THE INFLUENCE OF OPERATIONAL EXCELLENCE STRATEGY ON THE PERFORMANCE OF SYNGENTA EAST AFRICA LIMITED

BY

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AUGUST, 2015
DECLARATION

This research project is my original work and has not been presented for a degree in any other university.

………………………….……….                               ………………………………….

Signature                          Date

PATRICK BWONDA NYANGAU              D61/84424/2012

The research project has been submitted for examination with my approval as university supervisor.

J. KAGWE  ……………………….                               ………………………………….

Signature                          Date

LECTURER, SCHOOL OF BUSINESS

UNIVERSITY OF NAIROBI
DEDICATION

This study is dedicated to my parents and entire family for their moral support during my academic pursuit.
ACKNOWLEDGEMENT

I thank the almighty God for giving sound mind, good health, and for guiding me through the entire academic struggle. I am also highly grateful to my supervisor, Mr. J. Kagwe for his supervision, dedication, availability and professional advice. I extend my gratitude to the lecturers who taught me in the MBA Program, therefore preparing me theoretically for the research I have undertaken.

I am also greatly indebted to strategists from Syngenta East Africa Limited who were my respondents for their willingness to provide the required information for this study. My appreciation also goes to my classmates, for their positive criticism.

I finally acknowledge my family members for their moral support during the entire study period.
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<td>Crop Protection</td>
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<tr>
<td>DFSS</td>
<td>Design for Six Sigma</td>
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<td>EFQM</td>
<td>European Foundation for Quality Management</td>
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<td>ERC</td>
<td>Energy Regulatory Commission</td>
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<td>TPS</td>
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ABSTRACT

As the knowledge economy expands and global interconnectedness increase, complexity in businesses grows exponentially. Consequently, organizational managers increasingly feel the pressure to proactively manage the complexity by constructing control systems that not only function in complex environments, but also adapt and evolve along with them (Edgeman et al., 1999). As a result, operational excellence has become the number one concern for many executives in order to ensure long-term profitability and consistency. The purpose of the study was to establish the influence of operational excellence strategy on the performance of Syngenta East Africa Limited. The study respondents were 8 top management employees in Syngenta East Africa Limited. An interview guide was used for data collection. Qualitative data was analysed using content analysis, through developing a thematic framework from the key issues, concepts and themes emanating from the open ended questions while the quantitative data was analyzed using descriptive statistics through SPSS v.20. Thereafter, the findings were presented in the form of tables and in prose form. The study established that Syngenta East Africa Limited had to a great extent adopted various operational excellence strategies including emphasis on employees’ development and involvement, emphasis on continuous learning and teamwork, customer focus, putting in place efficient delivery systems, having an effective and visionary leadership, investments in information technology to drive innovation, engaging in mutually beneficial and synergy creating alliances and partnerships, with a view of attaining a competitive edge in its target market, to enhance the quality of products offered and customer service and to ensure continuous improvement in its operations. The study also found out that these OE strategies had a significant influence on the performance of SEAL. The study concluded that the operational excellence (OE) strategies adopted by SEAL had a significant influence on its performance in that the OE strategies enabled alignment of people, processes, and technology that helped the organization optimize resources, opportunities, and performance; they enabled the company and its leadership to continuously improve all areas of performance, including decision-making, on-going investment, profitability, customer and partner services and human resources capabilities; they helped the firm to create leaders who have the skills and capabilities to train and develop their teams in applying continuous improvement tools and techniques in their daily jobs; they placed emphasis on stronger teamwork and cooperation among the staff and departments, excellent production and delivery systems, innovation, clarity on roles and responsibilities and alignment of organizational vision, mission and objectives with the its daily activities. The study recommended that the firm’s management should organize for seminars and workshops where its employees can be trained on the concept of operational excellence and how well to implement it to ensure that they possess the required expertise in the implementation of the concept in the firm and thereby positively contributing to its success in the organization. The study further recommended that the firm’s management should initiate a review of all the OE strategies being implemented by the firm with a view of identifying the most important limiting factors impeding the successful implementation of the OE strategies in order to ensure that the constraints are systematically eliminated so that the firm can leap optimal benefits of embracing operational excellence strategies.
CHAPTER ONE: INTRODUCTION

1.1 Background of the Study

As the knowledge economy expands and global interconnectedness increase, complexity grows exponentially. Business leaders and operation managers increasingly feel the pressure to proactively manage complexity by constructing control systems that not only function in complex environments, but also adapt and evolve along with them. Today, operational excellence is the number one concern for many executives in order to ensure long-term profitability and consistency. Operational excellence has proved critical to not only industrial companies, but to all organizations that create products and/or provide services (Edgeman et al., 1999).

Several multinational companies have implemented operational excellence in their strategy. For instance Pharmacia’s Corporate Services Organization adopted operational excellence in 2010 throughout all functional areas which greatly improved both financial and operational results of the company. OE strategies have also helped to minimize disparity, drive process optimization and ensure enterprise-wide alignment with organizational objectives (Kantabutra & Avery, 2010).

The theoretical basis of this study is the Theory of Constraints as postulated by Eliyahu (2000). The theory offers a methodology for identifying the most important limiting factor that stands in the way of achieving a goal and then systematically improving that constraint until it is no longer the limiting factor. The Theory of Constraints provides a powerful set of tools for helping to achieve operational excellence in a firm.
Syngenta East Africa Ltd (SEAL) was selected as the basis of this study as it is implementing operational excellence strategy and it is a market leader in the Agrochemicals Industry in Kenya. The firm is also expanding into the foreign markets in East Africa and therefore operational excellence strategy seeks to make the firm highly competitive.

1.1.1 Operational Excellence

The European Foundation for Quality Management (EFQM, 1999) defines operational excellence as “outstanding practice in managing the organization and achieving results based on a set of nine fundamental concepts, namely, results orientation, customer focus, leadership and constancy of purpose, management by process and facts, people development and involvement, continuous learning, innovation and improvement, partnership development and public responsibility.” Operational Excellence (OE) is an all-embracing approach for optimising every day operations, in configuration with the organisation’s strategic objectives and customer expectations. It is a philosophy of leadership, teamwork and problem solving that leads into constant improvement throughout the organisation by looking at the wishes of the customer, empowering employees, and maximizing on the existing activities in the process (Duggan, 2009).

Operational Excellence (OE) has been defined as an integrated management system that drives business productivity by applying proven practices and procedures. Operational Excellence is the philosophy of organizational leadership that stresses the application of a variety of principles, systems, and tools toward the sustainable improvement of key performance metrics. Much of this philosophy is based on earlier
continuous improvement methodologies, such as Lean Manufacturing, Six Sigma, and Scientific Management. The focus of Operational Excellence however, goes beyond the traditional event-based model of improvement towards a long-term change in organizational culture (Antony et al., 2003).

The OE management system gives a company the benefits of lower costs, increased efficiencies, fewer injuries, maximum sustainable returns on operating assets, and an enhanced competitive position (Buckler, 1996). According to Tennant (2002) OE stresses on promotion of stronger teamwork atmosphere among employees. OE is no longer limited to manufacturing operations but it is more and more being used in industrial companies who are working to implement an integrated approach to operational excellence. By understanding the inherent challenges associated with operational excellence and more importantly, the critical success factors and skills needed to overcome the inherent challenges, organizations will be better positioned to create a culture of continuous improvement, one that is never satisfied with the status quo (Tennant, 2002).

