

**STRATEGIC CHOICES AND PERFORMANCE OF DEL MONTE KENYA  
LTD**

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## DECLARATION

As the undersigned, I confirm that the work referenced above is my own and has not been submitted for review or assessment at any other institution or university other than the University of Nairobi.

Signed:  \_\_\_\_\_

Date: 24<sup>th</sup> November 2022

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**D61/5651/2017**

This research project has been handed in for evaluation, and I, in my capacity as a University Supervisor, have given my permission.

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## **DEDICATION**

I dedicate this project to Almighty God my creator, my strong pillar, my source of inspiration, wisdom, knowledge, and understanding. He has been the source of my strength throughout this program and on his wings only have I soared.

I also dedicate this work to my husband; who has encouraged me all the way and whose encouragement has made sure that I give it all it takes to finish that which I have started. To my brothers, sisters, relatives, mentor, friends and workmates who shared their words of advice and encouragement to finish this study.

And lastly, this project is especially dedicated to the lectures who helped and guided me to successfully complete this project work.

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## **ABBREVIATIONS AND ACRONYMS**

<b>EPS</b>	Earnings per Share
<b>NGOs</b>	Non-Governmental Organizations
<b>RBV</b>	Resource Based View
<b>ROI</b>	Return on Investments
<b>SME</b>	Small Medium Enterprises
<b>TCT</b>	Transactional Cost Theory
<b>TMT</b>	Top Management Team
<b>UN</b>	United Nations
<b>MNC</b>	Multinational Corporation
<b>RDT</b>	Research and Development technology

## ABSTRACT

Strategic choices pursued by businesses throughout their lifetimes have a substantial bearing not only on the development of the organization, but also on its level of success in the long term. It has been discovered that the strategic choices that an organization makes are the major way by which it may align itself to its environment and, as a consequence, enhance its performance. The choices that are ultimately made are determined by a wide range of contextual factors, including those that stem from events in the past, conditions in the here and now, and predictions about the future. The RBV emphasizes the significance of a firm's own internal resources and the ways in which those resources may be used in the process of formulating a strategy that can assist the company in gaining a sustainable advantage over its competitors. According to the contingency theory of leadership, leaders need to consider all relevant factors in any given scenario before making operational choices inside their companies. Organizations must be able to adapt to a constantly changing external environment, and the dynamic capabilities hypothesis analyzes their abilities to do so via the use of both internal and external talent. Generally, globalization has increased competition in businesses that operate in countries that embrace open market structures. Internationalization is therefore important for growth of companies in countries that allow free market model of business. However, entry into new markets requires tact and strategy. The study sought to determine the effect of strategic choice on performance of Delmonte Company. This was informed by the gaps that occur from diverse methodological approaches and varied country and sector contexts by seeking to address the research question: how does strategic decision effect performance of foreign enterprises that are operational in Kenya? The inquiry was based on case study model and it targeted all managers at Delmonte Company. Information was gained through interview. The research found that differences in the strategic decisions made by Delmonte Company impacted performance as judged from the customers' and employees' points of view. Strategic partnerships, internal restructuring, and diversification had greater impacts on firm success and growth as well as learning and development as a performance indicator. The study's results suggested that international firms having operations in Kenya should shape their internal structures to better achieve their long-term objectives. When it comes to management, studies have shown that MNCs may boost the quality of their services by instituting leadership development programs inside their own organizations. It is important that firms develop strategic options and alternatives in managing their operations to enjoy success and stable value in their major operations. This is imperative for their long term value and management in different regions or markets.



## CHAPTER ONE: INTRODUCTION

### 1.1 Background of the Study

The strategic choices that a business takes throughout the course of its existence will, in the long term, have a substantial bearing not only on the development of the organization, but also on its level of success (Kamau, Aosa, Machuki and Pokhariyal, 2018). It has been discovered that the strategic choices that an organization makes are the major way by which it may align itself to its environment and, as a consequence, enhance its performance. Researchers have known for a long time that the continued existence of a company and its level of profitability are dependent not only on external factors but also on the strategic decisions that it makes (Child, 1972; Judge et al., 2015). The choices that are ultimately made are determined by a wide range of contextual factors, including those that stem from events in the past, conditions in the here and now, and predictions about the future (March, 1991).

The theoretical basis for this study will be Penrose's RBV of the business (1959). The RBV places an emphasis on an organization's internal resources and the strategic choices that may be made to best use those assets in order to create a competitive edge over the long term. Penrose created the RBV in the first place (Schroeder et al. 2002). According to the contingency theory of leadership, initially developed by Fred Edward Fiedler in 1964 and published in an essay of the same name, leaders need to consider all relevant factors in any given scenario before making operational choices inside their companies. Olum (2004) and the research of Robbins and Coulter elaborate on this idea (2002). Teece, Pisano, and Shuen (1997) invented the term "dynamic capabilities" to define an organization's capacity to integrate, expand, and rearrange internal and external talents in response to the difficulties presented by an ever-evolving environment. The dynamic capacities concept, as stated by Zahra et al. (2006), was an effort to broaden Penrose's resource-based vision of the organization (1959).

In Kenyan context, many companies have realized the importance of strategic choices. It is true that globalization has increased competition in businesses that operate in countries that embrace open market structures (Kamau et al., 2018). Companies such as Delmonte Kenya have realized that expansion of programs in all regions is important for growth of their program and this allow free market model of business. However, entry into new markets requires tact and strategy and there are challenges that firms face in different markets (Judge et al., 2015). This calls for adoption of strategic alternatives, choices and options to manage different markets. It is evident that operating in a new country means that an organization has to come up with modalities that will help it to fit into the new structure (Wangui, 2011). This includes understanding the marketing model, the social variables of the new country, the economy of the country, the political stability, the human resource structure, the supply chain and the company laws in the new country. Companies have to look critically at these factors before putting in place entry strategies in a new country (Mwangi, 2013). Based on this background, this paper sought to determine how strategic choices influence the success of Delmonte Kenya.

### **1.1.1 Strategic Choices**

Strategic choice is described as the process that starts with the identification of the available alternatives, continues with the evaluation of those options, and concludes with the selection of the best strategic options for implementation, as stated by Johnson, Scholes, and Whittington (2009). Stakeholders' needs and preferences are factored in throughout this procedure. The strategic option outlines the many routes and trajectories that are possible when putting a plan into action. It is anticipated that managers who make strategic choices would participate in a variety of tasks that require strategic thinking.

According to Gitahi and K'Obonyo (2018), making strategic choices requires first having an awareness of the expectations that shareholders have for their companies, then determining the available alternatives, and then assessing and choosing the most appropriate strategic options for implementation. The decisions that go into making strategic choices are the ones that determine the course that will be taken by the future strategy, as well as the range of options available from which to choose one and put it into action. Choices made at the strategic level pave the path for the organization to go ahead by fostering commitment and supporting the organization in its efforts to rally support. It is vital for the senior management of an organization to develop a number of viable strategic choices and alternative courses of action far in advance of any decision-making on the company's long-term direction in order to prepare adequately for the decision-making process. These potential courses of action must then be evaluated in light of particular predetermined criteria before any recommendations regarding their implementation can be made (Wangui, 2011).

