AN ANALYSIS OF THE FACTORS AFFECTING IMPLEMENTATION OF TURNAROUND STRATEGY: A CASE OF UCHUMI SUPERMARKETS

BY

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UNITED STATES INTERNATIONAL UNIVERSITY-AFRICA

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STUDENT'S DECLARATION

I, the undersigned, declare that this research project is my original work and has not been submitted to any other institution or university other than United States International University - Africa in Nairobi for academic credit.

Signed: ___________________________  Date: ___________________________

Mwangi Allan Joseph (Student ID No. 637806)

This research project has been presented for examination with approvals as by the appointed supervisor.

Signed: ___________________________  Date: ___________________________

Fred Newa

Signed: ___________________________  Date: ___________________________

Dean, Chandaria School of Business.
DEDICATION
This thesis is dedicated to my wife Jane Nyokabi Ngugi for her sacrifice and moral support during the entire time I worked on this. My two sons for the support Adrian and Levi, always brought joy even when matters seemed thick and uphill. God bless you all!
ACKNOWLEDGEMENT

First, I thank the Almighty God for giving me good health, and guiding me through the entire research project.

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My final appreciation goes to my classmates, from whom I was richly developed and appreciate their encouragement and positive critique.
ABSTRACT

The purpose of this study was to examine the factors affecting the implementation of turnaround strategies. The study focused on Uchumi Supermarket as a case. Due to time constraints, the researcher used branches within Nairobi, as a sample; the researcher focused on twelve branches within Nairobi County. The researcher had three specific objectives which were to establish the impact of organizational structure on turnaround strategy implementation, determine the impact of organizational culture on implementation of turnaround strategy and identify the effect of leadership factors on implementation of turnaround strategies by the supermarket.

The researcher used a descriptive research design. A sample of 54 employees from 12 different branches of Uchumi Supermarkets within Nairobi County was used. The study used primary data and data collection was done using structured questionnaires. Questionnaires were circulated to the employees by hand. Quantitative and qualitative data was employed in this study. The statistical package for social sciences (SPSS version 23) was used for analysis as well as the qualitative software for analysis Atlas.ti for the open ended question. Presentation of data was in the form of tables and figures that included; percentages, standard deviations, means and frequencies. Correlation analysis was done to study the relationship between factors, multivariate regression model to study the relationship between independent and dependent variable.

The study found that the culture in the supermarket allows employees to participate in decision making, the supermarket also has a culture of tolerating risks therefore employees feel part of the process of turnaround. It was also illustrated that there exists a considerable power distance between the upper and lower cadres in the organization but that does not affect turnaround strategy implementation, the supermarket tolerates new ideas, and there is clarity of vision, mission and values among employees throughout the supermarket. The study also revealed that employees at all levels firmly understand their individual and interdependent roles in attaining the corporate vision.

The study found out that the organization structure allows for free communication between peers and seniors to juniors and vice versa, that the supermarket has clear lines of authority and that the organizational structure enhances turnaround strategy implementation, the
study also established that to enhance turnaround strategy implementation, the supermarket selects the right people for key positions.

The study established that leadership of the supermarket gives clear communication towards implementation of turnaround strategy, that the current leadership is involved in the implementation of the turnaround strategy, that the leadership motivates other employees and communicate the importance of turnaround strategy implementation process, that the current leadership are not myopic in that they show preparedness and account for unexpected circumstances during the implementation of turnaround strategy and that the high integrity from leaders has contributed to the implementation of turnaround strategy.

The research study led to various conclusions: The supermarket has a clearly defined mission and vision statement and the power distance in the organization is not a hindrance to turnaround strategy implementation. The study concluded that the organization structure of the supermarket is not bureaucratic and that the nature of its structure enhances organizational flexibility critical to turnaround strategy implementation. It was also concluded that the current leadership is involved in the implementation of the turnaround strategy, the responses revealed that the leadership motivates other employees and communicate the importance of turnaround strategy implementation process to a moderate extent.

The study recommends that supermarkets should have clearly defined mission and vision statements and the power distance in the organization should not hinder turnaround strategy implementation. Retail businesses should have their core values well listed since culture will be built from the values with time. From the findings, the study recommends that organizational structure should not be bureaucratic in order to enhance organizational flexibility in turnaround strategy implementation. The leaders should employ transparent approaches to give rewards based on merit as well as in alignment to the strategic planning process.
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<tbody>
<tr>
<td>CEO</td>
<td>Chief Executive Officer</td>
</tr>
<tr>
<td>FDI</td>
<td>Foreign Direct Investment</td>
</tr>
<tr>
<td>ICDC</td>
<td>Industrial Commercial &amp; Development Corporation</td>
</tr>
<tr>
<td>KNCTC</td>
<td>Kenya National Trading Corporation</td>
</tr>
<tr>
<td>KWAL</td>
<td>Kenya Wine Agencies Limited</td>
</tr>
<tr>
<td>NASDAQ</td>
<td>National Association of Securities Dealers Automated Quotations</td>
</tr>
<tr>
<td>ROA</td>
<td>Return on Assets</td>
</tr>
<tr>
<td>ROI</td>
<td>Return on Investment</td>
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<td>TMS</td>
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CHAPTER ONE

1.0 INTRODUCTION

1.1 Background of the Problem
The business environments of today’s world are turbulent where operations under dynamic and complex business situations rely on forward thinking strategies. The business environment is complex because of various factors; technology, increased competition, modification of law, changes in customers’ expectations which contribute to disruptions that require the firm to be resilient (Liu, 2013). For this reason organizations need to react swiftly, which often leads to a change of strategy in order to maintain or gain competitive advantage. Strategic change requires planning and implementation as a lot of tasks arise that need attention. Strategy formulation and implementation are primary management practices that have been in existence for a while. The current key challenge for management dwells in the implementation of strategy compared to the formulation of it.

Successful strategy implementation is vital for any organization’s survival (Rajasekar, 2014). Organizations invest a lot of time and resources in strategy formulation and planning but seldom invest when it comes to strategy implementation. Research in strategy execution will provide insights to what factors affect the implementation of turnaround strategies towards improving organizational performance. While strategy formulation is normally a function of the top management, its implementation is often the responsibility of middle and operational managers. Top management is necessary in preparing a workable strategy and communicating it clearly for middle level management to easily implement it. Implementing strategy involves top-down, bottom-up and horizontal efforts (Rajasekar, 2014). Failing to link strategy formulation and implementation is a step towards strategy failure.

The purpose of a turnaround strategy implementations in a company therefore, is to return the company back to a profitable and reducing debt situation and they are deemed to take a period of between five months even up to three years to complete, so that, if they were to be considered a success, then the company has to be financially strong and on its own for at least two years the turnaround plan is completed (Katz & O’Callaghan, 2006).

This study focused on Uchumi Supermarket as a case, the supermarket is a public limited company that was incorporated in the year 1975 under the Companies Act (Cap 486 of the
Laws of Kenya). A year later on 17th December 1976, the then shareholders; ICDC, KNTC and KWAL all government owned parastatals, entered into a management contract with Standa SPA of Italy (GreenBelt Communications, 2016). Standa, a leading supermarket with presence in Europe and immense retail experience was given the responsibility to manage and train Kenyan staff who would later take over the running of the organization. Three branches of the supermarket were opened in 1976. Uchumi chose to lead the pack in low product pricing as a competitive advantage, at the same time maintaining high standards in quality of goods and services (GreenBelt Communications, 2016). Despite being a fast mover in the retail industry and having enjoyed the fast mover advantage, over the years new entrants in the industry both local and international have given Uchumi a fierce competition.

The turnaround process is designed to first stabilize the situation, which is done by addressing management issues; the board of directors have in the recent past seen the need of addressing management issues due to continuous poor performance by the firm (Collard, 2011). The management change phase involves appointing a new Chief Executive officer who can successfully lead the turnaround. This individual must have a proven track record and the ability to assemble a management team that can implement the strategies to turn the company around. A new CEO most often comes from outside the company and brings a special set of skills to deal with crisis and change. Their job will be to stabilize the situation, implement plans to transform the company, and hire their replacement (O’Kane & Cunningham, 2012).

Situational analysis entails determining the severity of the situation and if it can be turned around. Answers are provided to questions like is the business viable? Can it survive? Should it be saved? Are there enough resources to implement the turnaround? This analysis should culminate in formulating a preliminary action plan stating what is wrong, how to fix them, key strategies to turn the entity in a positive direction, and a cash flow forecast (Murphy, 2010). The situation analysis will help in understanding the past, present and future of the company. An analysis of the organization’s internal and external environment to understand the organizational capabilities, customers, and business environment (Collard, 2011).
Emergency action calls for gaining control of the situation be it paying off debts to suppliers and manufacturers, fixing loopholes and system weaknesses; these could entail dealing with theft cases (shop lifting), borrowing to pay off debts or selling assets to help raise funds to pay off debts or even perform a shareholders cash call, particularly the cash, and establish breakeven (Burke, 2002). Centralization of the cash management function to ensure control is prioritized. Protection of assets of value is done by demonstrating that the business is viable and in transition. This will in turn help the business gain public trust.

Business restructuring is the next phase after emergency action. According to Collard (2011), at this stage, focus should change from cash flow crisis to profitability. Fixing the capital and negotiating the long and short term debt is done at this stage. The organizational structure is also revised at this stage. Finally, return to normal phase’s objective is to institutionalize the changes in corporate culture to emphasize profitability, Return on Investment (ROI), and Return on Assets (ROA) employed to ensure the company is solvent again (Collard, 2011).