Operational Excellence basically aims at the maximization of operating profit through the continuous operation of an excellent production and/or delivery system that offers customers the right value (Van Assen, 2008). Companies poised to “out-excel” the competition have adopted operational excellence strategies such as lean manufacturing or six-sigma in order to gain cost efficiency, service delivery and quality advantages through the Six Sigma and total quality management aimed at increasing profitability or through the elimination of waste. However, when integrated under the umbrella of operational excellence and applied across the organisation,
there emerges a new way of doing business. This entails production of higher yields, reduction of waste and improvement of quality which leads to high customer satisfaction (Lareau, 2003). Being operationally excellent requires a focus on management capabilities to develop and promulgate standards, coordinate decision-making, optimize service delivery and to manage the workforce. Orchestrating these capabilities requires a unification of cross-functional management disciplines (Duggan, 2009). The General Motors East Africa Company has executed OE in its retail service workshop processes aimed at increasing service quality, customer satisfaction and service performance. Through this process, the company has retained its market share in the highly competitive motor industry in Kenya, (Muthoni 2010).

Operational excellence has been critical in helping firms the world over to identify organizational strengths, weaknesses and areas for improvement for the purpose of strengthening organizational efficiency, effectiveness and competitive position. OE is the overall way of working that balances stakeholder concerns and increases the probability of long-term organizational success through operational, customer related, financial, and marketplace performance excellence (Edgeman et al., 1999). Globalization has created immense pressures of competition and survival on organizations in developing countries. In order to remain competitive, organizations in these countries need to redesign themselves towards operational excellence using tools of creativity and innovation (Khandwalla and Mehta, 2004).

1.1.2 Organisational Performance

The perspective of performance has been viewed from a perspective of
accomplishment, execution, and effectively working out management processes. However, Holton (2005) perspective is a multi-dimensional construct a measurement that depends on a variety of factors. Dessler (2003) indicates that performance is both a behavior and a result that emphasizes on managing people for performance.

According to Kasturi (2006) performance of an organization comprises of the outcome of activities of individuals and units of the organization. Moreover, external influences on individual behavior and personal traits can influence and control all factors affecting the performance of individuals and units through formal and informal procedures. Allio & Allio (1994) stated that people are the organizations greatest asset, providing the intellectual capacity that drives differentiation and value added. Human capital has long been argued as a critical resource in most firms. Organization runs with the help of individuals who contribute in their own way in its success and productivity as the employees spend their day in offices and strive hard to achieve the goals and objectives of the organization. Therefore, performance management systems create high performance culture in which individuals and teams take responsibility for the continuous improvement of business process and for their own skills and contributions within a framework provided by effective leadership (Dessler, 2003)

Rankin (2003) indicates that today, employees are generally required to be flexible, willing to co-operate and remain motivated despite the pressure of work and the constant changes underway within their organizations. Many employers have found that a positive, more participative approach to performance encourages employees to respond in terms of their flexibility, co-operation and commitment. In support,
Dessler (2003) indicates that the management practices may encompass the links between the national organic growth investments and national performance, at the micro level of the analysis of firms. The performance of Syngenta will be measured through non-financial measures. The non-financial performance measures that will be applied in this study will be the market share, customer satisfaction and employee retention rates. Further, the performance of Syngenta will be measured by establishing the extent to which the company is implementing the various operational excellence strategy aspects.

1.1.3 The Agrochemicals Industry in Kenya

The Agrochemicals Industry in Kenya was started many years ago by Pest Control Ltd founded in England by a Dr. Ritter who had been granted contract to spray cotton in Sudan. The company set up a base in Kenya in 1947 to overhaul spray equipment and by 1949 it began trading in Kenya. Pest Control Ltd was joined by other four companies namely African Explosives and Chemical Industries (AE &CI) a subsidiary of International Chemical Industries (ICI), Fisons, Murphy Chemicals (Still members of the Association) and Shell Chemicals (a subsidiary of Shell Oil).

Today, the agrochemicals industry in Kenya is a swarm of activities with many players currently taking part and fighting for a share of the cake both large and small. Besides the local companies which have been here for a long time now such as Twiga Chemicals Industries Ltd, Osho Chemicals, Nduki Agrochemicals Limited and Dipchem, many multinationals have set base in the last decade in Kenya to take a piece of the currently lucrative and the not so overcrowded market with numerous
opportunities for growth and super profits which are evident in the industry today. Some of the giant multinationals currently in Kenya include; Syngenta AG, Dow Agroscience, Bayer, BASF, MakhteshimAgan, Amiran, Monsanto, Arysta Life Science, and DuPoint, (Agrochemicals Association of Kenya, 2015).

The agrochemical industry in Kenya today contributes a great deal to the growth of the economy in many ways such as ensuring food security by provision of chemicals for fighting pests and diseases, creation of jobs, transfer of skills and technology, contribution to the Kenya GDP though revenues as well as opening up the country to growth opportunities in the sector through setting up agricultural research centres and high tech laboratories (Food Security Portal, 2015).

1.1.4 Syngenta East Africa Ltd

Syngenta East Africa Limited (SEAL), a subsidiary of Syngenta AG Switzerland, was founded in the year 2000, borne from a merger between Novartis Agribusiness and Zeneca Agrochemicals to form the Syngenta AG. The SEAL business is managed out of its hub offices in Nairobi, Kenya under a Managing Director and supported by its representative offices in Dar-Es-Salaam and Arusha in Tanzania and Addis Ababa in Ethiopia. The countries covered under the Kenya Commercial Unit are Kenya, Tanzania, Ethiopia, Uganda, South Sudan and Rwanda.

SEAL has its hub in Upper Hill, Nairobi Kenya with representative offices Nakuru and Eldoret. The representative offices have staff that meet clients and are purposely there to support the business in its outreach activities of meeting farmers and advice on best farming practices while all its other support departments are Finance, HR,
S&M, Technical, IT and SC are all stationed in the Nairobi office, (Syngenta, 2014)

SEAL’s main activities are the marketing, sale and distribution of its main products i.e. Crop Protection (CP) which is mainly agrochemical products imported from across the globe from Syngenta’ production sites and sold affordable packs locally to further meet the local market needs. SEAL’s crop protection lines are; herbicides insecticides, pesticides, nematicides, and hybrid. SEAL’s customers include; East Africa Maltings, Amiran Kenya, Kenya Seed, Simlaw Seed, Kenya Highland Seeds and Twiga Chemicals Industries. The choice of SEAL was informed by the company being one of the leading agrochemical firms in Kenya controlling up to 30% stake in the Kenyan market for agrochemicals and its adoption of OE strategy in the wake of the 2009 economic downturn with a view of extending its footprint in the East African region and to grow its profits. Therefore, this study sought to evaluate the effect that the adoption of the OE strategy had on the performance of SEAL.

1.2 Research Problem

Duggan (2009) indicated that during the global downturn of 2009, many businesses cut costs and boosted efficiencies to survive. They sought to increase their profitability through cost-cutting and efficiency strategies. Therefore a number of them adopted operational excellence by making savvy business choices about operating structures as well as about execution to enhance their future success. OE is a strategy highly used by companies venturing into foreign markets to gain a competitive edge (Duggan, 2009). However, not many firms have successfully implemented it owing to lack of skilled personnel to guide the strategy
implementation. This means that any firm intending to adopt and implement OE has to invest in human resources skilled in this concept. The fact that only few companies have implemented OE infers that there is lack of firms to serve as models to those that would wish to implement OE (Tennant, 2002).

Agrochemical firms in Kenya have continued to deploy huge investments in operational excellence strategies and training of manpower to handle the new strategies. With new entrants in the market, the existing companies’ market share is highly threatened. In the recent years the number of agrochemical firms in Kenya has increased by 50% hence increased competition in the sector (Nyambura, 2009). It is therefore important to establish how agrochemical firms in Kenya are benefiting from the operational excellence strategies they are implementing.