Strategic decisions, according to Pfeffer and Salancik (1978) and Dutton and Duncan (1987), include deciding how to balance and prioritize different aspects of a company's holdings via measures like mergers, acquisitions, and other forms of external and internal reorganization. According to the theory put forth by Dutton and Duncan (1987), the nature of the strategic choice and the degree to which it is successful are reliant on the manner in which the highest level managers comprehend the problems posed by the surrounding environment and decide to implement the appropriate solutions.

### **1.1.2 Organizational Performance**

The efficacy and efficiency with which a corporation converts its resources into products is an indicator of its success (McCann, 2004). Metrics such as customer satisfaction, loyalty, frequency of purchase, and repurchase may be used to gauge how well an organization is meeting its customers' expectations (Kaplan & Norton, 1996).

The efficiency with which an enterprise converts its resources into customer value is a key indicator of its productivity (McCann, 2004). Richard and Tomassi (2001) proposed that efficiency may be evaluated by contrasting the amount spent on production for each unit of output with the amount spent on inputs. Kaplan and Norton (1996) argue that a company's prosperity may be measured by how successfully it satisfies the needs of its consumers. Companies do this by assessing how happy their consumers are with the products and services they have purchased from them and how often they have purchased from the firm in the past.

Organizational performance is still a complicated multi-dimensional phenomenon in strategic management, and as such, it is measured using a variety of different metrics and approaches (Balta, 2008). The effectiveness, efficiency, product quality, productivity, employee satisfaction, innovation, and profitability of a company are all factors that make up the organization's performance system, as defined by the Sink and Turtle (1989) model. Financial ratios, cash flow or liquidity indicators, and activity ratios are only some of the ways that financial performance may be measured, as stated by Gibson and Cassar (2005). Measuring a company's financial health may be done via the use of profitability statistics such as gross profit, net profit, Return on Investments (ROI), Earnings per Share (EPS), sales growth, market value, total assets, and liquidity ratios.

### **1.1.3 Strategic Choices and Organizational Performance**

To succeed in today's competitive market, according to Ansoff and Sullivan (1993), top-level management must make strategic choices that are flexible enough to respond to the dynamic nature of external factors. Aggressiveness in making these strategic decisions is essential. Machuki and Aosa (2011) and Huber (1984) agree that a company's performance is proportional to its responsiveness to change. Strategic decisions based on innovation, product positioning, and chain relationship growth may lead to better performance, although the specific results can vary widely from company to company (Teece, 2007, and Ombaka, 2014). It is widely acknowledged that the capacity for a firm to generate new goods and services is critical to the organization's continued success.

Competing strategies are shaped through strategic activities, according to Hutzschenreuter and Israel (2009), which result in changes to how businesses typically operate. Therefore, these differences have an impact on future strategic choices. In light of changes in the external environment in which an organization works and the structure of the industry, Pearce et al. (2012) argue that the organization's strategic reaction or behavior may be affected, and hence the company's success.

### **1.1.4 International Food Processing Business in Kenya**

According to Beck (2007), businesses engage in international business operations in order to increase their sales and acquire new markets. Sometimes the domestic markets are saturated, and firms look for ways to expand their sales; the only way to do this is to look for new markets in other countries. Companies expand internationally in order to acquire new resources.

This is made possible by the fact that emerging developing countries have large deposits of raw minerals, plenty of land, and availability of inexpensive labor. Another reason why companies expand internationally is so they can take advantage of cheaper labor. Developing nations do not have the necessary knowledge or the technology to extract these minerals; thus, they encourage multinational corporations to apply their expertise in extracting these resources so that the developing countries may focus on their development.

According to Glaum and Osterelle (2007), companies go global to increase performance and reach a wider audience. Multinational Corporations with prospects of investing in a new market conducts research and development to establish the market needs and whether the firms can fit into the international markets. According to Boso et al., (2016) and Ibeh et al., (2012), the internationalization operations of African companies have significantly risen in size, breadth, and complexity over the course of the previous two decades. According to Ibeh (2018), the previous decade has been the era of Africa Rising, a period of unprecedented economic expansion, and this has coincided with a rise in the number of emergent African multinationals. The international food processing in Kenya includes companies such as Delmonte Kenya Ltd.

#### **1.1.5 Delmonte Company, Kenya**

Del Monte Kenya is one of the global companies operating in Kenya and it mainly deals with food market as well as processing of food (Delmonte Kenya Limited, 2022). The company promotes production and exports of pineapple products across the world. Some of the company products include mill juice sugar; juice concentrates as well as solid or canned pineapple juice.

The firm also offers their customers with exported canned pineapple and Kenya is the headquarter of the company (Gichuru, Iravo & Arani, 2015). The company was formed in late 1948 and it has been operating in Kenya for more than fifty years (Kamanga & Ismail, 2016).

The management of the company is based in Thika, Kenya. It is ranked as one of the top exporters of pineapple juice around the world (Kamanga & Ismail, 2016). Some of the challenges facing the company in its major operations include conflict in terms of workers pay. There are also challenges associated with poor human rights in the firm (Delmonte Kenya Limited, 2022). Some of the workers have also cried on the poor living as well as non-stable working conditions provided by the management. It has been noted that the firm has poor working conditions (Gichuru, Iravo & Arani, 2015).

To manage its operations, the firm has been struggling with strategic choices and options to steer its growth. Some of the models that have been initiated by the firm top management include providing workers with good working environment (Delmonte Kenya Limited, 2022). The firm is also expanding its operations with the aim of meeting its customers and workers needs (Gichuru, Iravo & Arani, 2015). Importantly, the firm is operations are based on global standards and all its operations are aim at meeting its customers and stakeholders value. Today, the firm is valued in terms of pineapple it produces and it produces more than 2000 cans of pineapples daily in its facilities (Delmonte Kenya Limited, 2022).

## **1.2 Research Problem**

It has been determined that the mechanisms by which businesses synchronize their resources with the environment to successfully boost performance are the strategic decisions that they make. Scholars have pointed out that the existence of companies and their accomplishments are dependent not only on environmental pressures but also on the strategic decisions that such organizations make (Ndwiga, 2018; Kamau, 2018; Child, 1972; Judge et al., 2015). Strategic decisions, as described by Van den Steen (2013), are what a corporation should aim towards if it wants to maximize shareholder value. These plans are often approved by the board of directors or other bodies that are functionally identical, which establishes them as an important cornerstone of good corporate governance (Kiel & Nicholson, 2003).

