innovation and integration; this therefore underscores the importance of creativity and innovation in a dynamic business environment. Creativity and innovation are important factors in organizations and organizational leaders because much of today's competitive marketplace demands ever-increasing value to customers, which translates to lowest total cost, highest total quality, fastest total cycle time, and highest total overall customer satisfaction (Atkins, Dykes, Hagerty & Hoye, 2002). Smith and Munn, (2006) predict that future success globally will be achieved only by driving down costs as well as improving operating efficiencies.

Myloni, Harzing and Mirza (2004) underpinned the importance of recruitment and selection process in attracting maximum number of highly talented applicants and selecting the best in order maintain and improve operational performance in the firm. Delany and Huselid (2006) established that practicing an effective recruitment and selection process has positive relationship with operational performance. Agile organizations, has to match customer expectations with output in the firm. Myloni, Harzing and Mirza (2004) indicated that it is very important for a firm to identify relevant qualities that are required of existing and potential applicants that will enable an appropriate match to occur between person and job.

To enhance high level of employees' productivity, employees need to be equipped with the necessary training to perform their jobs with ease. Olajide (2000) highlights that no matter how automated an organization, high operational performance depends on the level of motivation and the effectiveness of the workforce; staff training is an indispensable strategy for motivating workers. The organization must have good training program to achieve results in the dynamic business environment. According to Bjorkrnan and Budhwar (2007) training is often interpreted as the activity when an expert and learner work together to effectively transfer information from the expert to the learner (to enhance a learner's knowledge, attitudes or skills) so the learner can better perform a current task or job. Training activity is both focused upon, and evaluated against, the job that an individual currently holds (Learner, 2000). Development is often viewed as a broad, ongoing multi-faceted set of activities (training activities among them) to bring someone or an organization up to another threshold of performance. In an ideal world, training and skill profiling must be relevant and responsive to changing organizational needs. This would suppose a systematic assessment of current and projected needs and training strategies, which permit a timely response (Dyer & Reeves, 2005).

Performance appraisal is a tool of management that can lead to better communication, motivation and feedback (Stivers & Joyce, 2000) used by firms for enhanced performance. Performance appraisal (PA) enhances the quality of organizational decisions, ranging from promotions, layoffs, compensation and transfers. Also, PA can enhance the quality of individual decisions, ranging from career choices to decisions about where to direct one's time and effort. Performance appraisal provides a set of tools for organizational diagnosis and development. Further, performance appraisals can affect employees' views of and attachment to their organization (Dyer

& Reeves, 2005). Bdemardin and Russel, (2003) argued that performance appraisal within an organization is essential to make employees clear about their specific role expected as contribution in operational performance.

According to Bjorkrnan and Budhwar (2007), highly motivated employees have high level of performance. Organization use both financial and non-financial rewards to motivate employee to high performance to achieve competitive advantage. However, Akintoye (2000) asserts that money remains the most significant motivational strategy. Cole (2002) concurs that employers seeking staff that are rare or want to achieve fairness in pay in relation to effort, responsibility and other factors find that monetary incentives are needed to encourage employees to put extra effort. Employees' performance translates to enhanced operational performance for the organization.

Mathis and Jackson (2004) argued that a balanced, fair and competitive compensation and reward system affect the retention of employees and thus positively affect firm operational performance. Strong evidence exists in literature about the positive and significant relationship of compensation and rewards on employees behavior and operational performance. Chiu, Luk and Tang (2002) stated that compensation and rewards significantly affects organizational outcome. A study done by Chiu, Luk and Tang (2002) concluded that an effective compensation and reward system increases sales, reduce staff turnover, and improve firms' performance.

Armstrong (2006) asserts that the aim of reward management is to support the attainment of the organization strategic and short-term objectives by helping to ensure it has skilled, competent, committed, and well-motivated work force it needs. A comprehensive compensation mix augmented by an effective system of disbursement plays an effective role in attracting the best candidates, shaping employees, behavior

and performance outcome, and facilitates retention of talents. Cherrington (2003) indicated that reward mechanisms (salary, bonuses etc.) improve employees' commitment to the organization and therefore enhances organizational performance. Therefore, organizations operating in the modern dynamic environment have to ensure that they attract and retain high caliber employee who are motivated to ensure that these organization attain high operational performance.

## **2.4 Empirical Review**

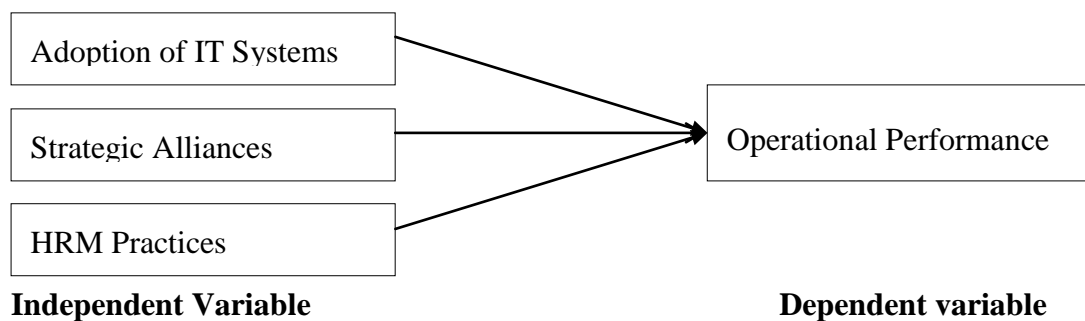
Sambamurthy, Bharadwaj and Grover (2003) in their study established that organizational agility or the ability to execute innovations and competitive moves with speed, surprise, and competitive disruption has attracted significant attention as a business capability for enhancing operational performance in the current business environments. Agile firms are resilient to shocks and upheavals in their business environments; they are adaptive to emerging opportunities, and entrepreneurial in creating new business models or significant operational improvement (Bharadwaj and Sambamurthy 2005).

According to Goldsby and Stank (2000), firms focus on mass customization and postponement strategies, which allow more space to respond to demand changes in a flexible way. Organizations also promote information systems (IS) as platforms that foster agility by helping achieve time reductions and quality enhancements in product design and development (Frayret Nagel & Preiss, 2001), and by facilitating communication necessary to coordinate work activities for enhanced operational performance. Dove (2005) in a study to establish the relationship between knowledge management and agility notes that knowledge management can enable agility by providing greater or faster awareness of changes. Alberts and Hayes (2003) contends



that the capacity to change the organization and business rules by which it operate can make the business more effective and efficient in its operations. Alberts and Hayes (2003) in their study describe agility as an edge in an organization, noting that organization uses various mechanisms to be agile to cope with the ever-changing business environment and to achieve and maintain enhanced operational performance to achieve competitiveness.

