

# Relationship between Cultural Orientation and Strategy Implementation in Water Service Providers in Western Kenya

Murunga, Olyvia Wambani<sup>1\*</sup>, Mukanzi, Clive<sup>2</sup>
School of Business, Jomo Kenyatta University of Agriculture and Technology, Kenya<sup>1&2</sup>
mowambani@gmail.com<sup>1</sup>
mukanziclive@gmail.com<sup>2</sup>

\*corresponding author

**Abstract-** Strategy implementation is viewed as an integral component of the strategic management process that turns for mulated strategies into actionable activities. The purpose of this study was to evaluate how cultural orientation, specifically market-oriented culture, related to strategy implementation in water service providers in Western Kenya. The study was guid ed by the organizational culture theory. The study adopted a descriptive survey research design. The study population consist ed of employees working with Vihiga, Kakamega County and Busia water companies. The study employed a census design and obtained 70 respondents as the unit of analysis. A structured questionnaire was used in data collection. The questionnaire was pilot tested prior to its use in collection of data for the main study. The collected data were analyzed with the help of Stat istical Package for Social Sciences programme. Both descriptive and inferential statistics were employed. The study results we ere presented in form of tables. The study concluded that corporate culture is very important in determining the success of w ater companies. Market-oriented culture (t = 29.592; p < 0.05was found to be of paramount importance in enhancing strategy implementation in water companies. The study recommended that management of water companies should ensure that the culture embraced by the WSPs does not result in resistance from employees and other stakeholders; so as to ensure that the execution of organizational strategies is not curtailed.

**Keywords -** Cultural orientation; market oriented culture; strategy implementation; water service providers; Western Ken

#### 1. INTRODUCTION

Cultural orientation, market-oriented culture, strategy implementation, water service providers. Formulating a consistent strategy is a difficult task for any management team, however, implementing it throughout the organization is even more difficult [1]. Many organizational failures occur due to the lack of implementation formulation [2]. implementation is more important for the organization than the strategy formulation because if the strategy is not successfully implemented by the staff and management, its cost and damages grow more than the failure of strategy formulation. A myriad of factors can potentially affect the process by which strategic plans are turned into organizational action. There are many factors that challenge effective strategy implementation, ranging from the people who communicate or implement the strategy to the systems or mechanisms in place for co-ordination and control [3].

In Europe, it is revealed that organizational culture has a strong impact on organization and management, which emerges from its nature and its content [4]. Culture is one of the factors in selection of organizational change management strategies [4]. For implementation to be possible there has to be stability between strategy and

each organization dimension such as organization culture, structure, reward structure and resource allocation; otherwise excellently formulated strategies will fail if they are not properly implemented [4]. Dimensions of cultural orientation include attention to detail, outcome orientation, people orientation, market orientation, team orientation, aggressiveness, stability, and innovation and risk taking.

Healthy organizational culture can be an important prerequisite for successful strategy implementation. Many organizations oblivious of the cultural diversities within which they exist find themselves unable to successfully implement strategies [5]. In order to survive in today's competitive world, organizations have realized that they must not only be concerned with what's going on outside of the company, but what is manifesting internally as well [5]. A tight culture-strategy fit furthers an organization's execution of strategy; provides clear guidance on how things are done; produces significant peer pressure to conform to the acceptable norms; and promotes strong employee identification with and commitment to a company's vision, performance targets and strategy [6]. In 2002, the Kenyan government launched an ambitious programme of reforms for the water sector, by passing

enabling legislation with clear roles and responsibilities of

the key water institutions, increasing public spending to



the sector, and pursuing other governance improvements such as separation of water resources management from water supply services delivery[7]. In October 2016, the Water Act 2016 was enacted and its primary intension was to align the water sector to the devolved structure of government as described in the Constitution of Kenya 2010[8]. In line with Article 185 of the Constitution, the Water Act 2016 gives to County Governments the mandate for water and sanitation service provision, and that of the development to County Water Works Agencies. Water service and water resource regulation remains the responsibility of the National Government [8]. There are currently four urban WSPs which are involved in direct provision of water and sewerage services in various urban areas in Western Kenya. These include Nzoia, Vihiga, Kakamega and Busia Water and Sewerage companies.

WSPs recognize the challenges they face with the prevailing cultural orientation and the requirements by the government to carry out strategic implementation. The management in WSPs must therefore maintain a strong and advantageous cultural orientation that promotes effective strategic implementation systems that will guide their operations[7]. It is therefore imperative that WSPs should identify and create cultural orientation that supports strategy supportive values because a tight culture-strategy fit is required for an organization to be able to successfully implement strategy[6]. The purpose of this study was to examine the link between cultural orientation and strategy implementation in WSPs in Western Kenya.