Dushnitsky, Piva, and Rossi-Lamastra (2022) did not study the potential of a causal link between strategic choices and the success of digital platforms, in spite of the fact that they discovered a positive correlation between the two variables. According to research conducted by Kamau, Aosa, Machuki, and Pokhariyal, one key manner in which corporate governance may have an effect on the success of a business is via the strategic decisions made by the board of directors (2018). They observed that strategic decisions are a major conduit between a company's strategy and its success, even while they recognize that not all companies, even those in the same sector, would benefit from the same approach. According to the findings of Banerjee and Homroy (2018), the strategic decisions made by companies are also affected by the incentives offered to managers. Despite these variations, however, the sorts of organizations that are being studied all have performance characteristics that are comparable.



According to Gomes and Yasin (2017), strategic decisions and performance metrics and measurements are not connected properly. The strategic choices and the management control systems both contribute to the firm's success, as stated by Junqueira, Dutra, Zanquetto, Filho, and Gonzaga (2016). Strategic choices made by the food firm with an eye on innovation, product positioning, and chain relationship growth boosted performance, according to research by Carraresi, Mamaqi, Albisu, and Banterle (2011). Okpara (2009) found that in the Nigerian SME sector, businesses that adopted a proactive attitude experienced greater levels of performance, profitability, and growth in comparison to businesses that had a conservative orientation. According to research conducted by Isiagi (2019) in Uganda, SMEs' levels of success were significantly correlated with the innovative strategies they used.

Several Kenyan financial institutions were studied by Kamau et al. (2018) who looked at their corporate governance, strategic choices, and performance. Based on their findings, the researchers came to the conclusion that strategic choices have a significant bearing on whether or not an organization is able to achieve its goal. Instead, the research paid special attention to the financial sector of the corporate world. Gaturu (2018) studied the effectiveness of Kenyan mission hospitals to see whether they used strategic management concepts. In this study, we found a favorable relationship between strategic control, board composition, strategic assessment, hospital capabilities, and organizational success. Nevertheless, the strategic management methods used represented the study's independent variable. The present study focused on the gaps that occur from diverse methodological methods and varied country and sector contexts by seeking to address the research question: What are the effects of strategic decision and choices on performance of Delmonte Company?

### **1.3 Research Objective**

The objective of this study was to determine the effect of strategic choice on performance of Delmonte Company, Kenya.

### **1.4 Value of the Study**

This study contributes to the expanding body of theoretical and empirical work on the topic of strategic decision-making and organizational performance. The findings aid theory development as well, by illuminating where current theories fall short and how well they apply to the research's independent variables. The insights are gained as a result of the findings. On the basis of the recommendations and proposals made for more study, other studies may potentially be conducted in the future.

Investors and managers would benefit from a deeper understanding of the relationship between the two ideas for a variety of reasons, including the need for a well-rounded and trustworthy management team to simplify operations and drive the organization's strategic orientations. Managers in different firms such as Delmonte would understand the importance of strategic choices and plans in their major operations.

In terms of the population under investigation, the study's conclusions are useful to policymakers and financiers. The results of the research are helpful to potential policy changes in the country. It would help in formulating plans and policies associated with strategic decisions and, as a result, the influence those choices have on performance.

## **CHAPTER TWO: LITERATURE REVIEW**

### **2.1 Introduction**

The review of literatures both in theoretical and empirical is the primary emphasis of this chapter. In particular, it provides a review of several ideas that are pertinent to the investigation. There's also an emphasis on related research that has been done in the past on comparable issues. This chapter not only defines the conceptual framework but also summarizes previous research and analyzes gaps in the literature.

### **2.2 Theoretical Foundations**

This component of the study examines the theoretical foundations of research on strategic decision-making and performance. The resource-based view, the contingency theory, and the dynamic capabilities theory were all discussed in the research.

#### **2.2.1 Resource Based View of the Firm**

Penrose's early studies may be the inspiration for the company's resource-based viewpoint (RBV). Prahalad and Hamel (1991), Barney (1991) and Wernerfelt (1984) are only a few of the prominent scholars who have helped shape the resource base viewpoint via their contributions. The RBV places emphasis on the firm's stock of firm-specific characteristics, including both tangible and intangible assets (Crook et al., 2008). The RBV theory emphasizes the value of a company's internal resources and how those resources may be put to use in developing business strategies that might provide the company a long-term edge in its industry (Schroeder et al. 2002). Businesses invest much on training and education for their employees, and when these skills are well developed, they may provide a significant competitive edge (Pearce & Robinson, 2007).

This provides support for the view that a firm's resource allocation has a major bearing on its strategic management plan, especially in respect to the implementation activities that may have far-reaching consequences on the success or failure of the organization. More precisely, the actions taken to put plans into action. The resources method was developed by Learned et al. (1969) when they noticed that a firm's potential is dependent not only on external factors like market demand but also on factors like the resources the firm has access to. The ideas presented generally provide credence to an inside-out approach on company strategy, which is essential for seeking, establishing, and maintaining competitive advantage.

It is asserted that a management style is considered to conform to the resource-based approach when that management style views an organization's internal strengths and skills as the major drivers of competitive advantage, as opposed to external variables. Therefore, in the course of conducting business within the company, rather than simply conducting an analysis of the opportunities and dangers presented by the surrounding environment, it is necessary to build a competitive advantage around the organization's very own resources and areas of expertise (Barney, 1995). Therefore, according to RBV theory, organizations may gain an advantage and improve performance if they stock and efficiently use certain sorts of resources (Ainnuddin et al., 2007).

The RBV theory has been the subject of a great deal of research in the area of strategic management. This idea praises businesses that use laser-like precision and streamlined efficiency in their operations, as well as those who can quickly adapt to a shifting, competitive market. This is owing to the fact that the businesses that are the healthiest and most adaptive to their surroundings are the ones who are going to be the ones to survive (Abdullah, 2010). There is already a substantial body of empirical research linking performance and diversity; it is probable that our study will add to that collection.

### **2.2.2 Contingency Theory**

According to Robbins and Coulter (2002), the Austrian psychologist Fred Edward Fiedler is credited with having initially suggested the contingency theory of leadership in his key work titled "A Contingency Model of Leadership Effectiveness," which was first published in 1964. In this work, Fred Edward Fiedler is said to have proposed the theory of leadership as a function of a set of antecedent conditions. It argues that the structural design of governance that is most suitable and efficient is one in which the organizational structure is suited for the conditions of the governance. However, according to this theory, in order for managers to effectively make choices about the operations of their businesses, they need to take into account every facet of the present scenario and focus their attention on the components that are most relevant to the situation at hand (Olum, 2004). The specific surroundings that are currently present in the business are taken into consideration while formulating recommendations for solutions to management challenges and concerns (Andrews et al, 2012).

Accordingly, tactics should be carried out depending on the current circumstances. This demonstrates that the success of a firm is tied to its ability to accurately assess its environment, indicating that various business environments will call for different approaches to addressing organizational challenges (Donaldson, 2001). Strategic management methods are advocated to guide the business to suitable alignment with its environment, as contrasted to the general rule and the idea that there is only one optimal method, both of which prescribe specific responses for problems that occur in businesses worldwide (McLaughlin et al, 2002).