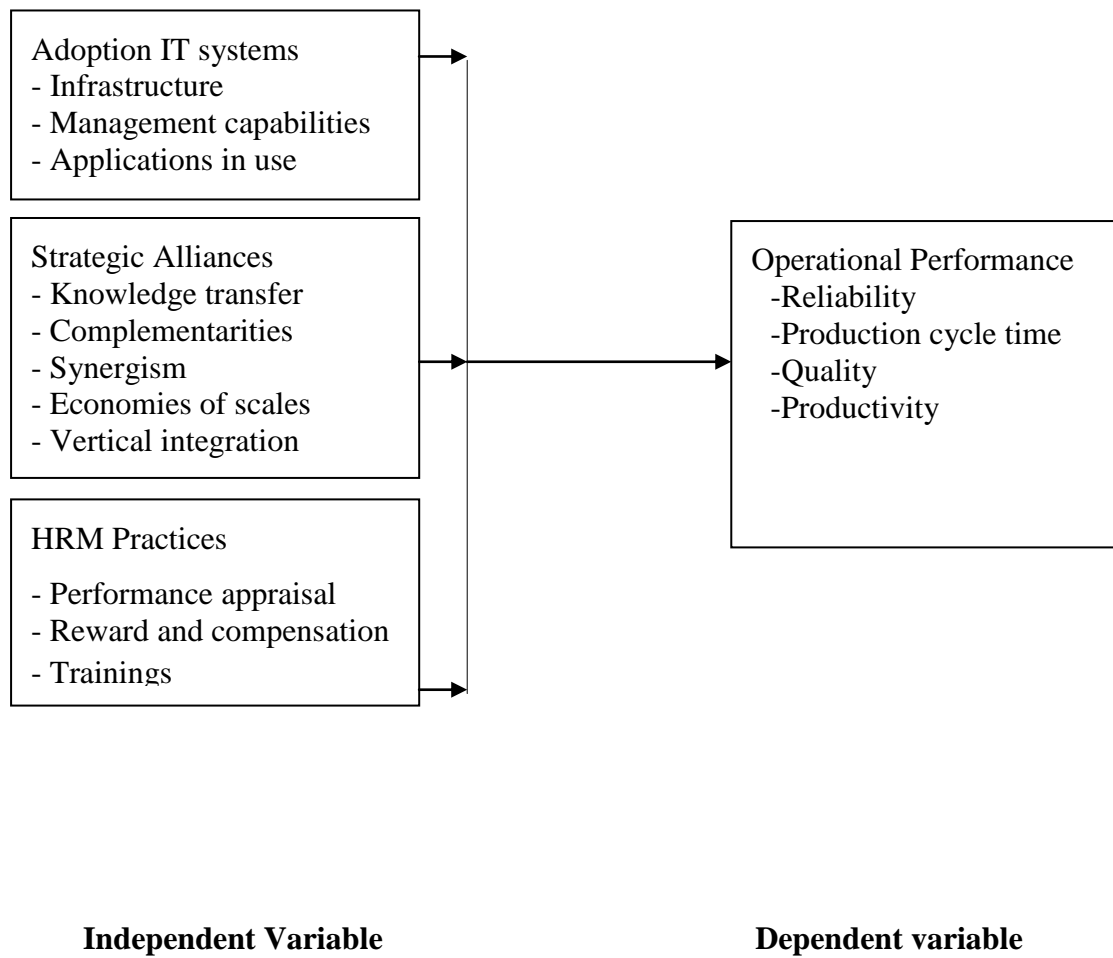
## 2.5 Conceptual Framework



**Figure 2.2: Conceptual Framework**

Source: Author (2015)

## 2.6 Operationalization of variables



**Figure 2.3: Conceptual Framework**

Source: Author 2015

## **CHAPTER THREE**

### **RESEARCH METHODOLOGY**

#### **3.1 Introduction**

This chapter sets out various stages and phases that were followed in completing the study. It involves a blueprint for the collection, measurement and analysis of data. This section is an overall scheme, plan or structure conceived to aid the researcher in achieving the research objective.

#### **3.2 Research Design**

Research design refers to the method used to carry out a research. This research problem was studied through the use of a descriptive research design. According to Cooper and Schindler (2003), a descriptive study is concerned with finding out the what, where and how of a phenomenon. A descriptive study is concerned with determining the frequency with which something occurs or the relationship between variables (Bryman and Bell, 2003). Descriptive research design was chosen because it enables the researcher to establish the relationship between the dependent and the independent variables. Descriptive survey design according to Churchill (1991) is appropriate where the study seeks to describe the characteristics of certain groups, estimate the proportion of people who have certain characteristics and make predictions.

#### **3.3 Data collection**

Target population in statistics is the specific population about which information is desired. According to Ngechu (2004), a population is a well defined or set of people, services, elements, events, group of things or households that are being investigated.

The target population for this study was the employees of Trademark East Africa and other agencies. The study focused on Top level, middle level and low level management staff in company. Top level, middle level and low-level management staffs were selected since they were believed to have the necessary information as sought by the study. Further, the study also target, customers of Trademark East Africa who includes transporters, clearing agents, recipients and government agencies. The distribution of employees at Trademark East Africa is as follows:

**Table 3.1: Target Population**

<b>Management levels</b>	<b>Frequency</b>	<b>Percentage</b>
Top level management	9	12.7
Middle level management	17	23.9
Low level management	45	63.4
<b>Total</b>	71	100.0

**Source: HR Department, Trademark East Africa (2015)**

### **3.4 Sample Design and Procedure**

Stratified random sampling was used to select the study sample used. The target population at Trademark East Africa was stratified into three groups (Top level, middle level and low level management). From the above population of 71, a random sample of 50% from within each group was selected. Stratified random sampling technique is used when population of interest is not homogeneous and can be subdivided into groups or strata to obtain a representative sample. Stratified random sampling which gives each item in the population an equal probability chance of being selected was used. According to Kothari (2000) a representative sample is one which is at least 10% of the population thus the choice of 30% is considered as

representative. On the customers, the study sample them as follows; 2 transporters, 2 clearing agents, 2 recipients and 5 government agencies (for each country served by Trademark East Africa)

**Table 3.2: Sample Size**

Management levels	Population (Frequency)	Sample Ratio	Sample
Top level management	9	0.3	3
Middle level management	17	0.3	5
Low level management	45	0.3	14
Transporters			2
Clearing agents			2
Recipients			2
Government agencies			5
Total			33

**Source: Researcher, 2015**

### **3.5 Data Collection Procedures and Instruments**

The study utilized primary data. Primary data was gathered through questionnaires and an interview guide. This study utilized a questionnaire with both structured and unstructured questions to collect primary data. The study considered questionnaires for they have advantages over other types of research instruments in that they are cheap, do not require as much effort from the questioner as verbal or telephone surveys and often have standardized answers that make it simple to compile data. The questionnaire designed in this study collected operational characteristics designed to determine fundamental issues including the demographic characteristics of the respondent. The second part of the questionnaire was devoted to establishing the

influence of organizational agility on operational performance at Trademark East Africa.