Shores (2002) investigated on total quality management, an area of OE. According to Shores (2002), while total quality management (TQM) in the West lacks theoretical basis, knowledge of TQM in developing economics is almost totally lacking. Most of the studies on TQM are focused on the manufacturing sector with inadequate studies focused on the Agrochemicals Industry sector. Therefore, it was crucial that a study be carried out to make sure that the implementation of TQM was a sensible initiative. Muthoni (2010) established that General Motors East Africa (GMEA) has been able to retain its competitive edge in the highly dynamic and competitive motor industry. Through operational excellence, GMEA has increased service quality, customer satisfaction and service performance in its retail service workshop processes. However the firm faced serious challenges in the deployment of the right talent to implement the process as there are very few personnel trained in OE in the market.
The implementation was also hindered by internal resistance in changing its core business objectives towards operational excellence (Muthoni, 2010). The study was carried out in the motor industry and no study had been done in the agrochemicals Industry. This is what this study sought to find out.

Several studies have been conducted on operational excellence; Tennant, (2002) investigated design for six sigma; Shores (2002) investigated on total quality management in the manufacturing sector; Duggan, (2009) did a study on achieving operational excellence in the financial Sector, Ngware et al., (2006) surveyed total quality management in secondary schools in Kenya; while Muthoni (2010) studied enhancement of operational excellence in the retail service workshop processes in General Motors East Africa Limited. Nzoka (2013) focussed on the oil industry in Rwanda. However, none of the studies done on operational excellence in Kenya focussed on the agrochemical industry. Informed by this knowledge gap, the study sought to find out the influence of operational excellence strategy on the performance of Syngenta East Africa Limited. The study sought answers to the following research questions: what are the operational excellence (OE) strategies in Syngenta East Africa Limited and what are their effects on the performance of Syngenta East Africa Limited?

1.3 Research Objective

The objectives of the study were:

i. To establish the operational excellence (OE) strategies in Syngenta East Africa Limited.

ii. To establish the influence of operational excellence strategy on the
1.4 Value of the study

The findings of this study may help the regulators and policy makers in the agrochemical industry in coming up with regulatory framework that embraces best practices in implementation of OE.

The study identified ways of implementing the OE processes to increase organizations’ competitiveness while still ensuring fair competition in the sector. The study would act as a guide on how companies and management should handle and implement operational excellence strategy. The study findings would assist management in planning for any requisite improvements in service quality in order to attract new customers and also retain existing ones. The findings would also be useful to researchers and scholars since they will form a basis for further research.
CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

This chapter presents review of empirical literature on operational excellence and its implementation processes. The chapter further focused on the effect of operational excellence on the organization performance.

2.2 Theoretical Foundation of the study

The study was guided by the following theories; benchmarking model, transformational leadership model and theory of constraints.

2.2.1 Benchmarking Model

Benchmarking is related to target setting and treated as a component of the formal planning process (Camp, 1989b). Fitz-enz, (1993) modelled the benchmarking process on the basis of the Deming cycle. The Deming cycle is a continuous looping model which is composed of four functional elements: plan, do, check, and act. Various models may have a different number of phases from four steps to even 30 (Fitz-enz, 1993). Some representative examples are: Camp (1989) suggested a ten-step generic process for benchmarking; Kaiser’s seven-step benchmarking process is created for the public sector; Allio and Allio (1994) proposed a six-step process for the field of water and wastewater utilities; the Aluminium Company of America adopted another six step to benchmark giant organizations, such as Hewlett-Packard, TriNova, Xerox, and Motorola (Biesada, 1991); Fitz-enz (1993) has worked out a four-phase model for adding value to human resource practices.
In essence, benchmarking involves a judgement process of which functions or firms are to be benchmarked, and the continuous search for best practice information for setting new performance goals in achieving performance superiority/operational excellence (Lema and Price, 1995). Among these models, many corporations, including Xerox, Du Pont, and National Cash Register adopted the one that was described by Camp (1989). However, this model did not comprise a path concerning customer satisfaction. Thus, Vaziri’s (1992) model is highly recommended as it includes a needs assessment team which produces inputs to culminate in feeding information to the original benchmarking team. A modified model adapted from the model of Vaziri (1992) and Camp (1989) has several implications.

First, it indicates that benchmarking is a systematic approach to performance improvement in order to satisfy customers’ needs and requirements. Such a systematic approach involves stages of planning, analysis, integration, action, and maturity. Second, it has a cyclical or repetitive nature. Camp (1989) refers to it as an on-going management process that initiates periodical collection of the information regarding the best practices in order to update the current management practices and business functions. Third, it involves a goal-setting process. It not only projects new operational performance attainment levels, but also provides the organization with a general direction to be pursued. It navigates the organization by transforming the long-term targets into operational actions. Finally, the model raises the importance of communication and commitment. Benchmarking findings must be communicated to all staff to gain support, commitment, and ownership. The benchmarking model is applicable in the implementation of operational excellence in Syngenta. OE seeks to
improve all areas of performance particularly enhancing customer satisfaction which is a key tenet of benchmarking model that uses a systematic approach in planning, analysis, integration, action towards improved customer satisfaction.

2.2.2 Transformational Leadership Model

According to Leonard (2003): “The transformational leadership model proposed by Burns appeared to be a good match for the newer organisational models that were emerging.” A number of other authors (Kouzes & Postner, 1997) proposed leadership models that echoed Burn’s (1978) transformational leadership theme. At the heart of these models was the leader’s ability to create a vision that inspires and motivates people to achieve more than they thought they are capable of. In these models, leadership was seen as a social exchange in which leaders promised rewards and benefits to employees after the employee’s fulfillment of agreements with the leader (Drucker, 2000).

The globalization and rapid pace of businesses required organizations that have rich information networks across businesses and decentralized decision-making processes. The need for greater efficiency resulted in a “delayering” of management hierarchies and greatly enlarged the spans of control (Leonard, 2003). These organizational realities required leaders who could lead through influence rather than authority to synthesise and communicate a highly compelling vision of a desired state of outcomes. The transformational leadership model sits well with operational excellence which is the philosophy of organizational leadership that stresses the application of a variety of principles, systems, and tools toward the sustainable
improvement of key performance metrics. The transformational leadership models emphasizes the leader’s ability to create a vision that inspires and motivates people to achieve more than they thought they are capable of.

2.2.3 Theory of Constraints

The Theory of Constraints as postulated by Eliyahu (2000) is a methodology for identifying the most important limiting factor (i.e. constraint) that stands in the way of achieving a goal and then systematically improving that constraint until it is no longer the limiting factor. In manufacturing, the constraint is often referred to as a bottleneck. The Theory of Constraints takes a scientific approach to improvement. It hypothesizes that every complex system, including manufacturing processes, consists of multiple linked activities, one of which acts as a constraint upon the entire system (i.e. the constraint activity is the “weakest link in the chain”). The Theory of Constraints provides a powerful set of tools for helping to achieve that goal, including: the Five Focusing Steps (a methodology for identifying and eliminating constraints), The Thinking Processes (tools for analyzing and resolving problems) and Throughput Accounting (a method for measuring performance and guiding management decisions) (Eliyahu, 2000).

The theory is highly applicable in the implementation of the OE as the Theory of Constraints is a methodology for identifying the most important limiting factor (i.e. constraint) that stands in the way of achieving operational excellence in the firm and then systematically identifying and eliminating the constraint towards enhancing performance. The OE identifies the constraints some of the constraints to include
inefficiencies and injuries. The OE management system gives a company the benefits of lower costs, increased efficiencies, fewer injuries, maximum sustainable returns on operating assets, and an enhanced competitive position (Buckler, 1996).