According to Hambrick and Fredrickson's (2005) research, the major goal of any organization should be to achieve growth that is not just long-term sustainable but also consistent across time. The management of commercial organizations is responsible for establishing a vision and setting strategic objectives, both of which have an impact on the direction, options, and courses of action that are selected, as well as the assessment of how well those decisions are carried out. Therefore, it is essential for a business to find a balance between its competencies and the resources it has available in order to capitalize on possibilities in the market and achieve a position of superiority in the industry (Garlichs, 2011). According to Mazzarol (2004), innovation, which is an essential component for the long-term viability of a company, is also an absolute need for development and for setting oneself apart from the other businesses in the industry. Companies that have the goal of expanding their client base should look to innovation as a means of achieving a strategic alignment that will allow them to harness their growth goals (Ries, 2011).

The contingency theory suggests that businesses should be seen as open systems that serve and are served by their surroundings (Morgan, 2007). The theory's endorsement of environmental audits by businesses as part of selecting and implementing strategic options gives rise to managerial relevance; doing so in a way that is sensitive to the dynamics of the environment and provides mechanisms for adaptation is necessary if the business is to achieve the optimal performance outcomes that are necessary to ensure its long-term viability. This is vital because, according to the literature and theoretical frameworks, environmental scanning is a fundamental part of the innovation life cycle's selection and adoption processes (Chandler, 1962).

### **2.2.3 Dynamic Capabilities Theory**

Capacities of dynamic change and management strategies, define dynamic capabilities as an organization's ability to reconfigure, build, and integrate external and internal competences in response to the challenges presented by an ever-changing environment (Zahra et al, 2006; Teece et al., 1997). As an effort to broaden the scope of the resource-based viewpoint of the organization that Penrose (1959) maintained, this technique served as the motivation for the creation of the dynamic capacity viewpoint. In contrast, the resource-based perspective looks at a company's operations through the lens of the resources it already has, with the goal of developing a competitive edge that can be maintained over time. Dynamic capacities perspective, however, puts a focus on competitive survivability as a crucial issue in reaction to the fast changing modern firm's external circumstances. This is in contrast to the traditional capabilities view, which does not place this emphasis (Ludwig et al., 2011).

According to the dynamic capabilities paradigm, a company's capabilities may be used to achieve an edge in the market across any time frame, from the immediate to the distant. This is the backbone of the structure (Helfat, et al., 2009; Tim, 2013). According to the dynamic capabilities theory, successful organizations' management teams must devise methods for dealing with dramatic discontinuous change, all the while keeping their optimum capacity levels. This, in turn, ensures the company's sustained viability and growth in the marketplace (Ludwig, Gregory; Pemberton & Jon, 2011). According to the findings of Teece et al. (1997), the capacity of a business to adapt to the shifting requirements of an increasingly competitive market is correlated with the availability of dynamic talents working inside the business. A company's capability to endure and thrive in the market is bolstered by its possession of dynamic capabilities, which enable management to plot out novel courses of action that have the potential to provide more value for the company's clientele.

According to this theory, in order to achieve competitive advantage, businesses must allocate resources toward building up internal resources like technology, knowledge, processes, assets and systems that allow them to produce goods at lower costs or with higher quality for less than their rivals (Teece, 2007). Not only does it bridge the gap between the scholarship on economics-based strategies and evolutionary methodologies to organizations, but it also provides some useful insights into both. by linking the "routines" discussed in evolutionary theories of organization with the concept of a RBV of the firm (Sytse & Heinm, 2002; Nelson, 1982). There are three adaptive traits necessary for a company to successfully tackle novel challenges (Teece et al., 1997). Abilities in this area include workers' adaptability to change, their creativity in conceiving of new strategic assets, and their skill in putting such assets to use. Additionally, an organization must be able to transform or reuse assets that have already depreciated.

### **2.3 Literature Review and Research Gaps**

Dushnitsky, Piva, and Rossi-Lamastra (2022) conduct research on the effectiveness of online transaction platforms and strategic decisions, with a particular emphasis on the 788 crowd financing sites that were active in EU-15 nations up to the end of 2018. According to the findings of the research, hundreds of different platforms tend to congregate around three distinct combinations of strategic options. It would seem that the platforms are using both price and non-pricing techniques concurrently, with the latter being aimed towards growth and the former being focused towards curation. Second, not every service strictly follows the profile of the marketing blend to which it is tied. Third, a platform's success or failure is heavily dependent on the strategic thinkers who built it.



The results of this study found a correlation (but not causation) between a crowd financing platform's performance and the degree to which its decision-making departed from the profile of the strategy mix to which it belonged. On the other hand, the existence of this link cannot be taken as proof of a causal connection. Although no attempt was made to establish a causal connection between the phenomena under investigation, the study still found a correlation between the variables.

Kamau, Aosa, Machuki, and Pokhariyal (2018) suggests that corporate governance and strategy choices may have an impact on the efficiency of Kenya's banking sector. They did so while discussing the role that sound corporate governance has in determining the long-term direction of a company. This research provides evidence for the hypothesis that the board of directors, as a part of corporate governance, may greatly impact a company's performance via the strategic decisions it makes. Findings from this research point to differences in corporate governance and strategy decisions as potential causes of the performance disparity between different types of financial institutions.

According to the study's results, successful boards of directors have the primary responsibility of setting the company's overarching strategic direction. This should be baked into how boards are filled, the rules for doing business, and how boards are measured. In addition, the findings imply that, while deciding on strategic goals, organizations should consider both the internal and external environments in which they operate. This indicates that methods designed with the assumption that one size fits all will not result in optimal performance for any organization, not even those operating within the same industry.

Banerjee and Homroy (2018) investigated how the ownership structure of a company impacts the incentive alignment mechanisms for managers as well as the strategic goals of the company. The primary objective of this study was to examine and contrast significant Indian corporations with distinct equity interests to entrepreneurial subsidiaries with the same institutional structures. According to the results of the study, the degree to which group affiliates and stand-alone firms are sensitive to changes in CEO performance in terms of remuneration and turnover varies quite a bit. The management incentives of different companies might lead to different strategic decisions made by such companies.

According to the findings of the research, however, despite these variations, company performance is shown to be comparable for both kinds of businesses. In summary, the study's findings imply that the ownership structure and management incentives may be adjusted in order to better position the company for success in its strategic decisions and operations.

Gomes and Yasin (2017) looked at how Portuguese manufacturers across different industries used competitive methods, performance metrics, and strategic orientations. Study findings suggest that the companies in question use a blended strategy. The most successful team adopted a strategy that gave almost equal weight to all of the different parts of strategy. Examining the questioned firms, we find inconsistencies in strategic orientations, performance aspects, and the commonly used performance metrics. This proves without a shadow of a doubt that strategic decisions and performance metrics are not congruent with one another. This research puts out a conceptual framework as a possible means of facilitating the coordination of many methods of assault, the assessment of performance, and the ultimate strategy.