The retail business all over the world has gained remarkable growth. With increase in population, the demand for goods and services has increased, customers have become more affluent, technology has changed the way retail business is done, competition from rivals within the industry both local and international firms has led to transformation of the industry.

The major players in this industry in Nairobi are Nakumatt, Tuskys, Uchumi and Naivas as well as new foreign entrants like Game stores with South African origins and Choppies Enterprises from Botswana (Shisia, Sang, Waitindi, & Okibo, 2014). Nairobi County hosts several branches of these supermarkets especially the local ones. Stiff competition between these supermarkets has seen them seek new markets within East African countries. As a result of increased middle income earners, the industry continues to enjoy growth hence most of the supermarkets open new branches within the city and out of the city. However, affluent customers have forced the supermarkets to up their game in terms of elegance and comfort shopping experience (Shisia, Sang, Waitindi, & Okibo, 2014). From parking lots, shopping trolleys, wide paths while shopping, groceries, fast foods, bakery, and dry cleaners all under one roof. The supermarkets strive to win customer loyalty and gain a competitive edge over the rivals.
Of the four major supermarkets in Kenya, only Nakumatt and Uchumi have presence in Tanzania through Foreign Direct Investment (FDI) (Shisia, Sang, Waitindi, & Okibo, 2014). Uchumi had two outlets in Dares Salaam but was forced to close the regional branches because of financial bleeding. Naivas is yet to open a branch outside Kenya. All the supermarkets within Nairobi strive to capture and retain the customers by providing goods and services that ensure to make them loyal to their brands (Shisia, Sang, Waitindi, & Okibo, 2014).

1.2 Statement of the Problem

Loss making of a retail chain often leads to retrenchment, inability to pay debts and soon closure of business, this is what Uchumi Supermarket is facing hence need of a turnaround to rescue the situation. The study will focus on what senior Uchumi managers are doing to take the retail chain back to normalcy hence improve organizational performance thereafter and the factors affecting implementation of the proposed strategies.

Uchumi supermarket enjoyed the first mover advantage by being one of the first supermarkets in Kenya. Established in the year 1976 with 3 branches, the supermarket enjoyed the financial support by the government (Uchumi Supermarket Ltd, 2016). In the early 2000s the supermarket started to experience operational and financial constraints brought about by among others; rapid expansion strategies and weak internal control systems. Having operated for more than thirty years, Uchumi supermarket was declared bankrupt in June 2006. The board of directors resolved that the company stops operations and was later placed under receivership. In the same vein, the Capital Markets Authority (CMA) suspended listing of the troubled supermarket on the Nairobi Stock Exchange (NSE) (Uchumi Supermarket Ltd, 2016). Following a framework agreement between the Government of Kenya, suppliers and debenture holders, the company is revived and commenced operations from 15th July, 2006 under Specialized Receiver Manager (SRM) and interim management. Dr Jonathan Ciano, the former Chief Executive officer of Uchumi Supermarket joined the organization in the year 2006 as a specialized receiver manager.
At that time the company owed Kshs. 3.2 billion mainly to its financiers, suppliers and staff. To kick start the turnaround process, the government of Kenya advanced Kshs. 675 million to the organization in 2006. Changes in senior management took place in an effort to change the company. Restructuring was done and some managers were fired in an effort to turnaround the retail chain. The management and staff worked tirelessly to redeem the company from a negative bottom line in 2006, the company reported profits in the next three financial years. By 2009 the loans had been reduced to Kshs. 200 million from Kshs. 957 million. The lending banks in turn lifted the company’s receivership in 2010 and the company was successfully re-listed in the Nairobi Securities Exchange on 31st May 2011 – exactly five years after it was suspended (Uchumi Supermarket Ltd, 2016). The company further raised Kshs. 895.8 million through a rights issue in 2014, an offer that was over-subscribed by 83 per cent.

The retail chain enjoyed profits until the year 2015 when it fell sick and was bed ridden again. The retailer’s financial statement for the full year 2015 showed that the retailer reported an after-tax loss of Kshs. 3.4 billion compared to a profit of Kshs. 364.3 million in 2014. Its share price at Nairobi stocks Exchange (NSE) dropped to around Kshs. 10 and Kshs. 11 from a high of Kshs. 24 in 2013. This raised questions about management of the country’s oldest retail chain. The retailer faced difficulties with some suppliers, it owed suppliers money, gross misconduct and conflict of interest, and failure to pay creditors among other issues. Companies would come from nowhere and were allowed to supply goods to the retail chain without going through the due process hence ending up with uncompetitive prices (IPSOS Kenya, 2016).

The cash crunch is among other internal and external factors at Uchumi supermarket that has seen the retail chain lag behind in competition since it fails to get high-traffic locations like upcoming malls compared to Nakumatt, Tuskys and Naivas. In the twist of events, Dr Jonathan Ciano was fired by the board in mid-June 2015 for alleged “gross misconduct and negligence” (Gachiri, 2016). Dr Julius Kipng’etich was hired as the new Chief Executive Officer from Equity Bank in August 2015 in a second phase of turnaround management of the ailing retail chain. Having revived Kenya Wildlife Service (KWS) a government agency before joining Equity Bank, Kipng’etich comes out as a turnaround manager with experience.
Top management, middle level and line managers as well as other personnel experience challenges while implementing turnaround strategies. When a crisis occurs more often than not it finds the management of the day less equipped to handle the challenges that arise from the crisis. The challenges include threat from different stakeholders, cash shortages, lack of information and worst of it all loss of major customers (Burke, 2002) and this is the situation facing Uchumi Supermarkets. Factors affecting the implementation of turnaround strategies will always emerge from both internal and external sources and they will depend on the type of strategy employed, type of organization and circumstances at hand, lack of appropriate support systems, leadership, and culture of the organization, policies and procedures.

Strategy implementation does not always result in implementation this is because of various factors among them organizational resistance which arises due to lack of proper communication, inadequate capability (skills and experience) to implement the strategy, lack of resources; inadequate plant machinery, human capital and financial muscle (Cater & Pucko, 2010). Other external factors include: Legal boundaries, political, socio-economic, ecological factors and technological. These challenges could be coupled with powerful buyers, powerful suppliers and rivalry within the industry.

Turnaround management is a process that takes time and Uchumi supermarket has over time handled the challenges that affect the implementation of turnaround strategies effectively. The board of the supermarket hired a new CEO to steer the process, the firm had huddles to overcome before getting back to normalcy. Previous studies have been conducted on turnaround strategies but none has been done specifically on Uchumi Supermarket, hence the need to undertake a study at Uchumi supermarket to analyze factors affecting the implementation of turnaround strategies

1.3 Purpose of the Study
The purpose of the study was to analyze factors affecting the implementation of turnaround strategy. The study used Uchumi Supermarket as a case.
1.4 Research Questions

1.4.1 To establish the impact of organizational structure on turnaround strategy implementation by Uchumi Supermarket.

1.4.2 To determine the impact of organizational culture on turnaround strategy implementation by Uchumi Supermarket.

1.4.3 To identify the impact of leadership factors on turnaround strategy implementation by Uchumi Supermarket.

1.5 Significance of the Study

This section highlights the importance of the research study to Uchumi Supermarket and other stakeholders as below:

1.5.1 Management and Shareholders

The administration and partners in the retail industry in Kenya will know more about money turnaround management. Managing in turbulent times is and will continue to be a challenge for managers. This research study will help corporate managers and board to develop better understanding of turnaround strategies, it will also provide information that will help the organization to successfully implement a turnaround strategy having in mind what factors or challenges to address in order to achieve normalcy within the shortest possible time. The research study will also provide a reference point for public listed as well as private firms’ managers who manage firms that are undergoing a crisis situation and require immediate turnaround strategies put in place.

The shareholders will also find this study important since more often than not they are the people called upon to inject money either through rights issue like Uchumi did in 2014 or selling assets owned by the company to boost their company, pay debts to suppliers and other vendors and increase cash flow whenever in crisis and making losses. From history, this will help shareholders through the board to streamline processes and avoid conflict of interest as well as gross misconduct among employees.
1.5.2 Government

The government will find the information from the study helpful since it will understand the factors or challenges encountered during implementation of turnaround strategies especially for publicly listed entities. Policy makers will also benefit from the study hence be able to make more informed decisions especially on strategy implementation which squarely falls under strategic change and help ailing organizations return to normalcy.

1.5.3 Investors

The study will be helpful to the present and forthcoming speculators keen on the retail business in Kenya. This study will empower them pick up learning on organizational decline signs and be able to identify bleeding organizations in time for turnaround strategies to be implemented. Speculators might utilize the substance of this study to settle on venture choices.

1.5.4 Retail Firms

The study will be helpful to the businesses in retail industry everywhere, both small and enormous organizations. This will frame a premise for methodology by the organizations with regards to process flaws that would plunge the organization on its way to financial distress and decline. The firms will also be able to identify factors that would lead to effective turnaround strategies implementation.

1.5.4 Researchers and Academicians

It is anticipated that other scholars and researchers will find this study useful and use it as a ground for further research that will add significant value to the growing body of knowledge on turnaround strategies in organizations. Conclusions made by the researcher provides a platform for corporate managers to reconsider their turnaround strategies.
benchmarking against Uchumi Supermarket but also consider that challenges are unique to different corporate entities as they steer towards bringing back the entities to profitability and improved organizational performance.