The researcher personally administers the questionnaires to the respondents who are the employees of Trademark East Africa. Although, where the respondents could fill in the questionnaire as the researcher waits, the questionnaires were collected the same day. However, where was hard to collect the questionnaire same day, the researcher left the questionnaire to collect them later through a drop and pick later method. Phone calls were made as a follow up to ensure that the identified respondents respond to the questionnaires and also to increase the response rate. The interview guides were administered on the transporters, clearing agents, recipients and government agencies who are the customers of Trademark East Africa. The interview guide sought to collect in-depth information pertinent to agility and operational performance in the company.

### **3.6 Data Analysis**

After all the data is collected, data cleaning was done in order to determine inaccurate, incomplete, or unreasonable data and then improve the quality through correction of detected errors and omissions. After data cleaning, the data was coded and entered in computer for analysis using Statistical Package for Social Sciences (SPSS) software. Data analysis procedures employed involved both quantitative and qualitative procedures. The quantitative data in this research was analyzed by descriptive statistics using statistical package for social sciences (SPSS) version 20. Descriptive statistics includes mean, frequency, standard deviation and percentages to profile sample characteristics and major patterns emerging from the data. Data was presented in tables, charts and graphs. Content analysis was used in analysis of open-

ended questions especially the ones in the interview guide. In addition, a multivariate regression model was applied to determine the relative importance of each of the four variables with respect to competitive advantage. The regression model was as follows:  $Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \varepsilon$

**Where:** Y = Competitive advantage;  $\beta_0$  = Constant Term;  $\beta_1$ = Beta coefficients;  $X_1$ = Adoption of IT;  $X_2$ = strategic Alliance;  $X_3$ = HRM practice; and  $\varepsilon$  = Error Term

## **CHAPTER FOUR: DATA ANALYSIS, RESULTS AND DISCUSSION**

### **4.1 Introduction**

This chapter presents analysis and findings of the study as set out in the research methodology. The study findings are presented on to investigate into the influence of influence of organizational agility on operational performance of trademark east Africa; the findings are based on the objectives of the study. Descriptive and inferential statistics have been used to discuss the findings of the study

#### **4.1.1 Response Rate**

Response is the extent to which the final data set includes all sample members and it is calculated as from the number of people with whom interviews are completed divided by the total number of people in the entire sample, including those who declined to participate and those who were not available (Fowler 1994). The study targeted 33 respondents in collecting data. From the data collected, 30 out of 33 sample respondents filled in and returned the questionnaires making the response rate of 90.9 %. This reasonable rate was made a reality after the researcher made personal calls and visits to remind the respondents to fill in and return the questionnaires. Earl, (2002) asserts that in a descriptive research, a response rate of above 50% is adequate for analysis.



## 4.2 IT Adoption

**Table 4.3: Extent to which adoption of IT systems enhanced operational performance**

<b>Extent</b>	<b>Frequency</b>	<b>Percentage</b>
Very great extent	10	33.3
Great extent	12	40.0
Moderate extent	5	16.7
Little extent	3	10.0
<b>Total</b>	<b>30</b>	<b>100</b>

The research sought to determine the extent to which adoption of IT systems at TMEA enhanced its operational performance. From the research findings most of the respondents as shown by 40% were of the opinion that adoption of IT systems at TMEA enhanced its operational performance to a great extent, 33.3 % of the respondents indicated to a very great extent, 16.7% of the respondents indicated to a moderate extent, whereas 10% of the respondents indicated to a little extent. This implies that adoption of IT systems at TMEA has enhanced its operational performance to a great extent.

**Table 4.4: Relationship between IT adoption at TMEA and operational performance**

	Strongly Disagree	Disagree	Moderate	Agree	Strongly Agree	Mean	Std Deviation
Information technologies provide superior information management capabilities, analytical decision support, and enhanced communication for achievement of enhanced operational performance	0	1	2	12	15	4.37	0.46
Organizations also promote information systems (IS) as platforms that foster agility by helping achieve time reductions and quality enhancements in product design and development	0	2	3	14	11	4.13	0.41
Facilitating communication necessary to coordinate work activities for enhanced operational performance.	0	1	3	11	15	4.33	0.44
IT management capabilities are an important part of basis through which firms can launch and sustain operational success	0	1	2	15	12	4.27	0.46
IT applications, such as Internet computing, customer relationship management, enterprise resource planning, and supply chain management, allow firms to rapidly detect changes	1	0	2	13	14	4.30	0.46
IT have been necessitated by the need for increased efficiency of activities, reduction in transaction time and/or reduces costs and thus enhanced operational performance	1	0	2	12	15	4.33	0.46
IT helps firms in sharing of knowledge and development of skills in addressing their operational problems	1	1	2	10	16	4.30	0.45

The research sought to establish the extent to which respondents agreed with the above statements relating to relationship between IT adoption at TMEA and

operational performance. From the research findings majority of the respondents agreed that. Information technologies provide superior information management capabilities, analytical decision support, and enhanced communication for achievement of enhanced operational performance as shown by a mean of 4.37, Facilitating communication necessary to coordinate work activities for enhanced operational performance., IT have been necessitated by the need for increased efficiency of activities, reduction in transaction time and/or reduces costs and thus enhanced operational performance as shown by a mean of 4.33 in each case. IT applications, such as Internet computing, customer relationship management, enterprise resource planning, and supply chain management, allow firms to rapidly detect changes, IT helps firms in sharing of knowledge and development of skills in addressing their operational problems as shown by a mean of 4.30 in each case. IT management capabilities are an important part of basis through which firms can launch and sustain operational success as shown by a mean of 4.27. Organizations also promote information systems (IS) as platforms that foster agility by helping achieve time reductions and quality enhancements in product design and development as shown by a mean of 4.13. The research also established that Changes in interdependencies, relationships, values, and norms among business that have made organizational, cultural, and strategic innovations as well as creative adaptation from being a mere issue of casual interest to a key research topic with major importance , ICTs must be conceived broadly to encompass the information that businesses create and use, as well as the wide spectrum of increasingly convergent and linked technologies that process that information. The findings are in agreement with the argument of several studies including: Walker (2004); Damanpour (1991); Atuahene-

Gima (1996) and Subramanian & Nilakanta (1996). These in their findings indicate that ICT adoption have positive impact on organisational performance

### 4.3 Strategic Alliances

**Table 4.5: Effect of strategic alliances on TMEA operational performance**

Opinion	Frequency	Percentage
Yes	26	86.7
No	4	13.3
Total	30	100

The research sought to establish whether strategic alliances employed by TMEA influences its operational performance, from the research findings, majority of the respondents as shown by 86.7% were of the opinion that strategic alliances employed by TMEA influences its operational performance whereas 13.3% of the respondents were of the contrary opinion. This implies that strategic alliances employed by TMEA influences its operational performance.