## 2. STATEMENT OF THE PROBLEM

Various researchers on strategy implementation and organizational culture [2][4][5][9][10] revealed that a healthy cultural orientation is an important prerequisite successful strategy implementation. organizations lacking culture-strategy fit find themselves unable to successfully implement strategies; lack guidance on how things are done; lack emphasis on total customer satisfaction; and lack strong employee identification with and commitment to a company's vision, performance targets and strategy[11][6][5]. It has been established that 77% of WSPs faced challenges with monitoring and implementing their strategic plans caused by lack of planning departments and lack of a cultural orientation that is grounded in strategy-supportive values and practices [12].

It is underscored that there is need for capacity building of WSPs in the area of strategic planning and implementation; and for WSPs to adopt business friendly practices that would enhance their sustainability [12]. Therefore, management teams in WSPs require information on their efficiency and effectiveness in service provision; and on the cultural orientation that should be created to successfully execute their strategic

functions, thus creating the need for this study. Strategic management researchers have conducted studies on the relationship between organizational culture and strategy implementation [6][5][13]; but the studies were restricted to other sectors and did not specifically examine the different dimensions of cultural orientation and their impact on strategy implementation in WSPs. The fact that many studies discuss organizational culture in combination with other factors suggests that its relationship with strategy implementation has been overshadowed. This study therefore presents a knowledge gap in terms of empirical data on the relationship between cultural orientation, particularly market-oriented culture, and strategy implementation.

#### 3 OBJECTIVES OF THE STUDY

# 3.1 General Objective

The general objective of the study was to examine the relationship between cultural orientation and strategy implementation in Water Service Providers in Western Kenya.

# **3.2** Specific Objective

To determine the relationship between market-oriented culture and strategy implementation Water Service Providers in Western Kenya

# 4 RESEARCH HYPOTHESIS

 $H_{01}$ : There exists a significant relationship between market-oriented culture and strategy implementation in Water Service Providers in Western Kenya.

#### 5 THEORETICAL REVIEW

The organizational culture theory was reviewed and discussed in the context of cultural orientation and strategy implementation among WSPs.

## 5.1 The Organizational Culture Theory

The concept of organizational culture has its major roots in culture theory [14]. Approaches to organizational culture can be classified into three categories: dimensions approach [15]; interrelated structure approach [16]); and typologies approach. This research employed the dimensions model of the organizational culture theory. The dimensional model was developed in 1990. There are several main proponents of the theory[14][15][17]. The dimensions approach strongly focuses on measuring organizational culture empirically along scales that can be related to other, mostly dependent, variables of interest. According to the theory, organizational culture is comprised of many intangible phenomena, such as values, beliefs, assumptions, perceptions, behavioral norms, patterns of behaviour. artefacts. and organizational reform requires changes in organizational culture[17]. Organizational cultures that reflect unwanted values restrict flexibility and can be formidable barriers to effecting lasting change. The task of management is to replace these cultures with cultures where horizontal



relations, flexibility, responsiveness, individual and group empowerment, diversity, and customer service are valued [18]. Organizations operate under societal pressure and have to comply with norms, values, and regulations of societies to be accepted members of this society and secure social and consequently financial survivability [15]. Therefore, understanding and appreciating the theory of organizational culture and the existing culture of a particular organization is necessary for effecting lasting organizational change [17].

The dimensional model as encapsulated by the organizational culture theory was employed in the current study to identify dimensions of cultural orientation that support strategy supportive values leading to successful strategy implementation among WSPs in Western Kenya. This research used the dimensions approach which focused on four dimensions including outcome orientation, market orientation, team orientation and innovation orientation [19]. The dimensional model of the Organizational Culture theory serves a higher degree of complexity compared with other models but remains within the boundaries of comprehensiveness due to its strong ties to existing [14]. Besides, the theory does not favour a specific methodological paradigm; it can be applied in quantitative, qualitative, and mixed-methods designs to test hypotheses or to explain or explore organizational phenomena. Therefore the applicability of the theory is manifold [14].

## 6 EMPIRICAL REVIEW

Studies on the relationship between organizational culture and strategy implementation have been conducted by different researchers around the globe. A study was conducted on the relationship between organizational culture and strategy implementation [2]. The research design employed was a survey design. The population consisted of 210 members in an Iranian Karafar in Bank. A total of 136 questionnaires were distributed in all departments of the bank, whereby 101 respondents completely returned their questionnaires. Non-parametric Spearman rho was used to obtain correlation coefficients typologies of cultures and strategy implementation. Their findings provided empirical evidence for the hypothesis that suggest positive link between organization's culture strategy implementation.

Another study investigated the relationship between cultural orientation and leader's ability to implement strategy; and revealed that there is a significant connection between business success and the habituated norms of individuals [10]. A study on the influence of organizational culture on Firm's effectiveness established

a 90% correlation between organizational culture and firm effectiveness [9]. The study adopted a survey design and questionnaires administered to 200 respondents in the Nigerian banking sector. The study concluded that organizational culture has a strong contribution towards effectiveness and overall firm performance in the Nigerian banking context.