1.6 Scope of the Study
The study focuses on Uchumi Supermarkets within Nairobi region, Due to time constraints staff at other regional locations did not form part of the population. The study gathered views on factors that would hinder effective turnaround strategies implementation from top management, middle management and lower level management of Uchumi Supermarkets of twelve different branches within Nairobi County. This formed the sample size of the study, stratified random sampling was used to pick the respondents. The factors affecting implementation of turnaround strategies in a quest to improving organizational performance were highlighted. The data was collected between from September 2016 to December 2016. The process took long because of the formalities within the case organization, employees required clearance from the head office before they could respond to the questionnaires.

1.7 Definition of Terms
1.7.1 Turbulent Environment
This refers to a complex environment where businesses in todays’ world run. The complexity is as a result of several factors among them changing customers’ preferences and needs, changing and new technology and stiff competition from business rivals (Stonebraker & Liao, 2004).

1.7.2 Organizational Structure
Organizational structure refers to hierarchical arrangement of lines of authority, span of control, functional units or departments and formalization. When organization structure is mentioned what comes to mind of many is the organization chart (Lunenburg, 2012).

1.7.3 Strategic Change
Strategic change refers to shift of plan of action from one to another especially when the previous plan of action was not achieving its intended objectives (Balogun, Hailey, & Gustafsson, 2015).
1.7.4 Organizational Decline

From a business perspective, decline is usually separated into stages through which a firm may undergo as it changes from satisfactory performance to a near failure position. Decline is triggered by among other factors, internal issues within an organization (mismanagement, wrong strategy) or by external causes (economy, government policy and increased competition) (Solnet, Paulsen, & Cooper, 2010).

1.7.5 Turnaround Strategy

Turnaround strategy refers to the plan of action employed when a company is undergoing an organizational decline (O'Kane & Cunningham, 2012).

1.7.6 Organizational Culture

Organizational culture is defined as “beliefs, values and assumptions that members of a group share concerning rules of conduct, styles of leadership, procedures, rituals, norms, taboos and customs” (Ahmadi, Salamzadeh, Daraei, & Akbari, 2012).

1.7.7 Strategy Implementation

Implementation of strategy refers to the execution of the action plan to achieve intended objectives and involves different stakeholders (Cater & Pucko, 2010).

1.8 Chapter Summary

This chapter has given the background information on turnaround strategies and factors affecting its implementation in improving organizational performance. The chapter discussed turnaround management strategies, strategy implementation, and organizational performance and gave a brief overview of the retail industry in Kenya and Nairobi to be precise. The chapter has laid down the general objective and research questions under which the study is to be done. Chapter two of this study has remained on literature review of turnaround strategies employed by Uchumi Supermarket, factors affecting implementation of the turnaround strategies and organizational performance. Chapter three in this study will utilize the methodology comprising the research design, the study population, data collection, and data analysis methods. Chapter four highlights results and findings, lastly chapter five will discuss summary of findings, conclusions and recommendations.
CHAPTER TWO

2.0 LITERATURE REVIEW

2.1 Introduction
This section will give a review of literature related to the study. It will more specifically review the concept of turnaround strategies, factors affecting strategy implementation and the organizational improved performance achieved after implementation of turnaround strategies as guided by the research questions of the study. This is done in order to provide insights on turnaround strategies and implementations and to appreciate literature done by previous studies. The chapter will conclude with a summary of the issues discussed.

2.2 Impact of Organizational Structure on Turnaround Strategy Implementation
The corporate structure provides the means of achieving two main objectives: the process of decision-making and allocating resources. Chandler (1962) asserted that “structure follows strategy”. In essence, organizational structure is as a result of the strategies put in place. Zaribaf and Bayrami (2010) concurred with Chandler by revealing that strategy is exclusively formulated by top management and middle-level managers only implement except when many changes are expected before implementation, this is what they referred to as “structure alignment with strategy”. Conversely, Lorange (1998) recommended that business restructuring has to be exceeded by the foreseen benefits of the intended strategy. He said that over and over again the restructuring endeavors lead to the unintentional loss of ability and skills that could have been utilized for future development, probably in a different scenario. Numerous studies have tended to the connection between organizational strategy and structure by indicating that one of the difficulties in implementation of strategy is poor coordination of activities.

The sorts of frameworks that could be placed set up to bolster strategy implementation include satisfactory criticism frameworks, a proper hierarchical structure, and a culture that energizes and improves interchanges between middle-level and operational managers (Higgins & Mcallaster, 2004). Ideally, if none or just some of these factors are available, then the support from top executives to center managers might be inadequate and in this way will bring about the strategy implementation to be challenging (Qi, 2005). This is best illustrated using the 5 P’s Paradigm: Purpose, Principles & Processes, People and Performance (Pryor, Anderson, Toombs, & Humphreys, 2007). Strategy (Purpose),
Structure (Principles & Processes) and Behavior (People). Strategy has direct influence on Behavior and Behavior and Structure also have influence on Strategy. The balanced coordination of the three results to achieving the main aim of new turnaround strategy implementation which promotes increased organizational performance is as represented in the figure below.

![Strategy Implementation Diagram](image)

**Figure 2.1: Strategy Implementation**


### 2.2.1 Span of Control
Organizational design and structure are imperative as they involve choices identified with allocation of resources for different units and activities within the corporate environment (Brenes, Mena and Molina, 2008). Span of control refers to the number of people directly reporting to the next level in a hierarchy (Lunenburg, 2012). A narrow span of control exists when very few people directly report to the manager. On the other hand, a wide span exists when a manager has many direct reports. The structure of the organization can determine how fast or slow decisions can be made, these decisions include turnaround strategy implementation, a flat organization would be easy to turnaround since decision makers are few on the other hand a hierarchical structure results in too many consultations and as a result decisions are taken too late hence could lead a company to late turnaround and in some cases complete closure of the business. Hambrick and Cannella, (2002), strongly recommended a relatively narrow span of control typically less than 20 employees per supervisor and 6 supervisors per every manager. They championed formal hierarchy as the primary coordinating mechanism, so they believed that supervisors should closely monitor and coach employees. The views are similar to most modern organizations which champion not more than 10 direct reports as the optimal span of control. These prescriptions are based on the belief that managers cannot monitor and control more subordinates closely enough.
This belief though is not true for manufacturing firms which currently have an average of 40 production employees per supervisor (Hrebinak, 2006).

According to Hrebinak (2006), the best performing manufacturing operations rely on self-directed teams; therefore, direct supervision is supplemented by other coordinating mechanisms. Self-directed teams coordinate mainly through informal communication and specialized knowledge. Another factor that influences the best span of control is whether employees perform routine tasks. A much wider span of control is possible when employees perform routine tasks because there is less recurrent need for direction or advice from supervisors. A narrow span of control is essential when employees perform dedicated or complex tasks because they tend to want more supervisory decisions and coaching. The number of layers in the organizational hierarchy also influences span of control. An organization must strive to get the balance between flat and tall structures right.

2.2.2 Centralization and Decentralization
According to Lunenburg (2012), centralization and decentralization are a second element to consider when designing an organizational structure. Centralization defines the formal decision-making authority that is held by a small group of people, typically those at the helm of the organizational hierarchy. Most organization begin with centralized structures as the founder makes the most decisions and tries to direct the business towards his or her business. As organizations grow, however, they diversify and their environments become more complex. Senior executives are not able to process all the decisions that significantly influence the business. Consequently, larger organizations typically decentralize meaning that they disperse decision authority and power throughout the organization.

2.2.3 Departmentization and Formalization
Departmentization is referred by Ansoff (1984), as strategic business units (SBUs) which are functional units presented as simple, functional, divisional, team-based, matrix and network charts. Most companies begin with simple structures. They employ only a few people and typically offer one distinct product or service. There is minimal hierarchy and usually employees report directly to the owner. Growing organizations usually introduce a functional structure which organizes employees around a specific knowledge or other resources. Divisional structures group employees around geographic areas, outputs (products or services) or clients. The team based structure is built around self-directed teams that complete an entire piece of work like projects and they are usually organic. There
is a wide span of control because these teams operate with minimal supervision (Lunenburg, 2012). The matrix structure is an organizational structure that overlays two structures such as (a geographical divisional and a functional structure) in order to leverage the benefits of both. It usually makes very good use of resources and expertise making it also ideal for projects. When properly managed, there is the improvement of communication, project flexibility and innovation compared to purely functional or divisional designs (Janis & Paul, 2005). The network structure is an alliance of several organizations for the purpose of creating a product or serving a client. One of the main sources behind a network structure is the recognition that an organization has only a few competencies.

Formalization is described as the degree to which an organization standardize behavior through rules, procedures, training and related mechanism (Nelson & Quick, 2013). Formalization therefore checks how standardized an organization’s jobs are and the extent to which employee behavior is guide by rules and procedures. In highly formalized organizations, there are explicit job descriptions, many organizational rules, and precisely defined procedures that cover work processes. Nelson & Quick (2013), indicated therefore that employees have little discretion over what’s done, when it is done, and how it’s done. However where formalization is low, employees have more discretion in how they do their work (Nelson & Quick, 2013). Companies become more formalized as they increasingly rely on standardization to coordinate work. For example, fast food chains have a high degree of formalization due to their reliance on standardization of work processes as a coordinating mechanism.