**Table 4.6: Extent to which strategic alliances affects operational performance at TMEA**

Extent	Frequency	Percentage
Very great extent	10	33.3
Great extent	13	43.3
Moderate extent	5	16.7
Little extent	2	6.7
Total	30	100

The research sought to determine the extent to which strategic alliances employed by TMEA influences its operational performance. from the research findings most of the respondents as shown by 43.3% were of the opinion that strategic alliances employed by TMEA influences its operational performance to a great extent , 33.3% of the

respondents indicated to a very great extent, 16.7% of the respondents indicated to a moderate extent, whereas 6.7% of the respondents indicated to a little extent. This implies that strategic alliances employed by TMEA influences its operational performance to a great extent.

**Table 4.7: Statements Relating to Effect of Strategic Alliances on Operational Performance**

	Strongly Disagree	Disagree	Moderate	Agree	Strongly Agree	Mean	Std Deviation
Strategic alliances allows for share of benefits and managerial control over the performance of assigned tasks	0	1	2	16	11	4.23	0.47
Strategic alliances make continuing contributions in one or more strategic areas, such as technology or products.	1	0	1	18	10	4.20	0.52
Strategic alliances helps an organization to achieve organizational objectives better through collaboration.	0	0	2	20	8	4.20	0.57
Strategic alliances brings knowledge transfer and total expertise to best serve the customer	0	1	5	11	13	4.20	0.39
Strategic alliances facilitate access to international markets	1	0	3	17	9	4.10	0.47
Strategic alliances brings about complementarities and synergies between partners and thus ensures enhanced operational performance in businesses	0	0	2	10	18	4.50	0.52
Strategic alliances allows for diverse information and capabilities with minimum costs of redundancy conflict, and complexity	1	0	1	19	9	4.17	0.54
Startups' alliance networks boosted organizational innovativeness as measured by rates of patenting and R&D growth and thus operational performances	1	0	2	13	14	4.30	0.46
Alliances decrease the costs and risks of the services by sharing between the alliance	0	1	3	16	10	4.17	0.45

partners							
Strategic alliances helps an organization to gain access to intangible assets like brand name and expertise	0	1	0	12	17	4.50	0.53
Alliances allow firms to gain efficiency by achieving economies of scales and vertical integration	0	0	2	14	14	4.40	0.49
Resources are increased in strategic alliances and thus there is an enhanced operational performance	0	1	0	16	13	4.37	0.52
Partners in an alliance learn from each other's skills, expertise, technology and technical standards	0	1	2	13	14	4.33	0.46

The study sought to establish the extent to which respondents agreed with the above statements relating to effect of strategic alliances on operational performance. From the research findings majority of the respondents agreed that Strategic alliances brings about complementarities and synergies between partners and thus ensures enhanced operational performance in businesses as shown by a mean of 4.50 in each case, strategic alliances helps an organization to gain access to intangible assets like brand name and expertise as shown by a mean of 4.50, alliances allow firms to gain efficiency by achieving economies of scales and vertical integration as shown by a mean of 4.40, resources are increased in strategic alliances and thus there is an enhanced operational performance ,alliances allow firms to gain efficiency by achieving economies of scales and vertical integration, as shown by a mean of 4.37 in each case. The findings support the research findings by Baum, Calabrese and Silverman (2008), initial operational performances for organizations were enhanced by establishing alliance networks that provided access to “diverse information and capabilities with minimum costs of redundancy, conflict, and complexity,” gave more opportunities to learn from established rivals, but avoided risky intra-alliance rivalries

Further the study revealed that partners in an alliance learn from each other's skills, expertise, technology and technical standards, partners in an alliance learn from each other's skills, expertise, technology and technical standards as shown by a mean of 4.33 in each case, strategic alliances brings knowledge transfer and total expertise to best serve the customer, strategic alliances helps an organization to achieve organizational objectives better through collaboration, strategic alliances allows for share of benefits and managerial control over the performance of assigned tasks as shown by a mean of 4.23, strategic alliances make continuing contributions in one or more strategic areas, such as technology or products as shown by a mean of 4.20 in each case and strategic alliances allows for diverse information and capabilities with minimum costs of redundancy conflict, and complexity as shown by a mean of 4.17, strategic alliances facilitate access to international markets as shown by a mean of 4.10.

The research also established that Alliances are essential building blocks for companies to achieve stronger and more effective market presence. Alliances are now a fact of life for business, an important piece of current operations as well as future strategy. The findings are in line with the research by Allen and Hamilton, (2009) acknowledged that strategic alliances results in higher return on equity, better return on investment, and higher success rates, compared with integration through mergers and acquisitions.

#### 4.4 Human Resources Management Practices

**Table 4.8: Extent to which HR practices influence the firm's operational performance**

<b>Extent</b>	<b>Frequency</b>	<b>Percentage</b>
Very great extent	8	26.7
Great extent	12	40.0
Moderate extent	7	23.3
Little extent	3	10.0
Total	30	100

The research sought to determine the extent to which strategic alliances employed by TMEA influences its operational performance. from the research findings most of the respondents as shown by 40% were of the opinion that strategic alliances employed by TMEA influences its operational performance to a great extent 26.7% of the respondents indicated to a very great extent, 23.3% of the respondents indicated to a moderate extent, whereas 10% of the respondents indicated to a little extent. This implies that strategic alliances employed by TMEA influences its operational performance to a great extent.