In Kenya, a study on factors affecting strategy implementation in the Water Sector in Kenya. The study adopted a desktop research where secondary data was analyzed [7]. The findings of the study identified factors such as the formulation process, relationship among departments, executors, communication, different implementing tactics, consensus, commitment and employees; as having an effect on strategy implementation. Another study on the influence of organization culture on strategy implementation in selected universities in Kenya. The study used a descriptive survey to target 105 employees who were sampled by the researcher. The results of the study indicated that organization culture had an influence on strategy implementation and concluded that dominant characteristics and behaviour norms have a strong influence on strategy implementation.

A study was conducted on the effects of organizational culture on strategy implementation in Commercial Banks in Kenya [6]. The study employed a census survey design targeting all licensed commercial banks in Kenya. The target population was 43 representatives from all the licensed commercial banks within Nairobi. The study used a questionnaire to collect primary data. The data was analyzed using both qualitative and quantitative techniques using Statistical Package for Social Sciences. The study revealed that for competitive advantage to be gained across Kenyan banks, strategy implementation should be aligned with strong organizational culture [6].

#### 7 CONCEPTUAL FRAMEWORK

A conceptual framework presents the relationship between the independent and dependent variables that the current study seeks to investigate. A conceptual model helps the researcher to structure discussion of the literature and answer the research questions [20]. The conceptual framework for this study was based on one independent variable, that is, market orientation and one dependent variable which was strategic implementation as represented diagrammatically in Figure 1. Market orientation focuses on securing a customer base, improved productivity and effective customer focus. implementation was characterized commitment to strategy, strategic leadership, and culturestrategy fit.



# **Market Orientation**

- Secured customer bases
- Improved productivity
- Effective customer focus

# Independent Variable Figure 1: Conceptual Framework

# 8 METHODOLOGY

Research methodology encapsulates the step-by-step procedure that is followed when conducting a research study. In this respect, therefore, this section covers the research design, target and study population, unit of analysis, research instrument, data collection procedure, pilot testing, and the methods that were employed to process and analyze the data collected. The section also states how the study findings were presented.

#### 8.1 Research design

A research design constitutes a blueprint for the collection, measurement, and analysis of data. It validates the research functions of describing, predicting, and explaining the study data[21]. The study adopted a descriptive research design. This design is adopted in studies where no alterations are effected on the phenomena being studied. Such studies seek to address 'what' kind of questions as depicted by the general research question in the context of this study which was, what is the relationship between cultural orientation and strategy implementation in Water Service Providers in Western Kenya?

#### 8.2 Population

Target population describes individuals, entities or subjects that exhibit similar characteristics in relation to a given study [21]. In this respect, therefore, the employees working with WSPs in Kenya constituted the target

# **Strategy Implementation**

- Commitment to strategy
- Strategic leadership

# **Dependent Variable**

population. In normal circumstances, the target population is too large to centre a study on. Against this backdrop, the study was narrowed down to an accessible population which a researcher can reach with the given resources. The 76 employees working with the three WSPs in Western Kenya namely Vihiga, Kakamega County and Busia Water Services companies comprised the accessible (study) population.

# **8.3** Census Design

A census design is an approach where all the members of the study population constitute the unit of analysis. It is where data is collected from all members of the population [22]. This means all the aforesaid members are projected to participate in the study. This study adopted a census design. A census of all employees working with the 3 WSPs constituting the scope of the study was necessary due to the relative small size of the population (76 employees) as this provided an overall picture of cultural orientation and strategy implementation in WSPs in Western Kenya. The distribution of the aforementioned employees is illustrated in Table 1. According to Kothari, when the study population is relatively small (N < 100), a census approach should be adopted. In addition, to these arguments, it is postulated that when all members of the study population constitutes the unit of analysis, the generalizability of the study findings to both the study and target populations is largely enhanced [21].

Table 1: Distribution of employees

Water Services Providers	Number of Employees
Vihiga Water service Co. Ltd	35
Kakamega County Water Services Co. Ltd	24
Busia Water Services Co. Ltd	17
Total	76

### **8.4 Data Collection Instrument**

Data collection instrument is a tool that facilitates data collection. The choice of this instrument is subject to the type of research design and research approach. In a survey study as contextualized by this study, questionnaires are the most appropriate instruments for data collection[24]. Moreover, a quantitative research approach requires the use of structured questionnaires in collection of quantitative data [21]. Against this backdrop, therefore, a structured questionnaire was employed in data collection from the sampled respondents. The questionnaire was

self-administered and was structured in a way that facilitated collection of categorical data in relation to study constructs (market-oriented culture and strategy implementation).