2.2.4 Restructuring in a Turnaround Process
The turnaround process involves coming up with new strategies that will help the ailing firm regain its stability in the shortest time possible. Among the strategies employed in the short term are retrenchment strategies coupled with financial strategies aimed at ensuring the company cuts on costs as much as possible. Schmitt and Raisch (2013) found that it would not have been possible for any declining firm to turnaround without satisfactory financial changes with the assistance of banks, financial institutions and the mother organization. These financial changes lessened the expenses of the ailing organization. At the same time, strengthening the finance department in a firm is necessary. This is because cash flows require close monitoring and all financial implications in decision making be
evaluated with care. Uchumi supermarket unveiled their three point turnaround strategy in 2015 which are: stabilization, optimization and growth phase. By stabilization, the retail chain will only focus on profitable and manageable stores, on optimization, the primary objective is restocking the stores and on growth phase the supermarket will aim to reach and satisfy its niche; the mass market. All these require money.

The financial actions consist selling off land and buildings to increase cash flow, employee layoffs, product lines pruning, closing down below par and unprofitable businesses, reduction of research and development costs, shutting down old and obsolete plant machinery and systems that are costly for the organization to maintain (Schmitt & Raisch, 2013). Previous research classified financial turnaround action plans into two intrigues: asset sale/reduction and cost reduction (Pearce & Robbins, 1992). In an effort to stabilize Uchumi supermarkets by selling assets and pay off debts. In 2015, the retail chain put up one its building which houses the Uchumi Ngong Hyper outlet on Nairobi’s Ngong road on sale at Kshs 2 Billion to Thika Road Mall (TRM) owners (Ciuri, 2015). TRM owners also expressed interest in purchasing Uchumi’s 20 acre piece of land for Kshs. 3 Billion in Nairobi’s Kasarani area. This was a decision arrived at by senior managers and shareholders since the supermarket could not go back to shareholders to ask to money having come from there with the rights issue in the previous year 2014 (Ciuri, 2015). In the same spirit of stabilization, the retail chain has closed down most of its non-performing branches including two branches in Kampala, Uganda and the recent closure of five outlets in Kenya which include; Nairobi’s Taj Mall, Embu, Eldoret (Sugarland Outlet), Nakuru and Kisii in March 2016, a move that saw over 250 employees laid off, the retailer expects to save Kshs 40 million per month, money that will boost operations of the remaining 20 branches (Ngugi, 2016).

Asset sale or reduction denotes the reduction of assets which includes but not limited to actions such as closing down plants, reducing inventory, equity divestment, reducing stocks of property and plants equipment (Schoenberg, Collier, & Bowman, 2013). Uchumi Supermarket is not alone in asset sale and closure of non-performing branches; Tesco Supermarket a large global chain of supermarkets which has more than 3,300 stores in the United Kingdom announced in early 2015 that it was scheduled to close 43 stores and more than half of that number were the convenience stores known as “Tesco Express” which are smaller than the regular supermarkets. This was in an effort to turnaround the retail chain. Tesco also confirmed that two of its businesses; Tesco Broadband and online entertainment
service Blinkbox movies will be sold to Talk Talk (Miller, 2015). A final dividend for the period 2014-2015 was not paid to shareholders as a move to retain cash and increase free cash flow in the next financial year. This came after two years of troubles at Tesco which saw falling sales and profit warnings (Miller, 2015).

Pick n Pay a South African, Cape Town based supermarket faced a decline phase from what analysts dubbed as poor customer service that led to decrease of customers from the retail chain. In an effort to turnaround, Pick n Pay hired a new chief executive officer in 2013 from Tesco, Richard Brasher who was a director from Tesco (Moorad, 2015). Through digital marketing, the firm was able to convince customers to return to shop from the supermarket and as a result sales increased. The supermarket was able to achieve a sales-led recovery as opposed to cost cutting recovery. Having said that, Pick n Pay also closed four of its underperforming outlets and more than 200 new suppliers were introduced within Pick n Pay’s supply chain (Moorad, 2015)

2.3 Impact of Organizational Culture on Turnaround Strategy Implementation
The organizational culture can form a major hindrance while implementing a turnaround strategy because culture does not change as fast as changing the leadership of the organization. Working together with initiative change, the part of culture change in encouraging the restoration and re-adjustment of the ailing firm is discussed in the writing (Pearce & Robbins, 1994). It is vital to have change in organizational culture to challenge past convictions which might never again be pertinent to the changed environment the firm is confronting; at exactly that point can notable working schedules be relinquished furthermore, new employee practices adopted (Pearce & Robbins, 1994).

Organizational culture is defined as “beliefs, values and assumptions that members of a group share concerning rules of conduct, styles of leadership, procedures, rituals, norms, taboos and customs” (Ahmadi, Salamzadeh, Daraei, & Akbari, 2012). In a study conducted among Iranian banks, Ahmadi, Salamzadeh, Daraei and Akbari (2012), concluded that there exists a healthy relationship between organizational culture and strategy implementation. Successful corporate turnarounds often imply a renewal of the organization’s culture. By considering two factors, flexibility versus stability and external versus internal focus, Cameron and Quinn (1999) came up with a model (figure 1 below) which highlights four types of culture: Hierarchy, market, clan and adhocracy.
The model states that the hierarchy culture is based on the bureaucratic theory which focuses on internal efficiency, coordination and dominant characteristics. The clan culture focuses on internal issues as well but focuses on flexibility as opposed to stability. In this culture, teamwork, employee commitment and organization commitment are the main qualities. Market culture focuses on external environment of the organization. Firms that use this culture employ observation and resistance to obtain competitive advantage and high productivity. Lastly, the adhocracy culture focuses on matters in external environment of the organization and defies resistance to promote flexibility and change (Ahmadi, Salamzadeh, Daraei, & Akbari, 2012). In the findings of their study, Ahmadi, Salamzadeh, Daraei and Akbari (2012), found out that all organizational culture types have meaningful relationships with the process of strategy implementation except that the influence each culture carries varies from the most effective; clan culture to the least effective; hierarchy culture.
Change of leadership during turnaround process is a key issue but this does not result into immediate change of the organizational culture. New leadership will introduce new way of viewing and doing things in the firm, what Gatti refers to as new ideology which is achievable in the short term. Culture change starts from the new ideology since it takes time unlike an event of selecting a new CEO which happens at an instance. Changing the culture of an organization is complex which is time consuming. New ideology originates from external sources and that is perhaps why most organizations that are implementing turnaround strategies end up hiring a CEO from external companies unlike internal promotions (Gatti, 2002).

The knowledge base in this section is robust with industry-based studies and surveys. Factors that influence the implementation of turnaround strategy can be grouped as style of leadership, information accessibility and availability and accuracy in implementing, environmental turbulence, structure of the firm, the culture of the organization, human capital and capability, and technology and innovation (Lorange, 1998).
2.3.1 Strong and Weak Cultures
According to House, (2004), organizations differ in their cultures and cultures differ in their relative strength. Stronger cultures are more enduring and create greater consistency in the behavior of employees. Weaker cultures, on the other hand, are more fragile and are subject to disintegration and abuse of common organizational behavior (House, 2004).

Strong culture is produced by observing specific processes in developing consistent activity systems (Denning, 2016). As managers try to build the capabilities that underlie effective value and cost drivers, the culture develops in response to feedback from the market. Given the frequent and severe restrictions markets can impart on an organization to execute effectively, a strong culture is more likely to emerge in an organization that is performing at an increasingly high level.

Research shows that organizations with strong cultures incline towards high economic performance over time, especially in markets that are highly competitive, where constraints on organization behavior are greater (Meldrum & Atkinson, 2008). Equally important is the effect of culture strength on performance variability. In a firm with strong culture, employees are likely to conform more consistently to well-established rules of behavior. Higher conformance leads to less deviation in performance leading to increased belief in the organization by both customers and suppliers. More consistent performance also raises the credibility of the firm in the eyes of its competitors (House, 2004).

2.3.2 Organizational Learning
As a firm’s culture delivers a set of pivotal points for decision making, it also produces models for effective questioning and experimentation (DeFeo & Janssen, 2001). Without inquiry, there is little or no initiative for improving strategy execution. When managers explore open-ended issues in groups, they are in fact learning. Without experimentation, managers have little direction for effective change. Organizational learning is, therefore, essential for adaptation to shifting market conditions. Learning within a firm is typically guided by reputable routines and subject to strong path dependencies, as existing resources and capabilities provide the framework for future innovation. Within these restraints, managers set performance targets that direct the organization’s pattern of experimentation (Willar, Trigunarsyah, & Coffey, 2016).

According to Willar et al (2016), nations have exclusive cultural traits that are determined by their geographical positions, climates, religions, languages, martial history and
orientation, political systems, arts, family and social traditions. These factors significantly affect the opportunities for growth and profitability of indigenous firms and foreign entrants alike.

Differences in consumer tastes across countries/borders are frequently attributed to cultural differences rooted in a complex of traditions regarding how goods and services are consumed or used. Examples of these differences extend across a spectrum of markets ranging from food and clothing products to Medicare, entertainment and transportation. Besides its contribution to national differences in buying habits, culture has a powerful influence on the competitive strength of organizations across industrial sector (Willar, Trigunarsyah, & Coffey, 2016). Some nations have developed orientation towards work that differentiates their quality or efficiency from work in other countries. Whether these differences are due to social, cognitive, effective or physical factors is never completely clear.