**Table 4.9: Effects of HRM on operational performance**

	Strongly Disagree	Disagree	Moderate	Agree	Strongly Agree	Mean	Std Deviation
TMEA conducts performance appraisal on its employees regularly.	0	1	2	14	13	4.30	0.46
Reward and compensation offered by TMEA to the employees is adequate and commensurate, hence motivates the employees for enhanced firms operational performance	0	1	2	16	11	4.23	0.47
TMEA conduct firm specific trainings to its employees for enhanced operational performance	0	1	2	13	14	4.33	0.46
Recruitment and selection process at TMEA is focused on job demands to ensure consistency in operational performance.	0	1	2	16	11	4.23	0.47
TMEA offers it employee's fringe benefit to motivate them for enhanced performance.	0	0	3	18	9	4.20	0.51
TMEA encourage employees participation in decision making to encourage social relation and generate and tap organization knowledge to sustain operational performance	0	1	3	17	9	4.13	0.47

The research sought to establish the extent to which respondents agreed with the above statements relating to human resource management practices, from the research findings, majority of the respondents agreed that TMEA conduct firm specific trainings to its employees for enhanced operational performance as shown by a mean of 4.33, TMEA conducts performance appraisal on its employees regularly as shown by a mean of 4.30, Reward and compensation offered by TMEA to the employees is adequate and commensurate, hence motivates the employees for enhanced firms operational performance, Recruitment and selection process at TMEA is focused on

job demands to ensure consistency in operational performance as shown by a mean of 4.23 in each case TMEA offers it employee’s fringe benefit to motivate them for enhanced performance as shown by a mean of 4.20, TMEA encourage employees participation in decision making to encourage social relation and generate and tap organization knowledge to sustain operational performance as shown by a mean of 4.13 the study also established that the practice of HRM needs to be integrated with the overall strategy to ensure effective use of people and provide better returns to the organizations in terms of ROI (Return on Investment) .The findings supports the research by Minbaeva (2005), that HRM practices sets out practices by an organization to manage human resources through facilitating the development of competencies that are firm specific, produce complex social relation and generate organization knowledge to enhance its operational performance.

## 4.5 Organizational Performance

**Table 4.10: Statements related to changes in operational performances**

	Strongly Disagree	Disagree	Moderate	Agree	Strongly Agree	Mean	Std Deviation
Reliability of the firms services has increased	1	1	0	16	12	4.23	0.50
Production cycle time has reduced	0	1	2	14	13	4.30	0.46
Quality of services has improved	1	2	1	17	9	4.03	0.47
Productivity has increased	0	1	3	16	10	4.17	0.45

The research sought to determine extent to which the organisation had changed its operational performances in the last five years. From the findings majority of the respondents agreed that Production cycle time has reduced as shown by a mean of 4.30, reliability of the firms' services has increased as shown by a mean of 4.23 and productivity has increased as shown by a mean of 4.17, quality of services has improved as shown by a mean of 4.03.

#### **4.5 Organization Agility and Operational Performance**

**Table 4.11: Extent to which organization agility influences operational performance**

Extent	Frequency	Percentage
Very great extent	6	20.0
Great extent	15	50.0
Moderate extent	5	16.7
Little extent	4	13.3
Total	30	100

The research sought to determine the extent to which organization agility influences operational performance at TMEA. From the research findings majority of the respondents as shown by 50% agree that organization agility influences operational performance at TMEA to a great extent, 20% of the respondents indicated to a very great extent, 16.7% of the respondents indicated to a moderate extent, whereas 13.3% of the respondents indicated to a little extent. This implies that organization agility influences operational performance at TMEA to a great extent.

**Table 4.12: Statement relating to organization agility and operational performance**

	Strongly Disagree	Disagree	Moderate	Agree	Strongly Agree	Mean	Std Deviation
Organization flexibility influences its success in continually seizing competitive opportunities for enhanced performance	1	0	2	15	12	4.23	0.46
Ability of organization to adapt to unexpected changes is critical in achieving and maintaining enhanced operational performance	0	1	3	12	14	4.30	0.43
Organizational responsiveness to changes serves to avert risks	0	2	2	16	10	4.13	0.45
Agile organization executes innovations and take competitive moves with speed, surprise to enhanced operational performance	1	0	2	18	9	4.13	0.51
Agile firms are resilient to shocks and upheavals in their business environments.	1	0	2	17	10	4.17	0.49
Agile firms are keen in creating new business models and significant changes in their operations	1	0	2	15	12	4.23	0.46

Ability of organization to adapt to unexpected changes is critical in achieving and maintaining enhanced operational performance as shown by a mean of 4.30, organization flexibility influences its success in continually seizing competitive opportunities for enhanced performance; agile firms are keen in creating new business models and significant changes in their operations as shown by a mean of 4.23 in each case, agile organization executes innovations and take competitive moves with speed, surprise to enhanced operational performance, organizational responsiveness to changes serves to avert risks as shown by a mean of 4.13 in each case and that agile

firms are resilient to shocks and upheavals in their business environments as shown by a mean of 4.17, the research also established that a flexible management structure capitalizes on the strengths helps to identify new and better ways of getting things done and fostering innovation. Over time, the organization becomes more efficient, meaning higher profits and lower costs. The findings are in line with the research by

## 4.6 Regression

A multiple regression analysis was conducted in this study so as to test relationship among variables (independent) on achievement of agility. The research used statistical package for social sciences (SPSS Version 20) to code, enter and compute the measurements of the multiple regressions.

### 4.6 1. Model Summary

**Table 4.13: Model summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
	.874	.763	.746	.223

Adjusted R squared is coefficient of determination which tells us the variation in the dependent variable due to changes in the independent variable. From the findings in the above table the value of adjusted R squared was 0.746 an indication that there was variation of 74.6 percent on Firms Competitiveness a due to changes in Adoption of IT, Creativity and innovation HRM practice and Total quality management at 95 percent confidence interval. This shows that 74.6 percent changes in Firms Competitiveness could be accounted to Adoption of IT, Creativity and innovation HRM practice and Total quality management. R is the correlation coefficient which shows the relationship between the study variables, from the findings shown in the

table above is notable that there exists strong positive relationship between the study variables as shown by 0.871.

#### 4.6.2 ANOVA

The study further tested the significance of the model by use of ANOVA technique.

The findings are tabulated in table below.

**Table 4.14: Analysis of Variance**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	34.148	4	8.537	7.404	.001 <sup>b</sup>
	Residual	29.978	25	1.153		
	Total	64.126	31			

Critical value =2.50

From the ANOVA statics, the study established the regression model had a significance level of 0.1% which is an indication that the data was ideal for making a conclusion on the population parameters as the value of significance (p-value) was less than 5%. The calculated value was greater than the critical value ( $7.404 > 2.50$ ) an indication that Adoption of IT, Creativity and innovation HRM practice and Total quality management all affect Firms Competitiveness a. The significance value was less than 0.05 indicating that the model was significant.

#### 4.6.3 Coefficient

In addition, the study used the coefficient table to determine the study model. The findings are presented in the table below.

**Table 4.15: Coefficients**

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	1.342	0.423		3.173	0.001
Adoption of IT	.311	.118	.213	2.636	.002
Creativity and innovation	.341	.125	.207	2.728	.000
HRM practice	.322	.124	.206	2.597	.001
Total quality management	.336	.114	.211	2.947	.000

Adoption of IT, Creativity and innovation HRM practice and Total quality management

From the data in the above table the established regression equation was

$$Y = 1.342 + 0.311X_1 + 0.341X_2 + 0.322 X_3 + 0.336 X_4$$

From the above regression equation it was revealed that holding O Adoption of IT, Creativity and innovation HRM practice and Total quality management to a constant zero, the Firms Competitiveness a would be at 1.342, a unit increase in Adoption of IT would increase Firms Competitiveness a by a factors of 0. 311, a unit increase in Creativity and innovation would increase Firms Competitiveness a by factors of 0.341, a unit increase in HRM practice would lead to increase an in Firms Competitiveness a by a factor of 0.322, and a unit increase in Total quality management lead to a increase in Firms Competitiveness a by a factors of 0.336 and. All the variables were significant as their significant value was less than ( $p < 0.05$ ).