# **8.5 Data Collection Procedure**

Prior to data collection, the researcher obtained necessary consent and approval from the relevant authorities. To start with, the researcher obtained an introductory letter from the University. Armed with this letter, the researcher sought the consent of the senior management of the water services companies from which the pilot study and the



main study were conducted. The questionnaires were administered on the respondents by the researcher in person through the respective heads of departments. The respondents were allowed a maximum of five working days to fill in the questionnaire. Upon the lapse of this period, the filled questionnaires were collected from the respondents through the same channel they had been issued.

#### 8.6 Pilot Testing

Pilot testing is the process of pre-testing the questionnaire with a small representative sample aimed at identifying potential misunderstandings or biasing effects of different questions and procedures. The questionnaire was pretested by administering it on 8 employees working with Kapsabet-Nandi Water Services Company Limited which was equivalent to about 10% of the respondents constituting unit of analysis (76). The participants in the pilot study were effectively excluded from the main study. The data collected at this stage was subject to relevant validity and reliability tests in order to assess probable weaknesses in the data collection instrument.

8.6.1 Validity testing

Validity is the extent to which the instrument measures what it purports to measure according to the researcher's

subjective assessment [24]. A valid research instrument is therefore able to facilitate collection of data that can effectively address the study objectives. In the context of this study, the content validity of the research questionnaire was determined through consultation with the assigned University supervisor. Content validity cannot be statistically determined, but expert opinion is sought instead [25]. This informed the researcher to consult the supervisor whose advice in respect of the content of the questionnaire was deemed sufficient in determining the instrument's validity.

#### 8.6.2 Reliability testing

Reliability refers to the consistency, accuracy or precision that an instrument demonstrates when applied repeatedly under similar conditions [26]. Reliability of the instrument was ascertained through the computation of Cronbach's alpha coefficient [27]. The measure is used to check for homogeneity or internal consistency among other variables (Kumar, 2011). Cronbach's alpha coefficient equal to 0.70 or greater implied that the data collection tool was reliable. The results of the reliability test using the Cronbach's alpha coefficient are as shown in Table 2.

Table 2: Reliability test results

Study Constructs	Test Items	Alpha Coefficients
Market-oriented culture	10	0.78
Strategy implementation	10	0.80

According to the results indicated in Table 2, all the constructs (market-oriented culture and strategy implementation) returned alpha coefficients greater than 0.70. Therefore, the research questionnaire was found to be reliable.

#### 8.7 Data Processing and Analysis

The collected filled questionnaires were screened in order to determine their completeness and to get rid of any that might have been inappropriately filled or incomplete. The data processing and analysis was facilitated by the use of the Statistical Package for Social Sciences (SPSS) Version 24. The data analysis consisted of both descriptive and inferential statistics. Descriptive statistics comprised of measures of distribution (frequencies and percentages), central tendencies (means), and variation (standard deviations). On the other hand, inferential statistics constituted of Spearman rank correlation and multiple regression analyses. The research hypotheses were tested at 95% confidence level. The results of the analyses were presented in form of tables. The following regression model was adopted.

 $Y = \beta_0 + \beta_1 X_1 + \varepsilon$ Where:

**Predictor Variables** 

 $\begin{array}{lll} Y \ represents & Strategy \ Implementation \\ \beta_0 \ represents & Constant \\ X_2 \ represents & Market-Oriented \ Culture \\ E \ represents & Error \ term \\ \beta_1 \ \beta_2 \ represent & Regression \ Coefficients \ for \end{array}$ 

# 9 RESULTS, INTERPRETATIONS AND DISCUSSIONS

This section presents the results emanating from analysis of the data collected. The results are accompanied by the relevant interpretations and discussions. The first part outlines the response rate. This is followed by the results relative to the study objectives, which encapsulates both descriptive and inferential statistics.

#### 9.1 Response Rate

Response rate is defined as the proportion of the questionnaires that are returned having been filled successfully in relation to the total number of questionnaires administered on the respondents. Response rates which are at least 75 per cent are deemed sufficient in research studies. In respect of the present study, a total of 76 questionnaires were issued to the respondents constituting the unit of analysis. The number of questionnaires that were collected and had been successfully filled was 70. This translated to 92.11%. Therefore, the response rate was inferred to be significant for consideration in the study.

# **9.2 Descriptive Results, Interpretations and Discussions**

The study analyzed the views of the employees working with water services companies located in Western Kenya regarding cultural orientation and strategy implementation in their respective firms. Under cultural orientation, the



construct under study was market-oriented culture. The results of the descriptive analysis were presented in form of measures of distribution comprising of frequencies, measures of central tendencies and measures of dispersion constituting means and standard deviations respectively. The responses sought from the respondents were on a 5-point Likert scale where integers 1-5 represented

strongly disagree, disagree, undecided, agree, and strongly agree respectively.