2.3.3 Organization Culture challenge
One of the major challenges in turnaround strategy implementation appears to be more cultural and behavioral in nature, including the impact of poor integration of activities and diminished feelings of ownership and commitment (Aaltonen & Ikavalko, 2002).

Nelson & Quick (2013), identify the anomalies of turnaround strategy implementation which involve: a lack of understanding of how the strategy should be implemented; customers and staff not fully appreciating the strategy; difficulties and obstacles not acknowledged, recognized or acted upon; and ignoring the day-to-day business imperatives. Lund (2003), contend that turnaround strategy implementation evolves either from a process of winning group commitment through a coalitional form of decision-making, or as a result of complete coalitional involvement of implementation staff through a strong corporate culture.

Organizational Culture is a strength that can be a weakness. It is strength because it eases and economizes communication, facilitates organizational decision making and control and may generate higher levels of cooperation and commitment to the organization which are necessary for strategy implementation. However it can be a weakness when important shared beliefs and values interfere with the need for business, its strategy and the people working on a company’s behalf. This is a major weakness because it is hard to change the content of a culture (Pearce & Robbins, 1992).
In a collaborative Model of turnaround strategy implementation, organizations have both a strong culture and deep-rooted traditions. The challenge of successful implementation results from; lack of cultivation of strong cultural values to meet the changing organizational needs. The distinction between “thinkers” and “doers” begins to fade but does not totally disappear.

2.4 Effect of Leadership Factors on Turnaround Strategy Implementation.

Poor leadership is among others a major hindrance in successful strategy implementation. Many firms that require turnaround strategy implementation start by changing leadership or the top management of the firm. Given the fact that strategy which is well formulated accompanied by a human resource pool with high skills and capability are important ingredients for successful strategy implementation, poor leadership dilutes all that (Cater & Pucko, 2010). The chief executive officer (CEO) and top management have to provide direction for other employees to follow while implementing strategy (Lorange, 1998). In today’s business environment, ensuring that such a strategy works is as important as formulating the strategy.

Managers and the workforce should pay heedful attention to the implementation of strategies to avoid common shortcomings that result in failure. Strategy implementation is the connecting bridge between formulation and control. By effective implementation a master performance and competitive advantage is realized. The master performance is in comparison to the previous strategy and competitive advantage that is difficult to imitate and that gives the organization an edge over its rivals in the market (Rajasekar, 2014). The need for effective leadership is therefore important than most of the other factors. Strategy implementation is widely considered an internal administrative activity.

The lack of effective leadership, misplaced and conflicting priorities will more often culminate in poor coordination because junior staff will assume that the top management are fond of avoiding confrontations, threatening and shameful situations. The other virtue of leadership is providing effective communication within the organization. According to Beer and Eisenstat (2000), beauracracy and blocked vertical communication has a negative impact on the successful strategy implementation by an organization. A study on the existing link between a firm’s corporate communication department and its execution of strategy was done by Janis and Paul (2005), they found that the top managers especially CEOs concentrate on the image of the company and spend heavily on branding and internal
communication. Key responsibilities of effective leadership in ensuring effective strategy implementation goes along way in streamlining processes, coordinating activities, motivating employees and aligning the organizational structure so that communication is enhanced within the organization.

Managers who use transformational leadership style end up with competitive strategies that put their organization ahead of competitors. The competitive strategy could be in different forms; low cost focus, differentiation, market focus and innovation. Transformational leaders end up being very good strategy implementors through their leadership style; they are able to lead through consultation, free flow of information and reduced bureaucracy (Menguc, Auh, & Shih, 2007). This therefore indicates that the leadership style in an organization influences the process of strategy implementation. The structure of the organization, allocation of responsibilities, an enabling environment in terms of employee motivation and growth, ability of managers to make decisions will all be influenced by the leadership style in an organization. Several identifiable actions characterise strategic leadership that positively contributes to effective turnaround strategy implementation; namely:

2.4.1 Communicating the Strategic Direction

Turnaround strategy implementation begins with setting goals and communicating them to workers. The leader should Prioritize objectives, explain the processes and, transmit the vision to the team. Communicating well means the listeners comprehend your words and are able to put them into action. For example, when describing how to implement a new software program, use layman's terms when talking to those who are not computer specialists. Give the information in small, digestible chunks and test understanding before moving on (Steyn, 2004). Communication should determine the strategic direction. Efficient communication should be able to give compressive explanation of new duties, responsibilities and obligations which are to be carried in a given organization. Effective communication is a key requirement for effective turnaround strategy implementation (Conrad, 1991). Altinay & Altinay (2008), undertook a study that showed organizations which focused on marketing and participation of all staff considerable realized high portions of turnaround strategy implementation. Strategies need to be communicated, understood and properly coordinated with stakeholders inside and outside the organization (Burke, 2002). The formulated strategy in the world will amount to nothing if it is poorly
communicated thought out the organizations (Adegbuyi, Oke, Worlu, & Ajagbe, 2015). An organization must first persuade its employees about the importance of strategy before turning to its customers. The lack of shred knowledge with lower management and non-management employees creates barriers for successful strategy implementation (Andrews, Boyne, & Walker, 2006).

2.4.2 Leadership Involvement
Turnaround Strategy implementation requires participation from all of the departments that will be affected. Company leadership needs to identify what those departments are and create an implementation team that consists of representatives from each affected group. Management needs to create a structure that identifies various group leaders, the responsibilities of those group leaders and an accountability system that insures that the implementation team meets its timetable for getting the new program or policy in place (Zimmerman, 1991).

Proper delegation helps guarantee a smooth implementation of business strategy. The manager charged with strategic implementation must be able to pick out the people and teams best able to move the project forward. Leading the implementation requires taking pains to discover and test the abilities gifts of her staff. The leader should establish minileaders over various segments of the process who understand the scope of the implementation. These people will report directly to the overall manager and will be responsible for guiding their own groups. Enthusiastic, imaginative and people-oriented employees will be successful for these roles (Zachariassen, De Haas, & Burkland, 2014). Participate in all avenues of the strategic implementation. Ask questions while observing what your employees do in order to understand all the processes involved. Ask your group leaders for weekly progress updates. Keep abreast of the problems that arise and handle them expeditiously. Document the process carefully so you and others can refer to the literature for future ventures. Be flexible. If something does not work well in the way you have designed it, find other avenues until you find something that works better. Always take care not to micromanage your employees as you monitor the processes but instead be an involved leader who joins in the work to make it better (Ahmadi, Salamzadeh, Daraei, & Akbari, 2012).
2.4.3 Leadership in Turbulent Business Environments

The environmental conditions facing many firms today have changed rapidly. Today's global competitive environment is complex, dynamic, and largely unpredictable (Sull, 1999). Every business environment is faced with turbulent circumstances that result from uncontrollable factors. These are world events or circumstances which significantly affect investment values and business conditions. Leaders that make change must also grapple with such unexpected forces both inside and outside the organization. Shift in government regulations, union activism, competitive assaults, mergers and acquisitions, and political and international crises are all a reality of corporate life today (Hellstrom & Wiberg, 2010). Hellstrom and Wiberg further explains that the list of corporate disasters is virtually unending. It includes executives kidnapping; hijackings, both in the air and at sea; hostile takeovers; and such acts of terrorism as the bombings. However, while the situation is grave, it is far from hopeless for management, researchers, and consultants who are prepared to confront the problem directly.

Since a leaders’ job functions and responsibilities are more complex and difficult than before, a future-oriented and flexible leadership style is required. Organizations need specific leadership development approaches for effective leadership and organizational performance (Lynch, 2009). To keep pace with the rapidly changing environment, leaders need more interpersonal skills to meet current and future challenges. They also need to be able to identify opportunities swiftly and be capable of turning challenges into opportunities. Most importantly, global leadership is about initiative, trustworthiness, integrity, and enthusiasm of performance (Melville, 2010).

2.4.4 Motivation

Motivation is the psychological force that determines the force that determines the direction of a person’s behaviour, the person level of effort towards that behaviour and the person’s level of persistence in the face of obstacles (Sit, 2015). In order to realize turnaround strategy implementation the human resource factor plays a big role in the process. Speculand (2009) reiterates that leaders need to create the right conditions in their organization in order to realize good employee behaviour. Turnaround Strategy implementation involves dealing with people with varying levels of motivation, commitment and dedication. These differences often result in interpersonal
conflicts that if left unresolved can significantly affect implementation efforts and performance (Kim, 2005).

According to Melville (2010), your attitude will prove contagious for the staff. If you are energetic and willing to give your best to the company, others will follow suit. When encouraging your staff you need to be a consistent role model who stays on tasks, works to solve problems and keeps to a schedule. You want your employees to emulate your behaviour without having to lecture them on what how to act and perform in the workplace. Favourable working conditions are essential for strategy implementation; these conditions should take care of motivation for all employees in the different levels in the organization. Hence, rewards and other forms of compensation must be aligned with the goals that employees are seeking to accomplish (Brauer & Schmidt, 2008). Creating appropriate motivational techniques such as reward and recognition can encourage employees’ performance and increase their feelings of appreciation and belonging (March & Sutton, 2007). When one uses reward as a motivational technique, the reward must be fair, announced, and changed periodically to ensure employees will not lose interest in striving for a reward. Moreover, leaders could also motivate employees by promoting multiple cultural backgrounds and values entail showing empathy for others and giving appreciation of different beliefs, values and experiences; this can motivate employees and retain the best employees (Boyne, 2004).