2.3 Operational Excellence strategy and Organisational Performance

According to Ozumba (2010) operational excellence in terms of total quality management has been given different definitions by different people and organizations. However, it is a disciplined integrated management system that improves organizational performance through the application of best practices and continuous improvement efforts. When successfully implemented, it ensures waste reduction or elimination, lower operational costs, quality improvements and customer satisfaction, all of which translate to improved and sustained business profitability and growth. Operational Excellence via total quality management has been shown to improve performance by improving reliability and efficiency performance through a robust asset integrity, reliability and optimization process.

According to Adebajo & Mann (2007) firms that successfully implement operational excellence in terms of lean six sigma, usually realizes top-line benefits, growth in customers, and increases in profitability. They also accomplish operational improvements, such as being able to do things better, faster, or cheaper, or to improve the customer experience. In addition, they are likely to realise organizational benefits in terms of “softer” internal benefits such as improved understanding and consensus on the strategy and improvements in internal communication. All these benefits have a positive impact of the organizational performance.
The Six Sigma an initiative of OE primarily seeks to improve process, product and service value with the help of higher quality, reduced waste and capacity alignment as well as improve market share of the firm. Letangule et al. (2012) found that process innovation enables the running of the firm’s operations thus increasing effectiveness and efficiency of the firm. Also, provides means for safeguarding and improving quality and saving costs while product innovation provided competitive advantage. Tennant (2002) purports that not all the process innovations lead to cost savings, but some do and allow the organization to market products at competitive prices. Therefore, it can be argued that the production performance, which is the combination of the achievements in such performance indicators as speed, quality, flexibility, and cost efficiency, is positively affected by the innovative performance.

Operational excellence in form of six sigma enables an enterprise and its leadership to continuously improve all areas of performance both financial and non-financial terms, including decision-making, on-going investment, profitability, customer satisfaction and employee retention (Drucker, 2000). Operational excellence is a way to foster continuous improvement. Achieving this benefit level, however, requires a fact-based understanding of operational performance. OE helps firms to address their today’s challenges and capitalize on tomorrow’s opportunities. The key operations executives must be able to define, monitor, and adjust actions aligned with the operational strategy and objectives (Fleming, 2005).

Porter (1996) claims that operational effectiveness is necessary but not sufficient for competitive advantage since any number of practices for operational excellence can be adopted and copied; as rivals imitate one another’s improvements in quality, cycle
times, or supplier partnerships, strategies converge and competition becomes a series of races down identical paths that no one can win. Spear and Bowen (1999), however, show that many organizations have tried to adopt the lean TPS system of Toyota, but only few have managed to imitate Toyota successfully. Therefore OE via lean six sigma approach still provides these few organizations some competitive advantage in terms of higher market share. In addition, Porter & Tanner (2004) link the service delivery process and the interaction between service employees and customers to productivity, loyalty and sustainable profitability. Employee engagement and customer engagement are intimately connected and taken together, they have an outsized effect on financial performance (Fleming, 2005).
CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

This chapter sets out the study methodology that was used in this study. It involves a blueprint for the collection, measurement and analysis of data. Specifically the following subsections are included: research design, target population and sample, data collection and analysis.

3.2 Research design

This study used a case study research design. A case study research design attempts to describe or define a subject, often by creating a profile of a group of problems, people, or events, through the collection of data and tabulation of the frequencies on research variables or their interaction (Schindler, 2003). This approach was appropriate for the study as it helped describe the state of affairs as they existed without manipulation of variables which was the aim of the study.

3.3 Data Collection

The study made use of interview guide to collect the primary data. The interview guide consisted of open-ended questions only. The interview guide was administered to 8 top management employees in Syngenta East Africa Limited. The main reason for choosing top management employees as the study respondents was because they are responsible for the performance of the firm and have higher level of appreciation on how operational excellence strategies influence performance. The interview guide was interviewer administered to the respondents. The reason for choosing interview
guide as the data collection instrument was primarily due to its practicability, applicability to the research problem and the size of the population. It was also cost effective (Denscombe, 2008). The study respondents were the top management employees in Syngenta East Africa Limited. This was because they are responsible for implementing operational excellence strategies in the company and are well trained by external consultants with whom they jointly designed and implement the OE strategy. The researcher administered the interview guide by booking appointments with the respondents for their best time to be interviewed and where the appointment did not materialise another appointment was arranged. This allowed respondents time to be interviewed as their busy schedule limited their being interviewed on the spot. This therefore helped in increasing the response rate.

3.4 Data Analysis

The study involved collection of qualitative data. Content analysis was used to analyse qualitative data from the open ended questions. This was done by developing a thematic framework from the key issues, concepts and themes emanating from the open ended questions. The information generated was then interpreted and explained in prose.
CHAPTER FOUR
DATA PRESENTATION, ANALYSIS AND INTERPRETATION

4.1 Introduction

This chapter presents analysis and findings of the study as set out in the research methodology. The results were presented on the influence of operational excellence strategy on the performance of Syngenta East Africa Limited. The study targeted 8 top management employees in Syngenta East Africa Limited out of which all them responded to the interviews contributing to a response rate of 100%. This response rate was sufficient and representative and conforms to Mugenda and Mugenda (2003) stipulation that a response rate of 50% is adequate for analysis and reporting; a rate of 60% is good while a response rate of 70% and over is excellent.

The chapter covers the interviewee’s background information, and the findings based on the study objectives.

4.2 Demographic Information

In order to capture the background information of the respondents, issues such the gender, age bracket, level of education, years of service in the organization and position of the respondent in the company were addressed in the first section of the questionnaire. This was important because it enhanced reliability of the information given and gave the basic understanding of the respondents.

4.2.1 Gender distribution of the respondents

The study sought to establish the gender of the respondents. The findings are as
shown in Figure 4.1.

Figure 4.1 Gender distribution of the respondents

Source: Field Data, 2015

The study established that majority (75%) of the respondents were male while 25% were female. This implies that the top management of Syngenta East Africa Limited is male dominated. Further, it shows that majority of the study respondents were male.

4.2.2 Age distribution of the respondents

The study sought to establish the age of the respondents. The findings are as shown in Figure 4.2.
Figure 4.2 Age distribution of the respondents

Source: Field Data, 2015

The study established that 50% of the respondents were aged between 35-39 years, 37.5% were aged 40 and above years, 12.5% were aged between 30-34 years while none of the respondents was aged below 30 years. This depicts that majority of the top management employees of Syngenta East Africa Limited were old enough to fully understand the influence of operational excellence strategy on the performance of Syngenta East Africa Limited.

4.2.3 Highest level of education of the respondents

The study sought to establish the highest education level of the respondents. The findings are as shown in Figure 4.3.
The study found that 50% of the respondents had Master’s degree, 37.5% were graduates, 12.5% had a PhD while none of the respondents was a Diploma holder. This infers that majority of the respondents had a sound academic background and as such had a good understanding of the influence of operational excellence strategy on the performance of Syngenta East Africa Limited.

**4.2.4 Years of Service in the company**

The study sought to establish the length of time that the respondents had worked at Syngenta East Africa Limited. The findings are as shown in Figure 4.4.
The study established that majority (62.5%) of the respondents had worked in the organization for over 5 years, 25% had worked in the organization for 1-5 years while 12.5% of the respondents had worked in the organization for less than one year. This implies that majority of the respondents had worked in Syngenta East Africa Limited for long enough to be able to provide crucial information relating to the influence of operational excellence strategy on the performance of Syngenta East Africa Limited.