#### 9.2.1 Market-oriented culture

The study analyzed the views of the water services companies' employees in regard to market-oriented culture as embraced by the aforestated firms. The relevant results are as indicated in Table 3.

Table 3: Descriptive statistics for market-oriented culture

	n	SA	A	U	D	SD	Mean	Std. Dev.
Consumers are unwilling to clear water bills with billing errors	70	30	24	6	3	6	4.57	.933
The company's services do not cover all citizens in the County	70	34	23	3	3	7	4.06	1.273
The company focuses on meeting the needs of consumers and improving productivity	70	26	30	5	4	5	3.97	1.154
Emphasis on achievement and goal accomplishment holds the company together	70	23	33	5	4	5	3.93	1.133
Primary objectives are securing more customers and stretching its targets	70	27	30	1	5	7	3.93	1.266
The company has an active customer relations desk that deals with complaints and recommendations	70	27	27	1	6	9	3.81	1.376
The company operates by conducting transactions with its related network of stakeholder	70	17	37	5	7	4	3.80	1.098
The organization defines success on the basis of strength in customer bases and high productivity	70	16	34	10	2	8	3.69	1.198
The company considers stakeholders in decision making	70	26	16	10	9	9	3.59	1.429
The company advertises its services to attract new consumers	70	21	19	6	10	14	3.33	1.530

Majority of the sampled employees as shown in Table 3 either agreed or strongly agreed that consumers are unwilling to clear water bills with billing errors (54 out of 70); the services rendered by the water companies do not cover all citizens in the County (57 out of 70); the firms focus on meeting the needs of consumers and improving productivity (56 out of 70); emphasis on achievement and goal accomplishment holds each water company together (56 out of 70); the primary objectives of these water firms are securing more customers and stretching their targets (57 out of 70); the water services companies have active customer relations desks that deal with complaints and recommendations (54 out of 70); and that the companies operate by conducting transactions with their related network of stakeholders (44 out of 70). The study also found that 16 respondents strongly agreed and an additional 34 admitted that the water companies define success on the basis of strength in customer bases and high productivity.

A significant number of employees at least disputed that the water companies consider stakeholders in decision making (18 out of 70); and that the water companies advertise their services to attract new consumers (24 out of 70). In reference to the foregoing two propositions, 9 and 14 employees remained undecided respectively. It was generally strongly admitted that water consumers were unwilling to clear water bills with billing errors with very minimal variation to this respect (mean = 4.57; std dev = 0.933). The sampled employees generally admitted

that the services offered by the water companies cover all citizens in the respective Counties (mean = 4.06); the entities centred on meeting the needs of consumers and improving productivity (mean = 3.97); the water companies are held together by the emphasis they have on achievement and goal accomplishment (mean = 3.93); and that the key objectives of these entities are securing more customers and stretching its targets (mean = 3.93).

In the same vein, it was generally agreed that each of the water companies has an active customer relations desk that deals with complaints and recommendations (mean = 3.81); such entities operate by conducting transactions with their related network of stakeholders (mean = 3.69), and that the firms consider stakeholders in decision making (mean = 3.59). It was, however, generally uncertain whether or not the water services companies operating in Western Kenya advertise their services in order to attract new consumers (mean = 3.33). The study further revealed that there was significant variation (std dev > 1.000) in respect of the foregoing opinions regarding market oriented culture in water services companies.

#### 9.2.2 Strategy implementation

The study further sought the views of the water services companies' employees regarding implementation of strategies by their respective entities. The opinions in respect of various propositions on strategy implementation are summarized in Table 4.



Table 4: Strategy implementation

	n	SA	A	U	D	SD	Mean	Std. Dev.
The company's success depends on having a strong corporate culture	70	26	34	6	2	2	4.71	.849
Efficiency in water provision will enable the company meet its strategic targets	70	46	18	2	1	3	4.47	.959
Lack of commitment and teamwork is a major barrier to strategy implementation	70	33	28	3	1	5	4.19	1.094
The most important culture driver is the nature of the business which is water service provision	70	29	27	6	3	5	4.03	1.154
The alignment of organizational culture and strategy is central for the company's effectiveness	70	20	35	6	7	2	3.91	1.018
Individual-culture incompatibility affects strategy implementation in the company	70	16	37	10	4	3	3.84	.987
A strategy that is at odds with the company's culture will not be successfully implemented	70	17	38	5	7	3	3.84	1.044
Culture bred resistance from employees poses a barrier to successful strategy execution	70	21	32	6	3	8	3.79	1.250
A tight culture-strategy fit furthers the organization's execution of strategy	70	19	29	13	5	4	3.77	1.106
Strict adherence to rules and procedures delay execution of formulated strategies	70	19	29	5	5	12	3.54	1.411

The results of the descriptive analysis as shown in Table 4 indicated that there was generally strong agreement that success of water services companies depends on the strength of their strong corporate culture (mean = 4.71). As the results indicate, there was minimal variation regarding this assertion (std dev = 0.849), which is supported by 60 out of the 70 sampled employees agreeing with it. It was also revealed that there was general concurrence that efficiency in water provision will enable the individual water companies meet their strategic targets (mean = 4.47). There was insignificant variation in respect of this assertion which is in furtherance with the majority of the employees (64 out of 70 agreeing with this proposition.