The researchers Junqueira et al (2016) employed Contingency Theory as the theoretical framework for their study of big and medium-sized businesses in the state of Espirito Santo. Using a structural equations modeling approach as the method of inquiry, a study was carried out on the topic of the connection that exists between the success of companies and the general strategic choices and control systems for management (MCS).

According to the research, companies operating in markets with higher levels of competition will choose to distinguish their product or service offerings, but the research found that the opposite was true; the strategy chosen affects the MCS's design and implementation; the use of modern management practices is linked to strategic alignment; and finally, the research found that competitive forces play a significant role in determining the strategic decisions made by the organizations surveyed. Additionally, compared to the other organizations that were examined, the ones who successfully integrate differentiation strategy with modern management methods had superior financial performance.

In the food sector of Myanmar, Haggblade, Boughton, Cho, Denning, Kloeppinger-Todd, R., Oo, and Wong (2014) investigated the underlying reasons of low agricultural performance. In particular, they focused on Myanmar's rice production. This paper lays out the fundamental changes that must be made to the agricultural system in order to facilitate small-holder-led agricultural transformation and widespread rural economic growth. These changes are identified in the study. According to the findings of the research, Myanmar's agriculture sector has arrived at the point in the reform process when major institutional restructuring and large increases in the availability of resources are necessary to pursue a successful reform agenda.

Rossi, Thrassou, and Vrontis (2013) conducted research into the football industry in Italy and Europe. They looked at the financial and athletic accomplishments of other clubs and nations, as well as the management methods and strategic approaches those organizations used. The study concludes that the diachronic issues plaguing football cannot be resolved by individual actions, by individual clubs, or by individual federations; rather, Systemic reforms that influence the organizational framework, the responsibility accounting systems, and the fundamental social nature of football may fix these problems. These changes can take place at both the club and the confederation level.

Based on their investigation of food SMEs, Carraresi et al (2011) found a positive correlation between SMEs' strategic decisions and the results they produced by allocating a unique set of resources. The research used a structural equation model to demonstrate that strategic decisions including product positioning, innovation and chain connection development may have a positive influence on performance in the Food Company, but only if certain resources and competences are taken into account. Since innovations may have both immediate and long-term effects, they are crucial.

Okpara (2009) studied the impact of an entrepreneur's export orientation on the growth and success of SMEs in the Nigerian economy. T-tests and correlation analyses were conducted to check for differences in export orientation and performance between the more aggressive and the more cautious companies. The study found that compared to more cautious business owners, those who took the initiative were more likely to participate in international trade.

In addition, the numbers show that companies with a proactive outlook fared better than their more cautious counterparts in terms of performance, growth and profitability. It was also found that aggressive business owners were more likely to invest in export-related activities than their more cautious counterparts.

Isiagi (2019) wanted to investigate the connection between the strategic decisions made by manufacturing SMEs in the Nakawa Division and their level of profitability. This was done with regard to the small and medium companies that are present in Uganda. Strategic decisions made in regards to innovation were shown to have a positive impact on the performance of SMEs. The prosperity of the SMEs might greatly benefit from this link. Along these same lines, the research found a favorable and statistically significant correlation between market positioning and performance. Nonetheless, it was uncovered that the partnership strategy chosen had no significant correlation to the organization's achievements. In addition, the study discovered that when the external business environment is good, a company's strategic actions positively impact the bottom line.

The study's results suggested a close relationship between innovation strategy, marketing positioning strategy, and overall performance, but between strategic alliance and overall performance, the data suggested no such relationship existed. Additionally, the study shows that the business environment helps strengthen the connection between SME performance and strategic decision making. The study's results suggest that SMEs should use innovation tactics to both expand their product lines and improve upon their existing offerings. In addition, it was suggested that smaller businesses should take use of their marketing potential by concentrating particularly on their pricing mechanisms and working to improve the characteristics of their products so that they are more in line with market demands. Researchers concluded that SMEs should take part in business environment planning to learn about factors influencing shifts that might affect their performance.

Theoretical studies confirmed the concept that strategic choices affect the efficiency of an organization. Researching the correlation between strategic decision variations and organizational success might lead one to a variety of different findings. There are several approaches of reaching these results. The conceptual, contextual, and methodological distinctions may be used to explain the discrepancies found in the research.”

The majority of the research that has been done has conceptually operationalized strategic choices in a variety of different ways. As a direct result of this, the many different possibilities serve to explain the many different findings on the effects of the phenomena that is being investigated. This results in a variety of gaps in our conceptual understanding, all of which are going to be addressed by the research that is now being conducted. The investigations are confined to certain sectors, geographic areas, and national jurisdictions, in addition to SMEs, which are separate from the context upon which this study is based. There are also methodological gaps that arise from previous studies and finding as the studies apply regression analysis and structural equation models to greater extents.

## **CHAPTER THREE: RESEARCH METHODOLOGY**

### **3.1 Introduction**

Finding out how strategic choices impact the performance of Delmonte Kenya was the overarching goal of this study, and this chapter details the procedures that were followed to that end. Specifically, the research draws attention to the following aspects: the design, the collection of data, and the analysis.

### **3.2 Research Design**

The research design is the plan for the study, which should take into account several perspectives on the phenomenon under study and the existing state of affairs (Kothari, 2004). Case study was the model and content analysis was conducted by the researcher so that she could better explore the relationships between the variables. This was accomplished by collecting data through interviewing a subset of individuals from the target population.

The researcher adopted a case study method since it allows the researcher to retain the meaningful and holistic features of the real life experiences of the study topic and it is easier to determine the influence of strategic sources on performance of Delmonte Company, Kenya. Additionally, the use of case study design allows the researcher to get in-depth data related to the topic of the study while enabling a cheaper way of data collection and analysis.

### **3.3 Data Collection**

Primary sources were employed extensively throughout the research process to help shape the findings presented here. Twelve respondents, selected from the company as well as consumers of the company's products made up the respondents that this research concentrated on gathering data from in order to draw conclusion.

The respondents of this study was managers with delmonte Company. This study relied heavily on responses to interview questions. The interview guide was composed of a series of open-ended and closed-ended questions, with each respondent being given time to respond to each. In general, there are two sections to the interviews.

The first part of this section introduced the firm and provided some background information while capturing demographic information of the respondents. The second part of the interview was dedicated to more detailed questions on topics directly related to the study's objectives; these questions may be broken down further into two categories, namely, those pertaining to strategic choices and to the effectiveness of those choices. The final part was on performance variables of the study.

### **3.4 Validity and Reliability Tests**

The process of checking the accuracy of a study's findings and conclusions is known as "validity." Similarly, it may be used to describe how thoroughly a certain assessment tool examines the important elements. Data gathered for research may also be evaluated for their accuracy via the use of a validity analysis. This may be done by looking at the degree to which a given construct is reflected in the data (Mugenda & Mugenda, 2003). Validity looks into the appropriateness of the research question with regard to the expected outcome, whether the methodology chosen is appropriate to answer the research question, the sampling and the data analysis. With regard to the concepts of validity, this study's selection of design and the methodologies for data collection and analysis meet the threshold for a valid research.