The findings supports the findings by Simonin (2009) noted that strategic alliances may result in knowledge ambiguity but it has advantage of allowing technological knowledge transfer, further the results support the Minbaeva (2005) who indicated

that HRM practice enhanced operational performance in a dynamic competitive environment.

#### **4.7 Interpretations and Discussions of the Findings**

The research revealed that adoption of IT systems at TMEA has enhanced its operational performance to a great extent, Information technologies provide superior information management capabilities, analytical decision support, and enhanced communication for achievement of enhanced operational performance Facilitating communication necessary to coordinate work activities for enhanced operational performance., IT have been necessitated by the need for increased efficiency of activities, reduction in transaction time and/or reduces costs and thus enhanced operational performance. IT applications, such as Internet computing, customer relationship management, enterprise resource planning, and supply chain management, allow firms to rapidly detect changes, IT helps firms in sharing of knowledge and development of skills in addressing their operational problems

Further the study established that IT management capabilities are an important part of basis through which firms can launch and sustain operational success, Organizations also promote information systems (IS) as platforms that foster agility by helping achieve time reductions and quality enhancements in product design and development, the research also established that Changes in interdependencies, relationships, values, and norms among business that have made organizational, cultural, and strategic innovations as well as creative adaptation from being a mere issue of casual interest to a key research topic with major importance , ICTs must be conceived broadly to encompass the information that businesses create and use, as well as the wide spectrum of increasingly convergent and linked technologies that



process that information. The findings are in agreement with the argument of several studies including: Walker (2004); Damanpour (1991); Atuahene-Gima (1996) and Subramanian & Nilakanta (1996). These in their findings indicate that ICT adoption have positive impact on organisational performance.

The research established that strategic alliances employed by TMEA influences its operational performance to a great extent, Strategic alliances brings about complementarities and synergies between partners and thus ensures enhanced operational performance in businesses, strategic alliances helps an organization to gain access to intangible assets like brand name and expertise, alliances allow firms to gain efficiency by achieving economies of scales and vertical integration, resources are increased in strategic alliances and thus there is an enhanced operational performance ,alliances allow firms to gain efficiency by achieving economies of scales and vertical integration,. The findings support the research findings by Baum, Calabrese and Silverman (2008), initial operational performances for organizations were enhanced by establishing alliance networks that provided access to “diverse information and capabilities with minimum costs of redundancy, conflict, and complexity,” gave more opportunities to learn from established rivals, but avoided risky intra-alliance rivalries.

Further the study revealed that partners in an alliance learn from each other’s skills, expertise, technology and technical standards, partners in an alliance learn from each other’s skills, expertise, technology and technical standards, strategic alliances brings knowledge transfer and total expertise to best serve the customer , strategic alliances helps an organization to achieve organizational objectives better through collaboration, strategic alliances allows for share of benefits and managerial control over the performance of assigned tasks, strategic alliances make continuing

contributions in one or more strategic areas, such as technology or products. The findings supports the findings by Simonin (2009) noted that strategic alliances may result in knowledge ambiguity but it has advantage of allowing technological knowledge transfer.

The study also revealed strategic alliances allows for diverse information and capabilities with minimum costs of redundancy conflict, and complexity, strategic alliances facilitate access to international markets, alliances are essential building blocks for companies to achieve stronger and more effective market presence, alliances are now a fact of life for business, an important piece of current operations as well as future strategy. The findings are in line with the research by Allen and Hamilton, (2009) acknowledged that strategic alliances results in higher return on equity, better return on investment, and higher success rates, compared with integration through mergers and acquisitions.

The research revealed that strategic alliances employed by TMEA influences its operational performance to a great extent, the study also established that TMEA conduct firm specific trainings to its employees for enhanced operational performance, TMEA conducts performance appraisal on its employees regularly, Reward and compensation offered by TMEA to the employees is adequate and commensurate, hence motivates the employees for enhanced firms operational performance, Recruitment and selection process at TMEA is focused on job demands to ensure consistency in operational performance, TMEA offers it employee's fringe benefit to motivate them for enhanced performance, TMEA encourage employees participation in decision making to encourage social relation and generate and tap organization knowledge to sustain operational performance.

The study also established that the practice of HRM needs to be integrated with the overall strategy to ensure effective use of people and provide better returns to the organizations in terms of ROI (Return on Investment) the findings supports the research by Minbaeva (2005), that HRM practices sets out practices by an organization to manage human resources through facilitating the development of competencies that are firm specific, produce complex social relation and generate organization knowledge to enhance its operational performance.

The study revealed that the organisation had changed its operational performances in the last five years In Production cycle time in the organization had has reduced, reliability of the firm's services has increased and productivity has increased, and that quality of services has improved.

The research found that organization agility influences operational performance at TMEA. to a great extent. Ability of organization to adapt to unexpected changes is critical in achieving and maintaining enhanced operational performance, organization flexibility influences its success in continually seizing competitive opportunities for enhanced performance; agile firms are keen in creating new business models and significant changes in their operations, agile organization executes innovations and take competitive moves with speed, surprise to enhanced operational performance, organizational responsiveness to changes serves to avert risks and that agile firms are resilient to shocks and upheavals in their business environments, the research also established that a flexible management structure capitalizes on the strengths helps to identify new and better ways of getting things done and fostering innovation. Over time, the organization becomes more efficient, meaning higher profits and lower costs. The findings are in line with the research by the results support the Minbaeva

(2005) who indicated that organization agility enhanced operational performance in a dynamic competitive environment.

From the regression result, all the explanatory variables are statistically significant ( $P < 0.05$ ) at 5% in causing the variation in operational performance. The findings showed that 74.6 percent changes in Firms Competitiveness could be accounted to Adoption of IT, Creativity and innovation HRM practice and Total quality management

From the above regression equation it was revealed that holding Adoption of IT, Creativity and innovation HRM practice and Total quality management to a constant zero, the Firms Competitiveness would be at 1.342, a unit increase in Adoption of IT would increase Firms Competitiveness by a factor of 0.311, a unit increase in Creativity and innovation would increase Firms Competitiveness by a factor of 0.341, a unit increase in HRM practice would lead to increase in Firms Competitiveness by a factor of 0.322, and a unit increase in Total quality management lead to a increase in Firms Competitiveness by a factor of 0.336.