Moreover, the study noted that lack of commitment and teamwork is a major barrier to strategy implementation (mean = 4.19); and that the most important culture driver is the nature of the business which is water service provision (mean = 4.03). In tandem, at least 61 and 56 employees concurred with both assertions respectively. The alignment of organizational culture and strategy is central for the water companies' effectiveness according to 55 of the 70 sampled employees. Fifty-three respondents opined that individual-culture incompatibility affects strategy implementation in water services firms while 55 employees believed that a strategy that is at odds with the company's culture will not be successfully implemented.

Although there was general concurrence that culture bred resistance from employees poses a barrier to successful strategy execution (mean = 3.79; std dev = 1.250); a tight culture-strategy fit furthers individual company's

execution of strategy (mean = 3.77; std dev 1.106); and that strict adherence to rules and procedures delay execution of formulated strategies (mean = 3.54; std dev = 1.411), it was apparent that there was significance variation in opinion regarding these propositions. Essentially, there were diverse opinions regarding these assertions as exemplified by 19 employees strongly agreeing with the last assertion while 12 employees disputed it.

# 9.3 Inferential Results, Interpretations and Discussions

The study further put into perspective the relationship between market-oriented culture and strategy implementation among water services companies operating in Western Kenya. In addition, the study examined the influence of the aforementioned cultural orientation on strategy implementation. The foregoing was achieved through both Spearman rank correlation analysis and multiple regression analysis.

9.3.1 Relationship between market-oriented culture and strategy implementation

The study evaluated the relationship between market oriented culture and strategy implementation among water services companies in Western Kenya with the object of determining the degree of importance of the stated cultural orientation. To this effect, Pearson's correlation analysis was employed and the pertinent results are as shown in Table 5.



T 11 7 0 1 1 1 1	1	
Labla 5: L'arralation battuac	n markat ariantad alikilira ai	id etrotogy implomentation
Table 5: Correlation between	ii iiiai kut-oi iuiiuu uuituiu ai	ia strategy mininementation

		Strategy implementation
Market oriented culture	Pearson Correlation	.504**
	Sig. (2-tailed)	.000
	n	63

\*\*. Correlation is significant at the 0.01 level (2-tailed).

According to the results of the correlation analysis indicated in Table 5, it was found that the relationship market-oriented culture between and implementation was positive, moderately strong and statistically significant (r = 0.504; p < 0.05). Interpretatively, the more water services companies embraced a market-oriented culture, the more they were likely to enhance the implementation of their strategies. In retrospect, the less emphasis the firms put on marketoriented culture the less effective their strategy implementation was likely to be. The results underlined the important role market-oriented culture plays in strategy implementation amongst water services companies.

9.3.2 *Influence of market oriented culture on strategy* implementation

The study further examined the influence of cultural orientation, specifically market oriented culture, on strategy implementation among water services companies in Western Kenya. This was achieved by regressing the stated culture against strategy implementation. The initial results as shown in Table 6 presents the coefficient of determination (R<sup>2</sup>) which illustrates the extent to which the studied culture explain variation in strategy implementation amongst the aforestated water firms.

Table 6: Regression weights for overall model

	Model	R	R Square	<mark>Adjusted</mark> R Square	Std. Error of the Estimate
Ī	1	.963ª	.928	.927	.26239

a. Predictors: (Constant), market-oriented culture

The results indicated in Table 6 revealed that  $(R^2 = 0.928)$ which meant that the studied culture (market-oriented culture) explained 92.8% of variation in strategy implementation in water services companies in Western Kenya. In other words, 92.8% of strategy implementation amongst the aforestated firms could be attributed to market oriented culture. The study also examined the significance of the model that relates market oriented culture to strategy implementation and the results to this effect are as shown in Table 7.

Table 7: Significant test results

	Model	Sum of squares	df	Mean square	F	Sig.
1	Regression	60.293	1	60.293	875.710	
	Residual	4.682	68	.069		
	Total	64.974	69			

- a. Predictors: (Constant), market-oriented culture
- b. Dependent variable: Strategy implementation

The results indicated in Table 7 show that the following regression model was significant (F = 875.710; p < 0.05).