### 4.2.5 The position of the respondents in the company

The study sought to establish the position that the respondents held in the company and the results are as shown in table 4.1.
Table 4.1 The position of the respondents in the company

<table>
<thead>
<tr>
<th>Position</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chief Executive Officer</td>
<td>1</td>
<td>12.5%</td>
</tr>
<tr>
<td>Finance Director</td>
<td>1</td>
<td>12.5%</td>
</tr>
<tr>
<td>Human Resource Manager</td>
<td>1</td>
<td>12.5%</td>
</tr>
<tr>
<td>Operations, Sales and Marketing</td>
<td>2</td>
<td>25.0%</td>
</tr>
<tr>
<td>IT and Strategy Formulation</td>
<td>3</td>
<td>37.5%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>5</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Source: Field Data, 2015

The study established that 37.5% of the respondents held positions in the Information Technology (IT) and Strategy Formulation section, 25% held positions in the Operations and Sales and Marketing section while one (12.5%) of the respondents was the Chief Executive Officer of the company, another (12.5%) was the Finance Director of the company while the other (12.5%) was the company’s Human Resource Manager. This implied that the study respondents held key positions in Syngenta East Africa Limited and as such were capable of providing crucial information relating to the influence of operational excellence strategy on the firm’s performance. Further, it implied that the respondents had acquired immense knowledge and experience on operational excellence strategy implementation given the nature of the positions that they held in the company.

4.3 Identification of operational excellence (OE) strategies

This section of the study sought to establish the operational excellence
strategy/strategies that Syngenta East Africa Limited is using. The findings are as discussed in the subsequent subsections.

4.3.1 Adoption of a strategy to ensure the company’s continuous improvement

The study sought to find out the extent to which Syngenta East Africa Limited had adopted a strategy to ensure its continuous improvement. From the findings, the respondents indicated that Syngenta East Africa Limited had to a great extent adopted various operational excellence strategies with a view of attaining a competitive edge in its target market, to enhance the quality of products offered and customer service and to ensure continuous improvement in its operations. This implied that the management of SEAL was keen in implementation of OE strategies to secure the company’s long-term success and continuous improvement in its operations.

4.3.2 Operational excellence strategies being used in SEAL

The study sought to find out the operational excellence strategy/strategies that were being used in Syngenta East Africa Limited (SEAL). According to the findings, the respondents indicated that the operational excellence strategies being used by SEAL were; emphasis on employees’ development and involvement, emphasis on continuous learning and teamwork, customer focus, putting in place efficient delivery systems, having an effective and visionary leadership, investments in information technology to drive innovation, engaging in mutually beneficial and synergy creating alliances and partnerships, corporate social responsibility (CSR) and ensuring clarity in the firm’s strategic goals. This implied that Syngenta East Africa Limited has adopted various operational excellence strategies including employee and customer
engagement in firm’s activities, ensuring clarity in the firm’s long-term goals, engaging in synergy creating partnerships, observing CSR and having an effective and visionary leadership, all with the view of enhancing its performance and to achieve long-term profitability.

4.3.3 Features that characterize the OE strategies being used in SEAL

The study sought to find out the features that characterized the operational excellence (OE) strategies being used in SEAL. According to the findings, the respondents indicated that the operational excellence strategies being employed in SEAL were characterized by being results oriented, constant improvement in all its functional areas, employees’ empowerment, delivering customer value through high quality products and services, focus on financial and marketplace excellence, use of IT driven systems and emphasizing on management capabilities to develop and promulgate standards, coordinate decision-making, optimize service delivery and to manage the workforce. This implies that operational excellence strategies are at the heart of functionality in SEAL, helping the company to achieve a competitive edge in the Agrochemicals Industry.

4.3.4 The extent to which SEAL has hired expertise to assist it in operational excellence aspects

The study sought to find out the extent to which Syngenta East Africa Limited had hired expertise that would assist it to focus around creating a sustainable foundation for operational excellence. According to the findings, the respondents indicated that the company had to a great extent hired persons with the requisite expertise to assist it
in laying a sustainable foundation for operational excellence. This was achieved through the company’s recruitment policy of employing highly qualified staff who added value to the company through their positive contribution in helping the company to realize its strategic goals. This implied that the human resource function was an important unit of the company and played a critical role in helping the company achieve success through implementation of OE strategies by ensuring that it was staffed with the right personnel in terms of competence, experience and attitude.

4.4 Influence of Operational Excellence (OE) strategies on performance

This section of the study sought to establish the influence of operational excellence (OE) strategies on the performance of Syngenta East Africa Limited. The findings are as discussed in the subsequent subsections.

4.4.1 The extent to which the strategies adopted by SEAL have helped it in reduction of costs

The study sought to determine the extent to which the strategies adopted by Syngenta East Africa Limited had helped it in reduction of costs by the elimination of waste. From the study findings, the respondents indicated that the strategies adopted by Syngenta East Africa Limited had to a great extent helped it in reduction of costs through elimination of waste. This was achieved through increased efficiencies, stronger teamwork and cooperation among the staff and departments, excellent production activities and delivery systems, innovation, clarity on roles and responsibilities and alignment of organizational vision, mission and objectives with the its daily activities. The findings imply that the OE strategies being adopted by
SEAL have helped it in cost reductions contributing to its enhanced performance.

**4.4.2 The extent to which the strategies adopted by SEAL have helped it to achieve continuous improvement**

The study sought to determine the extent to which the strategies adopted by Syngenta East Africa Limited had helped it to achieve continuous improvement. From the study findings, the respondents indicated that the strategies adopted by Syngenta East Africa Limited had to a great extent helped it in achieving continuous improvement. This was as evidenced by the firm’s increased ability to adapt to complex operating environments, production of better high quality products and services, fewer injuries, increased returns on assets, positive workplace environment, increased production capacities, efficient delivery systems, customer satisfaction and growth in customer numbers, high employee retention rates and improved internal communication. The findings imply that the OE strategies being adopted by SEAL have helped it achieve continuous improvement hence the firm’s enhanced performance.

**4.4.3 Extent to which operational excellence aspects are reflected in SEAL**

The study sought to establish the extent to which various operational excellence aspects were reflected in Syngenta East Africa Limited. The findings are as shown in table 4.2 below.
Table 4.2 Extent to which operational excellence aspects are reflected in SEAL

<table>
<thead>
<tr>
<th>Description</th>
<th>Mean</th>
<th>Std. Dev</th>
</tr>
</thead>
<tbody>
<tr>
<td>The company has a way of evaluating against a model for continuous improvement in order to highlight what has been achieved and what needs improving</td>
<td>4.125</td>
<td>0.3536</td>
</tr>
<tr>
<td>The company has an all-embracing approach for optimizing every day operations, in configuration with the organization’s strategic objectives and customer expectations</td>
<td>4.000</td>
<td>0.5345</td>
</tr>
<tr>
<td>The company has a philosophy of leadership, teamwork and problem solving ensuing into constant improvement throughout the organization by looking at the wishes of the customer, empowering employees, and maximizing on the existing activities</td>
<td>4.125</td>
<td>0.6409</td>
</tr>
<tr>
<td>The company has continually improved its revenues, reduced costs, simplified its operations and created a better environments for its staff to work in</td>
<td>3.875</td>
<td>0.6409</td>
</tr>
<tr>
<td>The firm has created a strong performance management system required to underpin the changes and to measure, reward and celebrate accomplishments</td>
<td>4.375</td>
<td>0.5176</td>
</tr>
<tr>
<td>The firm has created leaders who have the skills and capabilities to train and develop their teams in applying continuous improvement tools and techniques in their daily</td>
<td>4.375</td>
<td>0.5176</td>
</tr>
</tbody>
</table>
A good development programme should ensure that the leadership team actively promotes a mutually agreed vision and strategy, demonstrates visible commitment, provides resources, and undertakes appropriate performance coaching.