## **CHAPTER FIVE**

### **SUMMARY OF FINDINGS CONCLUSION AND RECOMMENDATIONS**

#### **5.1 Introduction**

From the analysis and data collected, the following discussions, conclusion and recommendations were made. The responses were based on the objectives of the study. They sought to establish the influence of adoption of IT on operational performance at TMEA, to investigate the influence of strategic alliances by TMEA on its operational performance and to find out the extent to which human resources management practices influence operational performance at TMEA.

#### **5.2 Summary of Findings and Discussions**

The study established that adoption of IT systems at TMEA has enhanced its operational performance to a great extent, Information technologies provide superior information management capabilities, analytical decision support, and enhanced communication for achievement of enhanced operational performance Facilitating communication necessary to coordinate work activities for enhanced operational performance, the research also established that Changes in interdependencies, relationships, values, and norms among business that have made organizational, cultural, and strategic innovations as well as creative adaptation from being a mere issue of casual interest to a key research topic with major importance. The findings are in agreement with the argument of several studies including: Walker (2004); Damanpour (1991); Atuahene-Gima (1996) and Subramanian & Nilakanta (1996).

These in their findings indicate that ICT adoption have positive impact on organisational performance

The research established that strategic alliances employed by TMEA influences its operational performance to a great extent, Strategic alliances brings about complementarities and synergies between partners and thus ensures enhanced operational performance in businesses, strategic alliances helps an organization to gain access to intangible assets like brand name and expertise, alliances allow firms to gain efficiency by achieving economies of scales and vertical integration, resources are increased in strategic alliances and thus there is an enhanced operational performance ,alliances allow firms to gain efficiency by achieving economies of scales and vertical integration,. The findings support the research findings by Baum, Calabrese and Silverman (2008), initial operational performances for organizations were enhanced by establishing alliance networks that provided access to “diverse information and capabilities with minimum costs of redundancy, conflict, and complexity,” gave more opportunities to learn from established rivals, but avoided risky intra-alliance rivalries. Findings further supports the research findings by Simonin (2009) noted that strategic alliances may result in knowledge ambiguity but it has advantage of allowing technological knowledge transfer.

The study also established that the practice of HRM needs to be integrated with the overall strategy to ensure effective use of people and provide better returns to the organizations in terms of ROI (Return on Investment) the findings supports the research by Minbaeva (2005), that HRM practices sets out practices by an organization to manage human resources through facilitating the development of competencies that are firm specific, produce complex social relation and generate organization knowledge to enhance its operational performance.

The study revealed that the organisation had changed its operational performances in the last five years. In Production cycle time in the organization had reduced, reliability of the firm's services has increased and productivity has increased, and that quality of services has improved.

The research found that organization agility influences operational performance at TMEA to a great extent. Ability of organization to adapt to unexpected changes is critical in achieving and maintaining enhanced operational performance, organization flexibility influences its success in continually seizing competitive opportunities for enhanced performance; agile firms are keen in creating new business models and significant changes in their operations, agile organization executes innovations and take competitive moves with speed, surprise to enhanced operational performance, organizational responsiveness to changes serves to avert risks and that agile firms are resilient to shocks and upheavals in their business environments, the research also established that a flexible management structure capitalizes on the strengths helps to identify new and better ways of getting things done and fostering innovation. Over time, the organization becomes more efficient, meaning higher profits and lower costs. The findings are in line with the research by the results support the Minbaeva (2005) who indicated that organization agility enhanced operational performance in a dynamic competitive environment.

### **5.3 Conclusions**

The study revealed that Information technologies provided superior information management capabilities, analytical decision support, and enhanced communication for achievement of enhanced operational performance, and that IT helps firms in sharing of knowledge and development of skills in addressing their operational problems, therefore the study concludes that adoption of IT had apposite effect on operational performance at TMEA.

The research revealed that to enhance high level of employees' productivity, employees need to be equipped with the necessary training to perform their jobs with ease, and that the practice of HRM needs to be integrated with the overall strategy to ensure effective use of people and provide better returns to the organizations in terms of ROI (Return on Investment), therefore the research concludes that human resources management practices had apposite influence on operational performance.

The study revealed that strategic alliance can provide a powerful competitive advantage in new markets, cost, speed, knowledge, and technology access. Therefore the study concludes that strategic alliances by TMEA had apposite influence its operational performance.

### **5.4 Limitations of the Study**

Certain limitations were encountered during the study. This however, neither affected reliability nor validity of the research findings since measures were in place to address such effects. Some of the respondents approached were reluctant in giving information fearing that the information sought could be used against them or print a negative image about their region. This was however handled by producing authority to conduct research w obtained from National council for science and technology and



thus assured them that the information they gave would be treated confidentially and purely for academic purposes.

The researcher anticipated that the respondents may be biased in giving out information or giving guarded responses which would compromise the study's objectivity and reliability. This limitation was overcome by explaining to the sampled population the essence of the study. Further, the researcher assured the respondents that no one would be victimized on the information that they gave.

## **5.5 Recommendations and suggestions**

### **5.5.1 Policy Recommendations.**

Based on the research findings, the study recommends that organisations need to adopt the use of ICT in their daily business operations, as ICT adoption was found to enhance organisational internal efficiency through reduction of operational cost and thus enhancing management. Companies should ensure that their IT strategy for agility is well protected from their competitors to enhance information security. To this end, the study recommends that these organizations should make IT policies that align information security with the organization's objectives and make it everyone's responsibility to achieve information security

Organisations need to have a strategic human resource plan in place, this will help to highlight talent shortages, speeding up the process of identifying sources of new talent that could, upon hire, make significant business impact,

The study recommends that organisations need to look forward in forming strategic alliances. Formation of strategic alliance will help to achieve organizational

objectives better through collaboration and to gain access to intangible assets like brand name and expertise.

Organization need also embrace change management strategies as this was found to be positively related with organisational competitiveness.

## **5.6 Recommendations For Further Research**

The study sought to establish influence of organizational agility on operational performance of trademark east Africa. The study recommends that a similar study need to be conducted this time exploring on challenging impeding implementation of organisational strategic plans. The variables under the study (Creativity and innovation HRM practice and Total quality management) only accounted for This shows that 74.6 percent changes in Firms Competitiveness. The srudy also recoments that other variables accounting for the 25.4% need to establishewd and their effects assed as well.

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## APPENDICES

### Appendix I: Questionnaire for the TMEA staff

*Please answer the following questions as truthfully as you can. Your responses will be treated in strict confidence and are to be used for research purposes only. The questionnaire below has five parts; please answer all questions. Thank you.*

#### Section A: IT adoption

1. In your own opinion, to what extent do you think adoption of IT systems at TMEA has enhanced its operational performance?