 $Y = \beta_0 + \beta_1 X_1 + \epsilon$ 

Where

Y and X<sub>2</sub> represented strategy implementation and market-oriented culture respectively.  $\beta_1$  represented coefficient of determination of the predictor variable (market oriented culture) while  $\beta_0$  and  $\epsilon$  represented the constant and error term respectively.

The results indicated in Table 8 outline the extent to which the culture under study influenced strategy implementation as represented by the beta  $(\beta_1)$ . The results of the T-statistics indicate the significance of the aforestated influence.

Table 8: Results for overall model

		Unstandardiz	Standardized Coefficients			
Model		В	Std. Error	Beta	t	Sig.
1	(Constant)	.800	.111		7.198	.000
	Market Oriented Culture	.828	.028	.963	29.592	.000

a. Dependent variable: Strategy implementation



According to the results shown in Table 8, the following regression model

 $Y = \beta_0 + \beta_1 X_1 + \epsilon$ 

Was substituted and interpreted as follows:

 $Y = 0.800 + 0.828X_1$ 

Illustratively, for every unit change in strategy implementation there had to be 0.828 unit change in market-oriented culture while holding other factors constant ( $\beta_0 = 0.800$ ). The results indicated that market-oriented was very instrumental in strategy implementation.

The findings of this study concurred with the observations made in previous local studies. The latter study, similarly to the present study, indicated that organization culture had an influence on strategy implementation. Moreover, another study conducted amongst commercial banks in Kenya examined the effects of organizational culture on strategy implementation [6]. The study found that strong organizational culture influenced implementation of strategies. The same study revealed that there should be a good alignment between cultural norms and the behaviours needed for good strategy execution.

### 9.3.3 Testing null hypothesis

The results of T-statistics as depicted in Tables 8 were used in testing null hypotheses as illustrated hereunder.

 $H_{01}$ : There exists no significant relationship between market-oriented culture and strategy implementation in water service providers in Western Kenya.

**H**<sub>A</sub>: There exists significant relationship between marketoriented culture and strategy implementation in water service providers in Western Kenya.

**T-test statistics results:** (t = 29.592; p < 0.05)

**Interpretation:** The relationship between marketoriented culture and strategy implementation was observed to be statistically significant.

Verdict: The second null hypothesis was rejected.

#### 10 CONCLUSIONS

It was inferred that water services companies have active customer relations desks that handle various issues including complaints and advisory services. The study also concluded that the opinions of the stakeholders were partly considered by the water companies when making decisions. Though these water companies engaged in advertisements, it was concluded that the object of such advertisements particularly in relation to attracting new consumers was largely uncertain. Market-oriented culture was inferred to be highly influential in enhancing strategy implementation among WSPs in Western Kenya. The study concluded that corporate culture is very important in determining the success of water companies. In order to meet their strategic targets, it is concluded that these companies enhance their efficiency in provision of water services. One of the fundamental barriers to strategy implementation was inferred to be lack of commitment and teamwork among the employees working with water services companies. It is further deduced that strategies that deviate from the companies' culture were likely not to be successfully implemented. The study also concluded that alignment of the organizational culture to organizational strategy was imperative in ensuring effectiveness of strategy implementation in water companies.

## 11 RECOMMENDATIONS

It is also recommended that WSPs ought to have an effective customer relations desk manned by competent and friendly personnel in order to address inquiries and grievance presented by customers and other concerned parties. It is important for these entities to consider the opinions of all employees when making decisions particularly through their representatives since the decisions made are bound to impact on them directly or indirectly. The water services firms are advised to maximize the returns of advertisements by ensuring such advertisements enable them to enhance their image in order to attract not only new customers but also top talent in the market.

The study has recommended that WSPs ought to improve their efficiency particularly in the provision of water services. Commitment and teamwork should be emphasized among employees working with water companies in order to enhance strategy implementation. It is further recommended that individual employees should align their culture to the organizational culture in order to mitigate incompatibility of individual employees' cultures and the culture of the water services companies. This initiative is bound to enhance implementation of strategies for these water entities. It is upon the management of these firms to ensure that the culture embraced by the water services companies does not result in resistance from the employees; so as to ensure the execution of organizational strategies is not curtailed.

# 12 REFERENCES

- [1] Ahmadi, S.A., Salamzadeh, Y., Mohammadreza, D., & Akbari, J. (2012). Global Business and Management Research: An International Journal. Payam Noor University, Tehran Branch, Tehran, Iran Western.
- [2] Allio, M.K. (2005). "A Short, Practical Guide to Implementing Strategy", *Journal of Business Strategy*, 26, 12-21.
- [3] Cooper, D.R., & Schindler, P.S. (2003). Business Research Methods. (8th Ed.). Boston: McGraw-Hill Irwin.
- [4] Dauber, D., & Fink, G. (2012). *Hybridization in social systems: A conceptual perspective*. Annual Meeting of the International Association of Cross-Cultural Competence and Management (IACCM). Available at <a href="http://ssrn.com/abstract=1748365">http://ssrn.com/abstract=1748365</a>
- [5] Fraenkel, J.R., & Wallen, N.E. (2000). How to Design and Evaluate Research in Education, 4<sup>th</sup> Edition. McGraw Hill.



