The effect of selected variables on corporate performance: A survey of supply chain management in large private manufacturing firms in Kenya

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Abstract:

Main objective of this study was to establish the joint effect selected strategy variables on performance of large private manufacturing firms of the supply chains in Kenya. To guide the study, five specific objectives were used namely: (1) to determine the independent effects of core competencies, strategy, strategy implementation and core capabilities on corporate performance, (2) to determine the joint effect of core competencies, strategy, strategy implementation and core capabilities on corporate performance, (3) to determine the independent effects of leadership, resources, corporate structure, corporate policy and management of change on corporate performance, (4) to determine the joint effect of leadership, resources, corporate structure, corporate policy and management of change on corporate performance and (5) to determine the best practices of the supply chain management used by large private manufacturing firms in Kenya. Hypotheses were tested through the analysis of the independent effects of the variables on corporate performance and the joint effect of independent variables on performance. There was empirical evidence that the independent effect of core competencies, core capabilities, strategy, strategy implementation on corporate performance is weaker compared to the joint effect of the same variables. This is confirmed by testing other variables of the study which include leadership, resources, corporate structure, corporate policy and management of change on corporate performance. Similarly, it was found that the independent effects of these variables are equally weaker compared to their joint effect. There are indications that the joint effect of the selected strategy variables account for more variation in the firm performance compared to their independent effect. This procedure was necessary to compare the results in order to meet the objectives of the study and come up with a logical conclusion. A sample of about 52 large private manufacturing companies of the supply chain firms representing all large private manufacturing companies which are members of Kenya Association of Manufacturers was used. The supply chain management- best practices of the large private manufacturing firms have also been studied and found to be universal and match the best practices in the manufacturing sectors of the developed countries. The implications of the findings are discussed.