Very great extent                          Great extent                        
 Moderate extent                              Little extent                        
 Not at all                     

2. Using a scale of 1 to 5, where 1 = strongly disagree and 5= strongly agree, please indicate your level of agreement with the following statement that relate to IT adoption at TMEA and operational performance.

	1	2	3	4	5
Information technologies provide superior information management capabilities, analytical decision support, and enhanced communication for achievement of enhanced operational performance					
Organizations also promote information systems (IS) as platforms that foster agility by helping achieve time reductions and quality enhancements in product design and development					
Facilitating communication necessary to coordinate work activities for enhanced operational performance.					
IT management capabilities are an important part of basis through which firms can launch and sustain operational success					

IT applications, such as Internet computing, customer relationship management, enterprise resource planning, and supply chain management, allow firms to rapidly detect changes					
IT have been necessitated by the need for increased efficiency of activities, reduction in transaction time and/or reduces costs and thus enhanced operational performance					
IT helps firms in sharing of knowledge and development of skills in addressing their operational problems					

**Section B: Strategic Alliances**

3. In your opinion, do you think strategic alliances employed by TMEA influences its operational performance?

Yes [ ] No [ ]

4. If yes, to what extent?

Very great extent [ ] Great extent [ ]

Moderate extent [ ] Little extent [ ]

Not at all [ ]

5. Using a scale of 1 to 5, where 1 = strongly disagree and 5= strongly agree, please indicate your level of agreement with the following statements that are related to strategic alliances and enhanced operational performance.

	1	2	3	4	5
Strategic alliances allows for share of benefits and managerial control over the performance of assigned tasks					
Strategic alliances make continuing contributions in one or more strategic areas, such as technology or products.					
Strategic alliances helps an organization to achieve					



organizational objectives better through collaboration.					
Strategic alliances brings knowledge transfer and total expertise to best serve the customer					
Strategic alliances facilitate access to international markets					
Strategic alliances brings about complementarities and synergies between partners and thus ensures enhanced operational performance in businesses					
Strategic alliances allows for diverse information and capabilities with minimum costs of redundancy conflict, and complexity					
Startups' alliance networks boosted organizational innovativeness as measured by rates of patenting and R&D growth and thus operational performances					
Alliances decrease the costs and risks of the services by sharing between the alliance partners					
Strategic alliances helps an organization to gain access to intangible assets like brand name and expertise					
Alliances allow firms to gain efficiency by achieving economies of scales and vertical integration					
Resources are increased in strategic alliances and thus there is an enhanced operational performance					
Partners in an alliance learn from each other's skills, expertise, technology and technical standards					

### Section C: Human Resources Management Practices

6. Do human resources management practices at TMEA influences the firm's operational performance?

- Very great extent                          Great extent
- Moderate extent                          Little extent
- Not at all

7. Using a scale of 1 to 5, where 1 = strongly disagree and 5= strongly agree, please indicate your level of agreement with the following statements related to human resource management practices at TMEA to attract, motivate and retain high talented (caliber) employees for enhanced operational performances.

	1	2	3	4	5
TMEA conducts performance appraisal on its employees regularly.					
Reward and compensation offered by TMEA to the employees is adequate and commensurate, hence motivates the employees for enhanced firms operational performance					
TMEA conduct firm specific trainings to its employees for enhanced operational performance					
Recruitment and selection process at TMEA is focused on job demands to ensure consistency in operational performance.					
TMEA offers it employees fringe benefit to motivate them for enhanced performance.					
TMEA encourage employees participation in decision making to encourage social relation and generate and tap organization knowledge to sustain operational performance					

**Section D: Organizational Performance**

8. Using a scale of 1 to 5, where 1 = strongly disagree and 5= strongly agree, please indicate your level of agreement with the following statements related to changes in operational performances in your organization in the last five (5) years.

	1	2	3	4	5
Reliability of the firms services has increased					
Production cycle time has reduced					
Quality of services has improved					
Productivity has increased					

**Section E: Organization Agility and Operational Performance**

9. To what extent do you think organization agility influences operational performance at TMEA?

- Very great extent    [ ]                      Great extent            [ ]  
 Moderate extent    [ ]                      little extent            [ ]  
 Not at all            [ ]

10. Using a scale of 1 to 5, where 1 = strongly disagree and 5= strongly agree, please indicate your level of agreement with the following statement that relate to organization agility and operational performance.

	1	2	3	4	5
Organization flexibility influences its success in continually seizing competitive opportunities for enhanced performance					
Ability of organization to adapt to unexpected changes is critical in achieving and maintaining enhanced operational performance					
Organizational responsiveness to changes serves to avert risks					
Agile organization executes innovations and take competitive moves with speed, surprise to enhanced operational performance					
Agile firms are resilient to shocks and upheavals in their business environments.					
Agile firms are keen in creating new business models and significant changes in their operations					

11. In your own opinion, what other agility moves has TMEA adopted to enhance operational performance?

.....  
 .....

## **Appendix II: Interview Guide for Customer**

1. In your own opinion, how do you think technologies adopted by TMEA has enhances its operational performance.
2. Comment on how IT systems have influenced the following in TMEA. Further, indicate how it has influenced operational performance of TMEA.
  - i). Information management capabilities
  - ii). Decision support
  - iii). Communication
  - iv). Business models
3. In your own opinion, how effective have the IT systems adopted in TMEA been effective in
  - i). Increased efficiency of operations
  - ii). Reduction in transaction time
  - iii). Reduction in resultant costs
4. Are there any strategic alliances known to you that TMEA has entered into.
5. How has the strategic alliances helped TMEA in achieving its objective and enhance its operational performances.
6. In your own opinion, how has strategic alliances by TMEA enhanced the following aspect and what effect has each had on operational performance.
  - i). Resources base
  - ii). Efficiency in relation to economies of scales and vertical integration
  - iii). Access to intangible assets like brand name and expertise
  - iv). Costs and risks
  - v). Organizational innovativeness
  - vi). Knowledge transfer

7. Do you think TMEA has had any change on its human resource to match changes in business.
8. On a scale of 1 to 5, where 1 = not at all effective and 5 = very effective, rate the following HRM practices by TMEA in achieving enhanced operational performances.
  - i). Employees' appraisals
  - ii). Reward and compensation schemes
  - iii). Training and development
  - iv). Recruitment and selection processes
  - v). Fringe benefits
  - vi). Employees' participation in decision making
9. How have the following measures of operational performances changed in the last 5 years in your organization.
  - i. Reliability
  - ii. Production cycle time
  - iii. Quality
  - iv. Productivity
10. In your own opinion, what other agility moves has TMEA adopted to enhance operational performance.

**End**