- [6] Homburg, C. & Pflesser, C. (2000). A multiple-layer of market-oriented organizational culture: Measurement issues and performance outcomes. *Journal of Marketing Research*, 37 (November), 449-462. Shafritz, J. M., Ott, S. J., & Jang, Y. S. (2011). *Classics of Organizational Theory* (7<sup>th</sup> Ed.). Belmont, Calif.: Wadsworth.
- [7] Hrebiniak, L.G. (2006). Obstacles to Effective Strategy Implementation. *Organizational Dynamics*, 35, 12-31.
- [8] Isaboke, C.M. (2015). Influence of organization culture on strategy implementation in selected universities in Kenya. *International Journal of Economics, Commerce and Management*, 3(9), 806-820.
- [9] Kathumbi, F. (2013). Organization Culture and Strategy Implementation; Mount Kenya University students. Master of Business Administration 2013 – Ad infinitum. In Pursuit of Knowledge, Nairobi, Kenya.
- [10] Kimberlin, C.L., & Winterstein, A.G. (2008). Research fundamentals. Am J Health-Syst Pharm, 65.
- [11] Kimotho, M.K. (2012). Challenges in strategy implementation faced by water service providers licensed by Athi Water Services Board in Kenya. Unpublished MBA project, University of Nairobi.
- [12] Kiptui, J. (2009). The Role of Organizational Culture in the relationship between strategy and performance of commercial banks in Kenya, Nairobi, Kenya.
- [13] Kothari, C. (2004). Research Methodology, Methods and Techniques. (2<sup>nd</sup>Ed.). New Age International Publishers Limited.
- [14] Lotte, F. (2017). "New Law is changing Power Dynamics and Governance Hot Spots in the Kenyan Water Sector." Water Integrity Network, http://www.waterintegritynetwork.net.Water and Beyond, (2015). A Publication of Lake Victoria North Water Services Board, 18th Issue, July-December 2015, Nairobi, Kenya.
- [15] Mugenda, O., & Mugenda, A. (2003). Research Methods: Quantitative and Qualitative Approaches: Nairobi; Acts Press, Kenya.

- [16] Mugenda, O.M., & Mugenda, A.G. (1999). Research Methods: Quantitative and Qualitative Approaches, Nairobi: ACT Press, Kenya.
- [17] Murugi, R. M. & Mugambi, F. (2014). Factors affecting successful strategy implementation in the water sector in Kenya, Jomo Kenyatta University of Agriculture & Technology, Kenya, Journal of Business and Management (IOSR-JBM) e-ISSN: 2278-487X, p-ISSN: 2319-7668. Volume 16, Issue 7. Ver. III (July. 2014), PP 61-68.
- [18] Muthoni E. (2011). Effects of Organizational culture on strategy implementation in commercial banks in Kenya, University of Nairobi, Kenya.
- [19] Nebojša, J. (2012). The Influence of Organizational Culture on Organizational Preferences towards the Choice of Organizational Change Strategy, *Economic Annals*, Volume LVII, No. 193 / April June 2012 UDC: 3.33 ISSN: 0013-3264.
- [20] Nulty, D.D. (2008). The adequacy of response rates to online and paper surveys: What can we do? *Assessment & Evaluation in Higher Education*, 33(3), 301-314.
- [21] Olughor, R. J. (2014). The Influence of Organizational Culture on Firms' Effectiveness. *IOSR Journal of Business and Management*, 16(6), 67–70.
- [22] Orodho, A.J. (2003). Essentials of Educational and Social Sciences Research Methods. Nairobi: Masola Publishers.
- [23] Robbins, S. P., & Coulter, M. (2007). Management, Organizational Culture and Environment: The Constraints, (9<sup>th</sup> Ed.). 2007 Prentice Hall, Inc.
- [24] Sagiv, L., & Schwartz, S. H. (2007). Cultural values in Organizations: Insights for Europe. *European Journal of International Management*, *1*, 176-190.
- [25] Schein, E. (2009). *Organizational Culture and Leadership*. San Francisco: Jossey Bass. Publishers, San Francisco, CA.
- [26] Sekaran, U., &Bougie, R. (2010). Research Methods for Business: A skill building Approach.(5thed.). Dheli: Aggarwal printing press.
- [27] Thompson, A. A. (2014). Crafting and Executing Strategy: The Quest for Competitive Advantage, Concepts and Cases. (15<sup>th</sup> Ed.). Boston: McGraw-Hill.