Reliability on the other hand refers to the extent to which study findings can be replicated through similar processes to get similar results (Finfgeld-Connett, 2010). Generally, as put forth by Grosseohme (2014), consistency in the methodologies can define reliability because defining reliability is somewhat challenging and its epistemology is counterintuitive (Egbunike et al., 2010). To affirm reliability in this study, data was verified for accuracy through analyzing their content and context by comparing the participants' responses in the previous studies' findings. Likewise, verification of accuracy was done through comparison with peer studies as well as through triangulation.

### **3.5 Content Analysis**

The study adopted content analysis and after data had been collected, the information that was gained was then updated and then subjected to content analysis. The goal was to reduce the number of mistakes and to identify any problems that the interviews may have caused. The researchers used codes and themes on the responses to validate their interpretations of the findings and lessen the likelihood of information processing errors.

After the data were coded, they were into themes; this involved identification of similar words, similar answers to different questions and similar points of emphasis by the respondents. Generalizations were then made from the themes and the information was then interpreted in reference to the study objectives. This is well documented in the next stage.

## **CHAPTER FOUR: DATA ANALYSIS AND DISCUSSIONS**

### **4.1 Introduction**

The results of testing the hypothesized relationships between the variables using the procedures outlined in chapter 3 are shown below. In particular, the findings are presented in a way that encompasses the study's objectives in order to offer answers to the research questions.

### **4.2 Respondents Demographic Information**

This research took into account a wide range of sociodemographic variables, such as respondent designation, organizational tenure, job tenure, strategic planning responsibilities, and organizational age, and sex. The purpose of this survey was to collect data about the respondents in general that might be used to infer aspects of their decision-making and risk-taking behavior.

#### **4.2.1. Respondents Role**

The inquiry found that many of the managers were from different roles and departments in the company. Majority of the respondents were senior managers and a few were department's heads and general managers. Out of the twelve interviewed seven were senior managers while three was department heads. Only two were division heads. This means that the majority of the respondents were senior managers who fully work and participate in strategic activities in the firm.

#### **4.2.2. Respondents Experience in the Organization**

The study aimed to determine how many years of service each respondent had contributed to the businesses in question. 7 respondents which present 58% had work in the company for more than ten years while 3 respondents which is 25% had worked in the company for more than six years. Only 2 respondents had worked in the company for less than three years representing 17%.

This confirms the view that majority of the respondents have worked in the company for more than ten years. This means that they had enough understanding of the company and were in a position to answer the questions without any challenges. This was effective in gaining the required information associated with the firm operations.

#### **4.2.3. Respondents role in Strategic Planning**

From the information gained, all the respondents noted that they have worked on some aspect of a strategy process's execution in one way or another. Based on the feedback, this stage includes things like value creation, asset management, hiring, and keeping employees. Majority of them also noted that they were involved in some type of monitoring and evaluation as well as in various activities and programs that involved some form of planning, formulation, or training.

From the results, it can be argued that strategy implementers should make up a greater proportion of the workforce, while planners should make up a smaller one. This outcome was somewhat in line with what was anticipated. The successful execution of plans and the performance of businesses are to a considerable extent dependent on the manner in which outputs and activities are efficiently monitored and assessed. Assessors play a vital role as intermediaries between the process's designers and the actual workers who implement the system. This allows the organization to make any required and timely adjustments.

#### **4.4 Strategic Choices at Delmonte Company**

The respondents were asked to give the strategic choices that are used or employed by the company in its operations. Some of the strategic choices used by Delmonte Company are described below.

#### **4.4.1 Internal Restructuring**

Internal restructuring is the changes that are strategically made in a company in terms of organization structures, systems, operations, costs and processes with the aim of mitigating losses, improving efficiency and enhancing growth. Restructuring can be in terms of buyouts, down scoping or downsizing, and even upscaling. Others include mergers and acquisitions, co-operations, differentiations and expansion.

The respondents agreed that Delmonte Company undertakes occasional internal restructuring processes when necessary to adopt to the changes in the market environment. Specifically, three forms of structuring were captured from the responses; cost reduction, debt restructuring and diversification. The responses can be compressed into the following statement from one respondent.

*‘Delmonte is a dynamic company that makes adjustments now and again depending on the environment. For instance, we make cost adjustments when demand for or products falls or increases.’*

#### **4.4.2 Diversification**

Diversification is the process of allocating investment across a varied number of financial instruments, industries and even products. It is a technique that involves allocating portfolio or capital resources in different investments. Diversification is mainly done to increase market share as well as reduce risks on investments. For instance, by producing more varied products, a company gains more customers since its new customer base include the customers of the new products in addition to those of the core product. This increases income security for the company while lowering production costs. Additionally, diversification increased brand recognition.

Delmonte Company is a master of diversification and from the responses; the company has an array of products which are all related to fruit products. The responses obtained when the respondents were asked to state whether the company employed diversification as a strategy is summed below.

*‘Delmonte Company is a master of diversification because all fruit related products are made by the company...thus all categories of customers is catered for. We have products that range from fruit juices to fruit snacks which capture the needs of high-end customers to the needs of the children.’*

#### **4.4.3 Strategic Alliances**

Strategic alliances are arrangements between two or more companies to conduct a mutually beneficial project while retaining their independence. Companies enter into strategic alliances to expand their customer base/market share or to improve product lines while striving to maintain competitive advantage over peers.

Delmonte have made strategic alliances globally with companies such as AgroFresh to utilize the strengths of the collaborating company to reach more customers and enhance its efficiency in production. In Vietnam, Vinamilk entered into a joint venture with Delmonte, Pacific Cost Foods formed an alliance with Delmonte and other alliances have been formed with Delmonte Company.

The respondents were asked to point out if the company engaged in strategic alliances and all the respondents noted that strategic alliances were regularly formed by the company. For instance, in Kenya, Delmonte Fresh Produce collaborated with the ministry of Agriculture to source and promote Kenyan Avocados in Europe. On respondent said:

*‘Delmonte Fresh Produce has made a number of alliances with other companies as well as with governmental organizations and departments in a bid to build its brand and also offer corporate social services through CSRs to the public.’*

#### **4.4.5 Innovation strategy**

Innovation is the process of implementation of new ideas that result into introduction of new products or help in the improvement of the existing products in a company. Innovations in companies tend to enhance diversification thus improving profits, it also increases efficiency by improving production and delivery models. Innovations create bigger opportunities that are critical for the survival of a company, spurs economic growth and thus lead to success.

The respondents were asked to state whether Delmonte Company encouraged innovation in its processes. Most respondents agreed that the company encouraged innovation and easily embraced technology. One respondent reported:

*‘The company easily accepts innovative suggestions from its employees and each innovation is freely tested by the R&D department. Likewise, the company ensures that it is always up to date with modern innovative technologies because this helps it to stay ahead of its competitors.’*

#### **4.4.6 Pricing Strategy**

Pricing strategies are the methodologies and processes used by businesses to set prices for their products and services. There are about seven types of pricing strategies; value-based, price skimming, cost-plus pricing, penetration pricing, economy pricing, and dynamic pricing. Companies choose pricing strategies that best suit their culture and the prevailing market.