2.5 Chapter Summary

This chapter has reviewed past literature on the factors affecting the implementation of turnaround strategy. More specifically, it focused on the specific objectives of the study; the impact of organizational structure on turnaround strategy implementation, impact of organizational culture on turnaround strategy implementation and effect of leadership factors on turnaround strategy implementation. The next chapter, chapter 3 highlights a detailed discussion on the research methodology employed by the researcher.
CHAPTER THREE

3.0 RESEARCH METHODOLOGY

3.1 Introduction
This section describes the research design, population, sampling design, the sample frame, sample technique, size, data collection techniques, research procedures and data collection methods that will be used in the study. The chapter concludes with a chapter summary that describes in brief the relevant issues discussed by the researcher.

3.2 Research Design
A descriptive research design was appropriate for this study. Uchumi Supermarkets is used as the case in this study. Descriptive studies mean to depict or clarify relationships among phenomena, circumstances, and events as they happen. The real motivation behind descriptive research design is to give a by and large "picture" of a population by portraying circumstances or occasions (Sreejesh, Mohapatra, & Anusree, 2013). The reason for a descriptive research is to look at a phenomena that is happening at a particular place(s) and time. The research utilizes the descriptive method of correlation to depict what exists right now (conditions, practices, procedures and structures). The descriptive research method in this study used a survey and data was collected by use of questionnaires.

Jason and Glenwick (2016) note that descriptive research design includes gathering data from a bigger number of cases, maybe utilizing questionnaires, as a result of the bigger number of cases, study for the most part include some quantitative analysis. Survey studies are typically used to discover about the actualities by gathering the data specifically from population or sample. Bray and Maxwell (2014) assert that extensive survey completed when the researcher needs to make general conclusions, on the other hand intensive survey is carried out when the researcher is making estimations. Survey researches requests different instruments to gather the information from identified samples. They include questionnaires or interviews. So the sort of survey study required for any study depends on its motivation, population, and sample of the study and nature of data. The researcher preferred use of questionnaires since respondents could give their anonymous feedbacks which in most cases tend to be more honest feedbacks as opposed to face to face interviews.
3.3 Population and Sampling Design

3.3.1 Population

A population is the collection of whole gathering to which a researcher wishes to sum up discoveries and findings. It is further characterized as the total number of objects about which the researcher makes a few deductions (Cooper & Schindler, 2006). The same authors Cooper and Schindler (2014), describe population as the aggregate accumulation of components about which the references is made. Gall, Gall and Borg (2010) contended that a target population gives a solid establishment in which to construct a population rationality of the study. The population comprised of staff members of Uchumi Supermarkets from twelve branches within Nairobi County (Sarit center, City square, Westlands, Adams, Buru Buru, Jogoo Road, Lan’gata, Ngong Hyper market, Uchumi Thika Road, Capital Centre and Koinange Street outlets) which totals 570 employees as at March 2016 (Karanja, 2016). Since strategy formulation is done by senior managers who then communicate the same to other employees, the populace comprised of senior managers, middle level managers.

3.3.2 Population Distribution

<table>
<thead>
<tr>
<th>Branch</th>
<th>Population</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adams</td>
<td>37</td>
</tr>
<tr>
<td>BuruBuru</td>
<td>40</td>
</tr>
<tr>
<td>Capital center</td>
<td>52</td>
</tr>
<tr>
<td>City Square</td>
<td>57</td>
</tr>
<tr>
<td>Jipange</td>
<td>36</td>
</tr>
<tr>
<td>Jogoo road</td>
<td>40</td>
</tr>
<tr>
<td>Koinange</td>
<td>36</td>
</tr>
<tr>
<td>Langata</td>
<td>41</td>
</tr>
<tr>
<td>Ngong Hyper</td>
<td>58</td>
</tr>
<tr>
<td>Sarit Hyper</td>
<td>64</td>
</tr>
<tr>
<td>Westlands</td>
<td>44</td>
</tr>
<tr>
<td>Nairobi West</td>
<td>38</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td><strong>543</strong></td>
</tr>
</tbody>
</table>

*Table 3.1: Population Distribution for the Supermarket branches*
3.3.2.1 Sampling Frame

The sample frame entails a rundown of components from which the sample has comparative qualities to those of the population drawn (Scholz & Tietje, 2002). A sampling frame is the rundown of all elements from which the sample is drawn from. It is an exhaustive and exact rundown of the member of the population only (Cooper and Schindler, 2014). As per Saunders, Lewis and Thornhill (2003) the sampling frame for each random sample is the entire rundown of whole cases in the population from which sample is determined. The sample frame was plainly characterized as the employees of Uchumi Supermarkets’ twelve branches in Nairobi County which were Sarit Hyper, Ngong Hyper market, Jipange, Capital Centre and the Koinange Street, City Square, Jogoo road, Nairobi West, Lan’gata, Adams, BuruBuru and Nairobi West outlets. With representation from top and middle level managers of the supermarket.

3.3.2.2 Sampling Technique

The study used stratified random sampling technique, a probability sampling technique where the total population is divided into different levels or cadres from which a sample is drawn. This is essentially, having everybody in the populace grouped into different strata and a sample is drawn from each stratum. The positives of this technique is that it results in more accurate and precise findings as no generalization will be made and that the findings of the study will absolutely be ascribed to the topic of research. The technique is additionally fitting to a study whose population is slightly huge. In this study Uchumi Supermarkets staff were further divided into two different cadres in the order; top, middle level management hence the sample was drawn from the two cadres.

3.3.2.3 Sample Size

The sample size is a portion selected from the target population for analysis (Dattalo, 2008). 54 employees from 12 different branches of Uchumi Supermarkets within Nairobi County will form the sample size. The researcher used 10% of the population as the samples since less than half of the population are in top and middle level management. The table below shows the sample size distribution.
<table>
<thead>
<tr>
<th>Branch</th>
<th>No. of staff</th>
<th>Sampling ratio</th>
<th>sample size</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adams</td>
<td>37</td>
<td>0.1</td>
<td>4</td>
<td>7</td>
</tr>
<tr>
<td>BuruBuru</td>
<td>40</td>
<td>0.1</td>
<td>4</td>
<td>7</td>
</tr>
<tr>
<td>Capital center</td>
<td>52</td>
<td>0.1</td>
<td>5</td>
<td>10</td>
</tr>
<tr>
<td>City Square</td>
<td>57</td>
<td>0.1</td>
<td>6</td>
<td>10</td>
</tr>
<tr>
<td>Jipange</td>
<td>36</td>
<td>0.1</td>
<td>4</td>
<td>7</td>
</tr>
<tr>
<td>Jogoo road</td>
<td>40</td>
<td>0.1</td>
<td>4</td>
<td>7</td>
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<tr>
<td>Koinange</td>
<td>36</td>
<td>0.1</td>
<td>4</td>
<td>7</td>
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<td>8</td>
</tr>
<tr>
<td>Ngong Hyper</td>
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<td>0.1</td>
<td>6</td>
<td>11</td>
</tr>
<tr>
<td>Sarit Hyper</td>
<td>64</td>
<td>0.1</td>
<td>6</td>
<td>12</td>
</tr>
<tr>
<td>Westlands</td>
<td>44</td>
<td>0.1</td>
<td>4</td>
<td>8</td>
</tr>
<tr>
<td>Nairobi West</td>
<td>38</td>
<td>0.1</td>
<td>4</td>
<td>7</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td><strong>543</strong></td>
<td><strong>0.1</strong></td>
<td><strong>54</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Table 3.2: Sample Size Distribution Table

### 3.4 Data Collections Methods

The study utilized primary data that was gathered from employees of twelve different branches of Uchumi Supermarket within Nairobi County. The study utilized both open-ended and structured questionnaires in light of the fact that structured questionnaires are easy to administer and open-ended questions help in gathering more data. Questionnaires were circulated to the employees by hand. The respondents ticked where suitable in the questionnaires. The questionnaire employed a linkert scale of 1 to 5, 1 indicating “No extent”, 2 indicating “some extent”, 3 being “Moderate extent”, 4 signifying “Great extent” and 5 being “Very great extent”. The specific research objectives of the study were utilized in coming up with the questionnaires.

Questionnaires are characterized by Vogt (2010) as any composed instruments that present respondents with a progression of inquiries or proclamations to which they are to respond either by working out their answers or selecting from among existing answers. Use of anonymous respondents while administering questionnaires ensured that respondents gave their feedbacks in a free environment without fear as compared to interviews (Remenyi, 2011).

Questionnaires were utilized on the grounds that as clarified by Lyon, Mollering, & Saunders (2011) they are used to gather data about phenomena that is not specifically observable, for example, internal encounters, sentiments, values, intrigues, they are more
helpful to use than direct observation when utilized for gathering data accordingly the pros of utilizing questionnaires are as per the following: can be given to vast gatherings, respondents can finish the survey at their own particular comfort, answer questions out of request, skip questions, take a few sessions to answer the questions, and write in remarks. The time and cost included in utilizing questionnaires is less than utilizing interviews.

3.5 Research Procedures
A pilot test was done with 8 responses, data was the coded into Statistical Package for Social Sciences software and a reliability test done. The research tool was found to be effective as all sections of the questionnaires addressing different the three research questions were above 0.7 hence all questions in the questionnaire were relevant. The researcher used a research assistant to help in data collection through the hand delivered questionnaires to the targeted population. Close ended questions made it less demanding for the filling of the inquiries though open ended questions provided respondents with an opportunity to provide more insights that the researcher did not capture on the close ended questions.