Source: Field Data, 2015

From the study findings, the respondents were in agreement that the following aspects of operational excellence were reflected in SEAL to a great extent. The aspects were: the firm has created a strong performance management system required to underpin the changes and to measure, reward and celebrate accomplishments (4.375); the firm has created leaders who have the skills and capabilities to train and develop their teams in applying continuous improvement tools and techniques in their daily jobs (4.375); the company has a way of evaluating against a model for continuous improvement in order to highlight what has been achieved and what needs improving (mean = 4.125); the company has a philosophy of leadership, teamwork and problem solving ensuing into constant improvement throughout the organization by looking at the wishes of the customer, empowering employees, and maximizing on the existing activities (mean = 4.125); the company has an all-embracing approach for optimizing every day operations, in configuration with the organization’s strategic objectives and customer expectations (mean = 4.000); the company has continually improved its revenues, reduced costs, simplified its operations and created a better environments for its staff to work in (3.875) and a good development programme should ensure that the leadership team actively promotes a mutually agreed vision and strategy.
demonstrates visible commitment, provides resources, and undertakes appropriate performance coaching (3.875). This implies that operational excellence strategies are integral in the operation of SEAL and play a critical role in influencing its performance.

4.4.4 Extent to which the effects of operational excellence are reflected on company’s performance

The study sought to establish the extent to which various effects of operational excellence on company’s performance were reflected in the performance of Syngenta East Africa Limited. The findings are as shown in table 4.3 below.

Table 4.3 Extent to which the effects of operational excellence are reflected on company’s performance

<table>
<thead>
<tr>
<th>Effect</th>
<th>Mean</th>
<th>Std. Dev</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operational excellence has enabled the company and its leadership</td>
<td>4.000</td>
<td>0.0000</td>
</tr>
<tr>
<td>to continuously improve all areas of performance, including decision-making, on-going investment, profitability, customer and partner services and human resources capabilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>OE has enabled alignment of people, processes, and technology</td>
<td>4.125</td>
<td>0.3536</td>
</tr>
<tr>
<td>that helps the organization optimize resources, opportunities, and performance</td>
<td></td>
<td></td>
</tr>
<tr>
<td>OE provides organizational competitive advantage</td>
<td>4.375</td>
<td>0.5176</td>
</tr>
<tr>
<td>OE links the service delivery process and the interaction between</td>
<td>4.250</td>
<td>0.4629</td>
</tr>
<tr>
<td>service, employees and customers to productivity, loyalty and</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
sustainable profitability

Source: Field Data, 2015

From the study findings, the respondents concurred that the following effects of operational excellence strategies were exhibited to a great extent in the performance of SEAL: OE provides organizational competitive advantage (mean = 4.375); OE links the service delivery process and the interaction between service, employees and customers to productivity, loyalty and sustainable profitability (mean = 4.250); OE has enabled alignment of people, processes, and technology that helps the organization optimize resources, opportunities, and performance (mean = 4.125) and operational excellence has enabled the company and its leadership to continuously improve all areas of performance, including decision-making, on-going investment, profitability, customer and partner services and human resources capabilities (mean = 4.000).

This implies that operational excellence strategies have had positive effects on the performance of SEAL and thereby contributing to its enhanced performance. The positive effects include helping the organization optimize on its resources and available opportunities, efficient delivery systems, enabling the firm to adopt better production techniques, positive workplace environment, empowered employees and superior customer service that leads to sustainable profitability.

4.5 Discussion of Findings

The study revealed that Syngenta East Africa Limited had to a great extent adopted various operational excellence strategies with a view of attaining a competitive edge
in its target market, to enhance the quality of products offered and customer service and to ensure continuous improvement in its operations. This implied that the management of SEAL was keen in implementation of OE strategies to secure the company’s long-term success and continuous improvement in its operations. The findings were similar to Drucker (2000) who noted that operational excellence in form of six sigma enables an enterprise and its leadership to continuously improve all areas of performance both financial and non-financial terms, including decision-making, on-going investment, profitability, customer satisfaction and employee retention.

The study also found out the operational excellence strategies being used by SEAL were; emphasis on employees’ development and involvement, emphasis on continuous learning and teamwork, customer focus, putting in place efficient delivery systems, having an effective and visionary leadership, investments in information technology to drive innovation, engaging in mutually beneficial and synergy creating alliances and partnerships, corporate social responsibility (CSR) and ensuring clarity in the firm’s strategic goals. This implied that Syngenta East Africa Limited has adopted various operational excellence strategies including employee and customer engagement in firm’s activities, ensuring clarity in the firm’s long-term goals, engaging in synergy creating partnerships, observing CSR and having an effective and visionary leadership, all with the view of enhancing its performance and to achieve long-term profitability. The findings agree with Duggan (2009) who opined that operational excellence is a philosophy of leadership, teamwork and problem solving that leads into constant improvement throughout the organisation by looking at the wishes of the customer, empowering employees, and maximizing on the existing
activities in the process.

The study found out that the operational excellence strategies being employed in SEAL were characterized by being results oriented, constant improvement in all its functional areas, employees’ empowerment, delivering customer value through high quality products and services, focus on financial and marketplace excellence, use of IT driven systems and emphasizing on management capabilities to develop and promulgate standards, coordinate decision-making, optimize service delivery and to manage the workforce. This implies that operational excellence strategies are at the heart of functionality in SEAL, helping the company to achieve a competitive edge in the Agrochemicals Industry. The findings agree with Van Assen (2008) who noted that operational Excellence basically aims at the maximization of operating profit through the continuous operation of an excellent production and/or delivery system that offers customers the right value. The findings are also in line with Lareau (2003) who pointed that operational excellence entails production of higher yields, reduction of waste and improvement of quality which leads to high customer satisfaction. Being operationally excellent requires a focus on management capabilities to develop and promulgate standards, coordinate decision-making, optimize service delivery and to manage the workforce.

The findings further revealed that SEAL had to a great extent hired persons with the requisite expertise to assist it in laying a sustainable foundation for operational excellence. This was achieved through the company’s recruitment policy of employing highly qualified staff who added value to the company through their
positive contribution in helping the company to realize its strategic goals. This implied that the human resource function was an important unit of the company and played a critical role in helping the company achieve success through implementation of OE strategies by ensuring that it was staffed with the right personnel in terms of competence, experience and attitude. The findings agree with Porter & Tanner (2004) who linked the service delivery process and the interaction between service employees and customers to productivity, loyalty and sustainable profitability and observed that employee engagement and customer engagement are intimately connected and taken together, they have an outsized effect on financial performance.

The study also found out that the strategies adopted by Syngenta East Africa Limited had to a great extent helped it in reduction of costs through elimination of waste. This was achieved through increased efficiencies, stronger teamwork and cooperation among the staff and departments, excellent production activities and delivery systems, innovation, clarity on roles and responsibilities and alignment of organizational vision, mission and objectives with the its daily activities. The findings imply that the OE strategies being adopted by SEAL have helped it in cost reductions contributing to its enhanced performance. The findings are in line with Letangule et al. (2012) who found that process innovation as an element of OE enables better running of the firm’s operations through increased effectiveness and efficiency of the firm. They added that OE provides means for safeguarding and improving quality and saving costs. According to Ozumba (2010), when successfully implemented, OE ensures waste reduction or elimination, lower operational costs, quality improvements and customer satisfaction, all of which translate to improved and sustained business profitability and
growth.