When asked to state if Delmonte Company utilized pricing strategy, all the respondents agree that the company mainly used cost-plus and value-based pricing strategies.

*‘Pricing is critical for company survival and the hence, Delmonte applies appropriate pricing depending on the market demand, season and at times, appropriate pricing is used when in need of penetrating a new market.’*

#### **4.4.7 Non-Pricing Strategy**

Non-pricing strategies include the strategies that aim at increasing sustainable competitive advantage through differentiation of products and other strategies apart from lowering the prices. The non-pricing strategies include improved quality, innovation and adaptability, enhanced customer services, rewards schemes and sales strategies among others.

All the respondents agreed that Delmonte Company employed non-pricing strategies in its operations. Most respondents mentioned innovation, quality products and improved customer services. One respondent said:

*‘Apart from our reasonable prices, our products are always of the highest quality in the market, we also have an apt customer service and these keeps up high above others in the market.’*

#### **4.5 Organizational Performance Measures**

In order to determine the effects of strategic choices on the performance of Delmonte Company, the respondents were requested to give their opinions on the performance measures that the company uses to evaluate its performance. An understanding of the company performance measures would enable the researcher to correlate the strategic choices with performance of the company.

The respondents pointed out a number of performance measures that can be grouped into financial, customer, learning/growth, and internal processes perspectives. Some of the responses are sampled below as per each perspective.

#### **4.5.1 Financial Perspective**

Financial performance measures include measurements of company assets, liabilities, revenue, expenses, equity and profitability. Delmonte Company uses financial measures to measure its performance. One respondent said:

*‘Profits are the main reasons most companies exist; therefore, profit is an important measure of performance in or company.’* Another respondent said:

*‘When production costs are very high, profits reduce drastically, therefore one means of measuring our performance is by looking at the costs of production as well as the volume of sales.’*

#### **4.5.2 Customer Perspective**

Performance can be measured from the customer perspective by considering customer satisfaction levels. The respondents alluded that the company conducts customer satisfaction levels survey occasionally to establish the level of satisfaction of the customers because the company considers its performance measure; that is customers are more satisfied, then the company is performing well and vice versa.

#### **4.5.3 Learning/ Growth Perspective**

When employees grow through learning and experience, the company is said to have grown. For instance, learning and growth can be measured by the number of trainings given to the employees, average years of service, turnover rates and rates of absenteeism. When asked on such performance measures, the respondents agreed that learning and growth measures used by the company to ascertain growth. Some of the responses are given below:



*‘The company subjects its employees to an annual training session for capacity building and also incorporates external trainers in such events.’ Another respondent said: ‘The company is much concerned about employee absenteeism and turnover rates and thus records are taken and the data is used to determine the company’s performance.’*

#### **4.5.4 Internal Process Perspective**

Company uses internal performance measure to measure and monitor internal operations in the company since the operations determine the company performance. Internal processes are measure in terms of efficiency, throughput, errors rates, and quality rates.

The respondents were asked to state if and explain the internal processes measures that were used by the company to measure performance. The responses are summarized in the statements below:

*‘The rate of product output is usually measured per unit time, the number of errors and faulty products is captured and the quality of products is measured through regular sampling of the final products. These measures help the company to underscore its performance.’*

#### **4.6 Strategic Choices and Performance of Delmonte Company**

In responding to whether strategic choices affected performance, from the customers’ perspective, all the respondents noted that strategic choices helped to improve the quality of service provision by enhancing operations quality which customer satisfaction levels.

One of the responses is sampled below:

*‘Strategic choices are important in that they helped the company to maintain its production of quality products. Also, the use of technology helped the company to improve processes efficiency which led to enhanced customer satisfaction’*

On the other hand, when asked if the strategic choices affected company non-financial performance measures such as market share and customer satisfaction, all respondents noted that strategic choices led to efficiency in operations and service delivery. The enhanced service delivery and efficiency led to increased customer satisfaction thus larger market share. One of the respondents said:

*'Strategic arrangements ensured that the customers always received their desired products. Also alliances helped the company to explore new markets thus enhancing market share.'* Another respondent said:

*'Differentiation is what has kept the company in the market for long, the larger product base ensures an enlarged customer base. The company has been able to operate more efficiently thus enabling faster product delivery; this has increased our profits.'*

Finally, the respondents pointed out that strategic choices have enabled the company to build its employees' capacities through regular trainings and this has led to employee satisfaction, thus lowering employee turn-overs and absenteeism.

*'The employee at Delmonte Company are almost always satisfied because they gain much experience and trainings that enable them to be more suited for their jobs.'*

#### **4.7 Discussion of Findings**

This study findings and results noted that Delmonte had adopted various strategic plans and choices in their major operations. Some of the choices adopted by the firm include the use of diversification plans, restructuring as well as dynamic plans as well as strategic partnership with others. The management also adopted innovation strategy and used technology in their major operations. In addition, the analysis noted that the management used pricing plans to promote their success.

From this view, it can be argued that adoption of strategic plans and choices is effective in promoting firm success. It is important that firms include different strategic programs in their major operations. This is imperative towards their major success and promotion of their long term value.

The analysis reveals that adoption and use of different plans improve the success of the firm in terms of its growth and value. The firm experience high finance scale and good customer satisfaction after the adoption of the different strategic plans. There was also high learning among the employees. As such, it is true that strategic plans and use of different models can improve firm success.

#### **4.7.1. Comparison with Theory**

According to the Contingency Theory, in order for managers to effectively make choices about the operations of their businesses, they need to take into account every facet of the present scenario and focus their attention on the components that are most relevant to the situation at hand. Therefore, poor and declining profits, underperforming divisions (Kiyamaz et al., 2006), financial distress (Wruck, 1990), and the desire to increase market share, realign corporate strategy (Markides, 1992), decrease debt, and boost cash flow are just some of the motivations for a restructuring exercise (Gibbs,1993). Over-diversification, unproductive capital investment, poor corporate governance, and excessive leverage are all factors that may lead to poor corporate performance, thus some businesses reorganize to boost their bottom line (Markides and Singh, 1997). This study has shown that strategic choices enable companies to overcome the aforementioned stressed if made to counter the prevailing circumstances.

Resource Based View on the other hand, emphasizes on the firm's stock of firm-specific characteristics, including both tangible and intangible assets; that the value of a company's internal resources and how those resources may be put to use in developing business strategies that might provide the company a long-term edge in its industry. This study has shown that several things follow from recognizing the importance of socio-cognitive abilities in directing the process of diversification. Before deciding how to manage the current portfolio of companies or whether or not to expand the main business, corporate managers should examine if and how the current portfolio of businesses should be reconceived for competitive advantage (Mintzberg, 1989).