The questionnaire was divided into two sections: The first section addressed the demographic information, while the second part addressed the three research objectives. Respondents were requested to rank the elements to some degree (likert scale) in section two in respect to how they strongly agreed or strongly disagreed with the statements.

To guarantee high response rate, the questionnaires were disseminated and the research assistant had to wait for the respondent to finish filling the questionnaires before collecting them.

3.6 Data Analysis Methods
The collected data were screened and checked for completeness and comprehensibility. The data was then summarized, coded and tabulated. The tabulated data was analyzed with the help of the Statistical Package for Social Sciences (SPSS) that has data handling and statistical analysis capability that can analyze data statistics and generate descriptive statistics. Analysis of the open ended question was done by the help of the qualitative analysis software Atlas.ti

Data analysis used descriptive and inferential statistics of one way ANOVA. Frequency distribution and cross tabulation analysis was done to identify the significance of the
findings. Correlation analysis was utilized to establish whether a relationship exists between the various factors under the study. The findings were presented in figures and tables for simpler assessment.

3.7 Chapter Summary
This chapter discussed the research methodology by accentuating on the research design, sampling design and the population. Data gathering techniques were also discussed by the researcher as well as research procedures and data analysis methods. The study embraced a simple random sampling technique. Chapter four entails the results and findings of the study.
CHAPTER FOUR

4.0 RESULTS AND FINDINGS

4.1 Introduction
This chapter presents the results and findings on analysis of factors affecting the implementation of turnaround strategies on improving organizational performance in Uchumi Supermarkets. This was guided by the research questions or specific objectives which sought to identify; the impact of organizational structure on turnaround strategy implementation, the impact of organizational culture on turnaround strategy implementation and the effect of leadership factors on turnaround strategy implementation. The study targeted employees of Uchumi supermarkets more so, senior managers (Branch managers, assistant branch managers and supervisors) from branches within Nairobi County.

4.1.1 Response Rate
The study through questionnaires targeted 54 respondents from 12 Uchumi supermarket branches within Nairobi County. Out of the 54 anticipated respondents to the study, the study received filled questionnaires from 35 respondents. Since the study focused on strategic issues data was collected from senior management as well as the middle level management, hence 35 respondents justified the study. Only 19 respondents failed to respond hence a response rate as shown on the table below:

Table 4.1: Response Rate

<table>
<thead>
<tr>
<th>Response Rate</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non Response</td>
<td>19</td>
<td>35.19</td>
</tr>
<tr>
<td>Response</td>
<td>35</td>
<td>64.81</td>
</tr>
<tr>
<td>Total</td>
<td>54</td>
<td>100</td>
</tr>
</tbody>
</table>

According to Cooper & Schindler (2014), a response rate that falls in the range of 30 to 80 percent of the total sample can be analyzed since it falls in the range of adequate for analysis at 50%, good for analysis at 60% and excellent for analysis at 70% and above. Consequently, the study’s response rate fell in the excellent range at 76.09%

4.1.2 Reliability of the Findings
The researcher did a pilot study with 6 respondents. Cronbach’s Alpha was used in the reliability analysis to determine the extent to which the items in the questionnaire are related
to each other as a group. A composite reliability (Cronbach alpha) of 0.7 or above for all constructs is always deemed adequate. If the Cronbach alpha is below 0.7 the reliability of the research instrument in this case the questionnaire is considered too low and thus the instrument should be modified.

The pilot test findings indicated that ‘organizational culture’ scale had a 0.741 as the Cronbach reliability alpha, ‘organizational structure’ scale had 0.706 as the alpha value while ‘leadership factors’ had a cronbach’s alpha value of 0.827. This shows that the scales measuring the research objectives had a high reliability. This indicated that the research tool was reliable and required no modifications.

Table 4.2 Reliability Test

<table>
<thead>
<tr>
<th>Reliability Statistics</th>
<th>Cronbach’s Alpha</th>
<th>N of Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organizational culture</td>
<td>.741</td>
<td>6</td>
</tr>
<tr>
<td>Organizational structure</td>
<td>.706</td>
<td>8</td>
</tr>
<tr>
<td>Leadership factors</td>
<td>.827</td>
<td>7</td>
</tr>
</tbody>
</table>

4.2 General Information and Demographics

4.2.1 Role of Respondents

The figure below shows that branch managers, assistant branch managers and supervisors provided feedback on the survey. The figure shows that from the sample, 14.3% of the respondents were assistant branch managers, 34.3% of the respondents were branch managers and 51.4% of the respondents were supervisors.
4.2.2 Gender Representation

The gender representation below shows that 83% of the respondents were of male gender and 17% were of the female gender. This shows a significant disparity where more male are in senior positions compared to female.
4.2.3 Age of Respondents

The age of the respondents is as shown in the next figure: The age group with the highest percentage is 31 to 40 years with 51.43% of the respondents being in that age group, respondents who fall in the age group 21 to 30 years had 31.43% of the respondents and lastly the seniors; respondents in the age group 41 to 50 years had the least representation in percentage at 17.14%

Figure 4.2: Gender Representation
Figure 4.3: Age of Respondents

4.2.4 Supermarket Branch Representation

The study collected data from Uchumi supermarkets within Nairobi County. 54 questionnaires were distributed to 12 branches in Nairobi county namely; Adams, BuruBuru, Capital Center, City Square, Jipange, Jogoo road, Koinange, Lang’ata, Nairobi West, Ngong Hyper, Sarit Hyper and Westlands. As shown in the figure below, the biggest percentage of respondents decided to identify their branch as Uchumi at 17.14% and not specifying the exact branch name. City square had the least percentage number at 2.86% as the respondents who specified it as the branch they work for, 5.71% of the respondents specified Koinange as the branch they work for, Adams, BuruBuru, Capital Center, Jipange, Jogoo road and Westlands had a tie at 8.57% as the respondents who mentioned them as the branch they work for, both Ngong Hyper and Sarit Hyper had 11.43% of the respondents identify them as the branches they work for.
Figure 4.4: Supermarket Branch representation

4.2.5 Highest level of Education of Respondents

The study also sought to identify the respondents’ highest level of education qualification. Figure 8 below shows that 11.43% of the respondents had post graduate as their highest level of education, 40.00% of the respondents had university degree as their highest education level another 40.00% of the respondents had college diploma as their highest education level and lastly 8.57% of the respondents selected high school certificate as their highest level of education. None of the respondents mentioned primary school certificate as their highest level of education.
Figure 4.5: Respondents Highest Level of Education

4.2.6 Working Duration in the Supermarket Branch
The highest percentage of respondents at 77.1% have worked for their branch for 10 years and below, 14.3% of respondents have worked for their branch for between 11 to 20 years, lastly 8.6% of the respondents have worked for their branch for between 21 to 30 years.

<table>
<thead>
<tr>
<th>Continuous Service</th>
<th>Frequency</th>
<th>Percent (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ten years and below</td>
<td>27</td>
<td>77.1</td>
</tr>
<tr>
<td>11 to 20 years</td>
<td>5</td>
<td>14.3</td>
</tr>
<tr>
<td>21 to 30 years</td>
<td>3</td>
<td>8.6</td>
</tr>
<tr>
<td>Total</td>
<td>35</td>
<td>100</td>
</tr>
</tbody>
</table>

Table 4.3: Working Duration in the Supermarket Branch

4.2.7 Age of the Supermarket Branch
The study shows that most of Uchumi Supermarket branches within Nairobi county at 68.57% are over 21 years old, 17.14% of the branches within Nairobi county are between
6 to 10 years, 8.57% are between 11 to 15 years and lastly 5.71% of the branches within Nairobi county have been in existence for between 16 to 20 years.

### Age of the supermarket branch

<table>
<thead>
<tr>
<th>Branch_age</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.00</td>
<td>68.57%</td>
</tr>
<tr>
<td>6 to 10 years</td>
<td>17.14%</td>
</tr>
<tr>
<td>11 to 15 years</td>
<td>8.57%</td>
</tr>
<tr>
<td>16 to 20 years</td>
<td>5.71%</td>
</tr>
<tr>
<td>Over 21 years</td>
<td></td>
</tr>
</tbody>
</table>

**Figure 4.6: Age of Supermarket Branch**

### 4.3 Organization Culture as a Factor affecting Implementation of Turnaround Strategies

In this section, the researcher presents organization culture as a factor affecting implementation of turnaround strategies in Uchumi Supermarket.