The study found out that the strategies adopted by Syngenta East Africa Limited had to a great extent helped it in achieving continuous improvement. This was as evidenced by the firm’s increased ability to adapt to complex operating environments, production of better high quality products and services, fewer injuries, increased returns on assets, positive workplace environment, increased production capacities, efficient delivery systems, customer satisfaction and growth in customer numbers, high employee retention rates and improved internal communication. The findings imply that the OE strategies being adopted by SEAL have helped it achieve continuous improvement hence the firm’s enhanced performance. The study findings are collaborated by Buckler (1996) who observed that OE management system gives a company the benefits of lower costs, increased efficiencies, fewer injuries, maximum sustainable returns on operating assets, and an enhanced competitive position. The same view is shared by Duggan (2009) who notes that OE is a philosophy of leadership, teamwork and problem solving that leads into constant improvement throughout the organisation by looking at the wishes of the customer, empowering employees, and maximizing on the existing activities in the process.

The study also established that the respondents were in agreement that the following aspects of operational excellence were reflected in SEAL to a great extent. The aspects were: the firm has created a strong performance management system required to underpin the changes and to measure, reward and celebrate accomplishments (4.375); the firm has created leaders who have the skills and capabilities to train and develop their teams in applying continuous improvement tools and techniques in their
daily jobs (4.375); the company has a way of evaluating against a model for continuous improvement in order to highlight what has been achieved and what needs improving (mean = 4.125); the company has a philosophy of leadership, teamwork and problem solving ensuing into constant improvement throughout the organization by looking at the wishes of the customer, empowering employees, and maximizing on the existing activities (mean = 4.125); the company has an all-embracing approach for optimizing every day operations, in configuration with the organization’s strategic objectives and customer expectations (mean = 4.000); the company has continually improved its revenues, reduced costs, simplified its operations and created a better environments for its staff to work in (3.875) and a good development programme should ensure that the leadership team actively promotes a mutually agreed vision and strategy, demonstrates visible commitment, provides resources, and undertakes appropriate performance coaching (3.875). This implies that operational excellence strategies are integral in the operation of SEAL and play a critical role in influencing its performance. The findings are in line with Duggan (2009) who noted that operational Excellence (OE) is an all-embracing approach for optimising every day operations, in configuration with the organisation’s strategic objectives and customer expectations. On his part Lareau (2003) notes that being operationally excellent requires a focus on management capabilities to develop and promulgate standards, coordinate decision-making, optimize service delivery and to manage the workforce. Ozumba (2010) supports the same view by adding that when successfully implemented, operational excellence ensures waste reduction or elimination, lower operational costs, quality improvements and customer satisfaction, all of which translate to improved and sustained business profitability and growth.
The study further established that the following effects of operational excellence strategies were exhibited to a great extent in the performance of SEAL: OE provides organizational competitive advantage (mean = 4.375); OE links the service delivery process and the interaction between service, employees and customers to productivity, loyalty and sustainable profitability (mean = 4.250); OE has enabled alignment of people, processes, and technology that helps the organization optimize resources, opportunities, and performance (mean = 4.125) and operational excellence has enabled the company and its leadership to continuously improve all areas of performance, including decision-making, on-going investment, profitability, customer and partner services and human resources capabilities (mean = 4.000). This implied that operational excellence strategies adopted by SEAL have had a significant positive effect on its performance. These findings are in line with Edgeman et al. (1999) who observed that operational excellence has been critical in helping firms the world over to identify organizational strengths, weaknesses and areas for improvement for the purpose of strengthening organizational efficiency, effectiveness and competitive position. OE is the overall way of working that balances stakeholder concerns and increases the probability of long-term organizational success through operational, customer related, financial, and marketplace performance excellence. The findings are also consistent with Drucker (2000) who argued that operational excellence in form of six sigma enables an enterprise and its leadership to continuously improve all areas of performance both financial and non-financial terms, including decision-making, on-going investment, profitability, customer satisfaction and employee retention.
CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter presents summary of findings, conclusion and recommendations of the study in line with the objective of the study. The research sought to establish the influence of operational excellence strategy on the performance of Syngenta East Africa Limited.

5.2 Summary of Findings

The study established that Syngenta East Africa Limited had to a great extent adopted various operational excellence strategies with a view of attaining a competitive edge in its target market, to enhance the quality of products offered and customer service and to ensure continuous improvement in its operations. This implied that the management of SEAL was keen in implementation of OE strategies to secure the company’s long-term success and continuous improvement in its operations.

The study found out that the operational excellence strategies being used by SEAL were; emphasis on employees’ development and involvement, emphasis on continuous learning and teamwork, customer focus, putting in place efficient delivery systems, having an effective and visionary leadership, investments in information technology to drive innovation, engaging in mutually beneficial and synergy creating alliances and partnerships, corporate social responsibility (CSR) and ensuring clarity in the firm’s strategic goals. This implied that Syngenta East Africa Limited has adopted various operational excellence strategies including employee and customer
engagement in firm’s activities, ensuring clarity in the firm’s long-term goals, engaging in synergy creating partnerships, observing CSR and having an effective and visionary leadership, all with the view of enhancing its performance and to achieve long-term profitability.

The study also established that the operational excellence strategies being employed in SEAL were characterized by being results oriented, constant improvement in all its functional areas, employees’ empowerment, delivering customer value through high quality products and services, focus on financial and marketplace excellence, use of IT driven systems and emphasizing on management capabilities to develop and promulgate standards, coordinate decision-making, optimize service delivery and to manage the workforce. This implies that operational excellence strategies are at the heart of functionality in SEAL, helping the company to achieve a competitive edge in the Agrochemicals Industry.

The findings further revealed that SEAL had to a great extent hired persons with the requisite expertise to assist it in laying a sustainable foundation for operational excellence. This was achieved through the company’s recruitment policy of employing highly qualified staff who added value to the company through their positive contribution in helping the company to realize its strategic goals. This implied that the human resource function was an important unit of the company and played a critical role in helping the company achieve success through implementation of OE strategies by ensuring that it was staffed with the right personnel in terms of competence, experience and attitude.
The study also established that the strategies adopted by Syngenta East Africa Limited had to a great extent helped it in reduction of costs through elimination of waste. This was achieved through increased efficiencies, stronger teamwork and cooperation among the staff and departments, excellent production activities and delivery systems, innovation, clarity on roles and responsibilities and alignment of organizational vision, mission and objectives with the its daily activities. The findings imply that the OE strategies being adopted by SEAL have helped it in cost reductions contributing to its enhanced performance.

The study also found out that the strategies adopted by Syngenta East Africa Limited had to a great extent helped it in achieving continuous improvement. This was as evidenced by the firm’s increased ability to adapt to complex operating environments, production of better high quality products and services, fewer injuries, increased returns on assets, positive workplace environment, increased production capacities, efficient delivery systems, customer satisfaction and growth in customer numbers, high employee retention rates and improved internal communication. The findings imply that the OE strategies being adopted by SEAL have helped it achieve continuous improvement hence the firm’s enhanced performance.

The study also found out that the respondents were in agreement that the following aspects of operational excellence were reflected in SEAL to a great extent. The aspects were: the firm has created a strong performance management system required to underpin the changes and to measure, reward and celebrate accomplishments (4.375); the firm has created leaders who have the skills and capabilities to train and develop their teams in applying continuous improvement tools and techniques in their
daily jobs (4.375); the company has a way of evaluating against a model for continuous improvement in order to highlight what has been achieved and what needs improving (mean = 4.125); the company has a philosophy of leadership, teamwork and problem solving ensuing into constant improvement throughout the organization by looking at the wishes of the customer, empowering employees, and maximizing on the existing activities (mean = 4.125). This implies that operational excellence strategies are integral in the operation of SEAL and play a critical role in influencing its performance.