Furthermore, it emphasizes the need of training managers to acquire more nuanced comprehensions (Bartunek et al., 1983), as well as to acquire the skills necessary to communicate effectively and to settle conflicts without resorting to secret or covert means (Eisenhardt & Bourgeois, 1988). Methods like brainstorming, nominal group method, devil's advocacy, and dialectical inquiry may help a management team make better use of its members' brainpower as they formulate decisions and hypotheses (Milliken & Vollrath, 1989; Schweiger & Sandberg, 1989).

#### **4.7.2. Comparison with Other Studies**

Isiagi (2019) investigated the connection between the strategic decisions made by manufacturing SMEs and their performance and found a favorable and statistically significant correlation between market positioning and performance. Likewise, Carraresi et al (2011) found a positive correlation between SMEs' strategic decisions and the results they produced by allocating a unique set of resources.

Also, it was established in a study by Carraresi, Mamaqi, Albisu, and Banterle (2011) that strategic choices made by a food firm with an eye on innovation, product positioning, and chain relationship growth boosted performance. All these previous studies concur with the findings of the current study, which has shown that strategic choices have a positive impact on performance of Delmonte Company, sought from all performance measures used by the This study therefore, does not deviate from previous studies but offers an insightful addition to the present information regarding the effect of strategic choices on performance of companies.

## **CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS**

### **5.1 Introduction**

This chapter provides a summary of the study and its findings, conclusions drawn from the study findings, recommendations there from and possible future research directions. The chapter also outlines the study limitations.

### **5.2 Summary**

The analysis reveals that the strategic choices that businesses undertake in their lifetime will in the long term substantially influence both the development of the organization and its level of success. The strategic choices that organizations make are the major way by which they may align themselves to their respective environments and, as a consequence, enhance their performance. Continued existence of companies and their levels of profitability are dependent not only on external factors but also on the strategic decisions that they make.

Moreover, it was evident that the choices that are ultimately made are determined by a wide range of contextual factors, including those that stem from events in the past, conditions in the here and now, and predictions about the future of the organization. It was confirmed that Delmonte Kenya adopted strategic decision and choices to promote their value and success.

The study established that up to changes and variations in performance measured in terms of customer perspective was due to the strategic choices taken by the firm. Specifically, internal reorganization's and strategic alliances improved the success of the firm. The use and adoption of diversification's plans also promoted the success of the firm and this was seen on customer perspective. It was also noted that strategic partnerships, internal restructuring, and diversification promote the success of the firm.

### **5.3 Conclusion**

The inquiry noted that in order to improve their performance, businesses need to develop strategic partnerships with other companies in the industry and participate in collaborative marketing activities like cross-promotion of services and goods. To expand their market and boost their performance, companies should build strategic partnerships with other businesses that already have strong customer ties in place. The study concluded that it is important for businesses to engage with their manufacturing alliances before developing a new product, share R&D resources with its strategic partners, and split the cost of production in order to create goods with broad appeal.

Procurement-supplier alliances are beneficial for firms because they allow for risk sharing between customers and suppliers, the dissemination of procurement information to suppliers' partners, and the provision of financial and instructional support for suppliers. The inquiry also concluded that the formation of partnerships to advance technological capabilities has a similarly beneficial effect on the success of businesses. Thus, businesses should collaborate with technology expert businesses to streamline product creation and provide staff with more access to technology-related education and instruction. This research has relevance to RDT since it shows that a company may increase its productivity via the use of strategic partnerships.

The alliances' stated goal is to maximize the value-adding potential of the combined forces of the participating companies. The findings also contribute to our understanding of the TCT by suggesting that strategic alliances might facilitate transactional economies, resulting in savings on the cost of exchange inputs when less effort is needed to get the intermediate inputs.

#### **5.4 Recommendations of the Study**

According to the findings, firms like Delmonte in Kenya should shape their internal structures to better support their long-term objectives. This recommendation is made in reference to organizational structures. Because businesses do not operate as autonomous entities, their organizational structures need to be adaptable to their environments in order to achieve greater levels of competitiveness. Providing prompt and helpful replies to clients is one way to achieve this goal, which in turn boosts productivity.

When it comes to leadership, studies show that multinational corporations use various leadership training programs to better serve their customers. The company's owners should carefully assess the foreign businesses' funding in light of their commitment to leadership development because of the crucial role it plays in the business's success. The findings of the research suggest that leadership training should be provided to all levels of management and staff members. This is called "cascading" the training. It is important that firms use strategic partnership to expand their talent search and interaction with other firms in their major operations.

#### **5.5 Limitations of the Study**

The major focus of this investigation was on the part that making strategic decisions plays in establishing the degree of success that may be attained by Delmonte Kenya. One of the constraints is that this inquiry focus on one firm and this is associated with bias.

Another one of the study's shortcomings was its administration and the acquisition of data. Due to the fact that some respondents were busy, it was challenging to sit down and conduct interview with some of the respondents. However, the author convinced them to help. There were also challenges of time and some cited the necessity for confidentiality of their data. This was solved by indicating that the study only aims at achieving academic goals.



## **5.6 Suggestions for Further Research**

For the purpose of enhancing and/or validating the findings of this research, it is suggested that a comparable investigation be carried out in another firm or multiple firms in Kenya to understand the variables fully. In addition, this is a study that focuses on direct relationships; however, future research might integrate the macro environment factors that are mostly external to the variables that regulate strategy performance relationships. Internal moderators of this association may possibly be the subject of further study in the future.

In the second part of the research, three different strategic options were investigated. These were diversification, strategic partnerships, and internal reform. There are a variety of other tactical options that might be investigated in respect to various performance indicators. In the same vein, the present research used two other types of performance metrics, namely customer viewpoint and learning and development. In subsequent research, it may be possible to include different aspects of strategy and see how it influences firm success.

The goal of this study was to evaluate how the strategic choices that were made by Delmonte Kenya and how this influences their success. Accordingly, the study suggests that additional research on the diversification and strategic partnership be adopted. This is because these two aspects stand out in promoting firm value and success.

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## APPENDICES

### Appendix I: Interview Guide Questionnaire

1. When was this company established?
2. What is the management Structure of your company?
3. What is your Designation?
4. How many years have you work here?
5. How many years in your current role?
6. Have you engaged in strategic planning and choice making in this company?
7. Could you explain some of the strategic choices adopted by this company?
8. Could you explain how the following strategic choices improve the firm success?
  - Management structure
  - Diversification plans
  - Strategic alliances
  - Internal Re-structuring
  - Innovations
  - Pricing plans
9. Could explain the performance measures in your company?
10. Could explain how the following different measures of success has improved in your company
  - Customer perspective and satisfaction
  - The level of learning and growth
  - The value in terms of finance
  - Staff training and teamwork
  - Product quality
  - Level of research and departments
  - Number of clients
11. Could you suggest some of the strategic choices that can be adopted to promote your firm success?

**Appendix I: Permission Letter from Delmonte Company Ltd.**