The study further established that the following effects of operational excellence strategies were exhibited to a great extent in the performance of SEAL: OE provides organizational competitive advantage (mean = 4.375); OE links the service delivery process and the interaction between service, employees and customers to productivity, loyalty and sustainable profitability (mean = 4.250); OE has enabled alignment of people, processes, and technology that helps the organization optimize resources, opportunities, and performance (mean = 4.125) and operational excellence has enabled the company and its leadership to continuously improve all areas of performance, including decision-making, on-going investment, profitability, customer and partner services and human resources capabilities (mean = 4.000). This implied that operational excellence strategies adopted by SEAL have had a significant positive effect on its performance.

5.3 Conclusion

The study concluded that Syngenta East Africa Limited (SEAL) had adopted various
operational excellence strategies with a view of attaining a competitive edge in its target market, to enhance the quality of products offered and customer service and to ensure continuous improvement in its operations. The operational excellence strategies adopted by SEAL included emphasis on employees’ skills, development and involvement, emphasis on continuous learning and teamwork, customer focus, putting in place efficient delivery systems, having an effective and visionary leadership, investments in information technology to drive innovation, engaging in mutually beneficial and synergy creating alliances and partnerships, corporate social responsibility (CSR) and ensuring clarity in the firm’s strategic goals.

The study also concluded that the operational excellence (OE) strategies adopted by SEAL had a significant influence on its performance in that the OE strategies enabled alignment of people, processes, and technology that helped the organization optimize resources, opportunities, and performance; they enabled the company and its leadership to continuously improve all areas of performance, including decision-making, on-going investment, profitability, customer and partner services and human resources capabilities; they helped the firm to create leaders who have the skills and capabilities to train and develop their teams in applying continuous improvement tools and techniques in their daily jobs; they placed emphasis on stronger teamwork and cooperation among the staff and departments, excellent production and delivery systems, innovation, clarity on roles and responsibilities and alignment of organizational vision, mission and objectives with the its daily activities; they created a model for continuous improvement which helped highlight what had been achieved and what needed improving and they also helped it in reduction of costs through
elimination of waste.

5.4 Recommendations

The study makes the following recommendations.

5.4.1 Implication for Policy

Given the increasing competition in the Agrochemical industry in Kenya, the study recommends that the government agencies should formulate a policy to ensure fair competition in the sector and a framework to guide the adoption and implementation of operational excellence.

5.4.2 Implication for Practice

Given the significant influence the OE strategies have on the performance of SEAL, the study recommends that the firm’s management should initiate a review of all the OE strategies being implemented by the firm with a view of identifying the most important limiting factors impeding the successful implementation of the OE strategies in order to ensure that the constraints are systematically eliminated so that the firm can leap optimal benefits of embracing operational excellence strategies.

The study further recommends that the firm’s management should organize for seminars and workshops where its employees can be trained on the concept of operational excellence and how well to implement it to ensure that they possess the required expertise in the implementation of the concept in the firm and thereby positively contributing to its success in the organization.
5.4.3 Recommendations of Further Studies

i. Since this study explored the influence of operational excellence strategy on the performance of Syngenta East Africa Limited, the study recommends that similar studies should be done on other manufacturing firms in Kenya for comparison purposes and to allow for generalization of findings on the influence of operational excellence strategy on the performance of manufacturing firms in Kenya.

ii. The study further recommends that a study should be done to investigate the challenges faced by manufacturing firms in implementation of operational excellence strategies.

5.5 Limitations of the study

i. The access to information was difficult due to bureaucracy in Syngenta East Africa Limited due to fear of this information being leaked to their competitors.

ii. The busy schedule of the respondents also restricted their timely participation in the study.
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APPENDICES:
Appendix I: Introduction Letter

Patrick Bwonda
PO BOX …………
Nairobi.

The Operations Manager Syngenta East Africa Limited
PO BOX …………….,
Kenya

Dear sir/Madam,

RE: LETTER OF INTRODUCTION

I am a master of business administration student at the University of Nairobi and in my final year of study. As part of the requirements for the award of the degree of Master of Business Administration, I am undertaking a research on “THE INFLUENCE OF OPERATIONAL EXCELLENCE ON THE PERFORMANCE OF SYNGENTA EAST AFRICA LIMITED”.

In this regard, I am kindly requesting for your support in terms of time, and by responding to the attached questionnaire. Your accuracy and candid response will be critical in ensuring objective research. This is an academic research and confidentiality is emphasized, your name will not appear anywhere in the report. Kindly spare some time to complete the attached questionnaire.

Thank you in advance

Yours Sincerely,

Patrick Bwonda
Appendix II: Interview guide

Instructions: (Please read the instructions given and answer the questions as appropriately as possible). It is advisable that you answer or fill in each section as provided. Make an attempt to answer every question fully and honestly.

Section A: Background Information on the Interviewee

1. Indicate your gender ............................................

2. What is your age bracket? ..........................................

3. What is your highest level of education? ..........................

4. How many years have you worked in this company? ..............

5. What is your position in the company?

...............................................................

Section B: Identification of operational excellence (OE) strategies

6. To what extent has your company adopted a strategy to ensure continuous improvement of the company?

...............................................................

7. What operational excellence strategy/strategies is the company using?

...............................................................

8. What features characterize the OE strategies that the company is using?

...............................................................

9. To what extent has the company hired expertise that would assist it to focus around creating a sustainable foundation for operational excellence?
Section C: Influence of Operational Excellence (OE) strategies on performance

10. To what extent has the strategies adopted by the company helped in reduction of costs by the elimination of waste?

11. To what extent has the strategies adopted by the company helped to achieve continuous improvement of the company?

12. To what extent are the following operational excellence aspects reflected in your company? Use a scale of 1-5, where 1-no extent, 2-little extent, 3-moderate extent, 4-great extent, 5-very great extent.

<table>
<thead>
<tr>
<th>Aspect</th>
<th>Scale</th>
</tr>
</thead>
<tbody>
<tr>
<td>The company has a way of evaluating against a model for continuous improvement in order to highlight what has been achieved and what needs improving.</td>
<td>……………………………………</td>
</tr>
<tr>
<td>The company has an all-embracing approach for optimizing every day operations, in configuration with the organization’s strategic objectives and customer expectations.</td>
<td>……………………………………</td>
</tr>
<tr>
<td>The company has a philosophy of leadership, teamwork and problem solving ensuing into constant improvement throughout the organization by looking at the wishes of the customer, empowering employees, and maximizing on the existing activities.</td>
<td>……………………………………</td>
</tr>
<tr>
<td>The company has continually improved its revenues, reduced costs, simplified its operations and created a better environments for its staff to work in.</td>
<td>……………………………………</td>
</tr>
</tbody>
</table>
The firm has created a strong performance management system required to underpin the changes and to measure, reward and celebrate accomplishments.

The firm has created leaders who have the skills and capabilities to train and develop their teams in applying continuous improvement tools and techniques in their daily jobs.

A good development programme should ensure that the leadership team actively promotes a mutually agreed vision and strategy, demonstrates visible commitment, provides resources, and undertakes appropriate performance coaching.

<table>
<thead>
<tr>
<th>Statement</th>
<th>Rating</th>
</tr>
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</table>
| Operational excellence has enabled the company and its leadership to continuously improve all areas of performance, including decision-making, on-going investment, profitability, customer and partner services and human resources capabilities. | .................................  
...... |
| OE has enabled alignment of people, processes, and technology that helps the organization optimize resources, opportunities, and performance. | .................................  
...... |
| OE provides organizational competitive advantage. | .................................  
...... |
| OE links the service delivery process and the interaction between service, employees and customers to productivity, loyalty and sustainable profitability. | .................................  
...... |

13. The following statements are the effects of operational excellence on a company’s performance. To what extent are they exhibited in your firm’s performance? Use a scale of 1-5, where 1-no extent, 2- little extent, 3-moderate extent, 4-great extent, 5-very great extent.

Thank you for your time and participation