The study aimed at establishing the level of respondents’ agreement with the above statements: The supermarket allows employees to participate in decision making had a mean of 3.4, the supermarket has a culture of tolerating risks had a mean of 2.9, a considerable power distance between lower cadres and upper cadres had a mean of 3.2, the supermarket tolerates new ideas had a mean of 3.7, the extent that organizational culture influences strategy implementation had a mean of 3.5, clarity of vision, mission and values among employees throughout the enterprise had a mean of 4.2 and lastly the statement employees at all levels understand their individual and inter-dependent roles in attaining the corporate vision had the highest mean score in the culture category of 4.3
4.3.1 Impact of Organizational Culture on Turnaround Strategy Implementation

<table>
<thead>
<tr>
<th></th>
<th>N</th>
<th>Missing</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>The supermarket allows employees participation in decision making</td>
<td>35</td>
<td>0</td>
<td>3.4000</td>
<td>.97619</td>
</tr>
<tr>
<td>The supermarket has a culture of tolerating risks</td>
<td>35</td>
<td>0</td>
<td>2.9143</td>
<td>1.29186</td>
</tr>
<tr>
<td>There exists a considerable power distance between the upper and lower cadres in the organization</td>
<td>35</td>
<td>0</td>
<td>3.1714</td>
<td>1.17538</td>
</tr>
<tr>
<td>The supermarket tolerates new ideas</td>
<td>34</td>
<td>1</td>
<td>3.6471</td>
<td>1.22802</td>
</tr>
<tr>
<td>In your opinion, to what extent do you think organization culture influence strategy implementation</td>
<td>35</td>
<td>0</td>
<td>3.4857</td>
<td>1.06747</td>
</tr>
<tr>
<td>There is clarity of vision, mission and values among employees throughout the enterprise</td>
<td>35</td>
<td>0</td>
<td>4.2000</td>
<td>.79705</td>
</tr>
<tr>
<td>Employees at all levels firmly understand their individual and inter-dependent roles in attaining the corporate vision</td>
<td>35</td>
<td>0</td>
<td>4.2857</td>
<td>.66737</td>
</tr>
</tbody>
</table>

Table 4.4: Organizational culture and Turnaround strategy implementation

The below figure shows that an equal percentage of respondents indicated that organizational culture influences turnaround strategy implementation at moderate and great extent on 34.29%, at very great extent on 17.14%, at some extent on 8.57% and at no extent on 5.71%.

![The extent organization culture influence turnaround strategy implementation](image)

Figure 4.7: Extent that Organizational Culture Influence Turnaround Strategy Implementation
4.4 Impact of Organizational Structure on Turnaround Strategy Implementation.
The study sought to determine the extent that organizational structure affects turnaround strategy implementation as the above statements indicate. The respondents gave their feedback; the statement what extent does organizational structure influence turnaround strategy implementation had a mean score of 3.7, respondents indicated that free flow of communication between peers, seniors to juniors and vice versa existed as indicated by a mean score of 3.9, the current organizational structure enhances effectiveness of the supermarket had a mean of 3.3, the respondents indicated that the supermarket has clear lines of authority by a mean of 3.8, the current organizational structure enhances turnaround strategy implementation as indicated by a mean of 3.1, the question ‘the nature of the organizational structure inhibits the free flow of information critical to turnaround strategy implementation’ had a mean of 2.9, respondents with a mean of 2.7 indicated that the current organization structure does not allow employee participation in decision making. Last but not least the respondents indicated that to enhance turnaround strategy implementation success, the supermarket selects the right people for key positions as illustrated by a mean of 3.2

<table>
<thead>
<tr>
<th></th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>In your opinion, to what extent do you think organization structure influence turnaround strategy implementation</td>
<td>3.6857</td>
<td>1.02244</td>
</tr>
<tr>
<td>The organizational structure allows for free communication between peers and seniors to juniors and vice versa</td>
<td>3.8857</td>
<td>1.13167</td>
</tr>
<tr>
<td>The current organizational structure enhances effectiveness of the supermarket</td>
<td>3.3143</td>
<td>1.13167</td>
</tr>
<tr>
<td>The supermarket has clear lines of authority</td>
<td>3.8286</td>
<td>1.09774</td>
</tr>
<tr>
<td>The current organizational structure enhances turnaround strategy implementation</td>
<td>3.0571</td>
<td>1.10992</td>
</tr>
<tr>
<td>The nature of our organizational structure inhibits the free flow of information critical to turnaround strategy implementation</td>
<td>2.9143</td>
<td>1.19734</td>
</tr>
<tr>
<td>Current organization structure does not allow employee participation in decision making</td>
<td>2.6571</td>
<td>1.37076</td>
</tr>
<tr>
<td>To enhance turnaround strategy implementation success, the supermarket selects the right people for key positions</td>
<td>3.2286</td>
<td>1.26225</td>
</tr>
</tbody>
</table>

Table 4.5: Organizational Structure and Turnaround Strategy Implementation
Extent that Organization Structure Influence Turnaround Strategy Implementation

On the extent that organizational structure influences turnaround strategy implementation; 2.86% of the respondents indicated that at No extent does organization structure influence turnaround strategy implementation, 11.43% of the respondents indicated organization structure influence turnaround strategy implementation to Some extent, 20% of the respondents indicate that organization structure influence turnaround strategy implementation to Moderate extent, 45.71% of the respondents illustrated that organization structure influence turnaround strategy implementation to Great extent and 20% of the respondents indicated that organization structure influence turnaround strategy implementation to Very great extent.

Figure 4.8: Extent that Organization Structure Influence Turnaround Strategy Implementation
4.5 Impact of Leadership Factors on Turnaround Strategy Implementation

The researcher sought to establish the extent that leadership factors influence turnaround strategy implementation as indicated by the above statements. The respondents gave the feedback as above; a mean of 4.2 on the statement, “In your opinion, to what extent do you think leadership factors influence turnaround strategy implementation?”, the researcher sought to establish whether there exists clear communication from leadership towards turnaround strategy implementation as evident by a mean of 3.2, a good number of respondents agreed that the current leadership of the supermarket is involved in the implementation of turnaround strategy as indicated by a mean of 3.8, respondents indicated that the communication channels used are suitable in promoting the turnaround strategy implementation process as indicated by a mean of 3.4, respondents agreed to an extent with the statement; the leadership of the supermarket motivates the subordinates and communicates the importance of turnaround implementation process as indicated by a mean of 3.3, that the leadership of the supermarket has shown preparedness and accounted into unexpected circumstances during the implementation of turnaround strategies as shown by a mean of 3.3 and that high integrity from leaders has contributed to the implementation of turnaround strategies as shown by a mean of 3.4

<table>
<thead>
<tr>
<th></th>
<th>Mean</th>
<th>Std. Dev</th>
</tr>
</thead>
<tbody>
<tr>
<td>In your opinion, to what extent do you think leadership factors influence turnaround strategy implementation?</td>
<td>4.2286</td>
<td>.84316</td>
</tr>
<tr>
<td>There is clear communication from leadership towards turnaround strategy implementation process</td>
<td>3.2000</td>
<td>1.10613</td>
</tr>
<tr>
<td>The current leadership in the supermarket is involved in turnaround strategy implementation</td>
<td>3.8000</td>
<td>.96406</td>
</tr>
<tr>
<td>The communication channels used are suitable in promoting the turnaround strategy implementation process</td>
<td>3.4286</td>
<td>1.06511</td>
</tr>
<tr>
<td>The leadership of the supermarket motivates the subordinates and communicates the importance of turnaround implementation process</td>
<td>3.2857</td>
<td>1.10004</td>
</tr>
<tr>
<td>The leadership of the supermarket has shown preparedness and accounted into unexpected circumstances during the implementation of turnaround strategies</td>
<td>3.2571</td>
<td>.98048</td>
</tr>
<tr>
<td>High integrity from leaders has contributed to the implementation of turnaround strategies</td>
<td>3.4286</td>
<td>1.24347</td>
</tr>
</tbody>
</table>

Table 4.6: Leadership Factors and Turnaround Strategy Implementation
From figure 13 below, 42.86% of the respondents indicated leadership factors affect turnaround strategy implementation to a very great extent, another 42.86% of the respondents indicated leadership factors affect turnaround strategy implementation to a great extent, 8.57% of the respondents indicated leadership factors affect turnaround strategy implementation to a moderate extent and lastly 5.71% of the respondents indicated leadership factors affect turnaround strategy implementation to some extent.

![Pie Chart](image)

Figure 4.9: Extent that Leadership factors affect Turnaround Strategy

### 4.6 Other Factors Affecting Implementation of Turnaround Strategies

Analysis of the open ended question: “In your opinion, what other factors affect the implementation of turnaround strategies for Uchumi Supermarkets?” was done by the qualitative analysis software Atlas.ti and below are the findings. The network diagram represents other factors mentioned by respondents

A total of 17 codes formed part of factors affecting implementation of turnaround strategy for Uchumi supermarkets. From the 35 respondents, the researcher had 145 quotations and 17 codes. The codes formed the basis of the quotations. There were 14 mentions of capital related factors which were all quoted as Capital, there 4 mentions of competition, 11 mentions from the respondents of customer goodwill, 4 mentions of management, 7 mentions of poor strategies and planning, 3 mentions of politics as a factor affecting
implementation of turnaround strategy, 2 mentions of power distance or gap between lower cadre employees and top management, 1 mention of non-compliance as a factor affecting implementation of turnaround strategy for Uchumi Supermarket, there were 3 mentions from the respondents concerning communication breakdown or lack of clear communication from management or shareholders, there was a single mention on tribalism and ethnicity as a factor that affects implementation of turnaround strategy, there were 11 mentions on products or services offered by the supermarket and most mentions were on inadequate products and or services, there were 16 mentions from the respondents on supplier relationship with the supermarket, 4 mentions on teamwork among employees which was also a factor, 2 mentions on legal factors; law suits or court cases by suppliers, 2 mentions on incompetent staff, 18 mentions on human resources related issues and 9 mentions on economic factors like inflation, cost of labor, cost of real estate, import tariffs among others.

**Figure 4.10: Network diagram; Factors Affecting Turnaround strategy implementation**

### 4.6.1 Other Factors as Mentioned by Respondents in Different Age Groups

Below are charts showing the mentions of various factors affecting turnaround strategy implementation by different age groups i.e. Respondents of age between 21 to 30 years, 31
to 40 years old and 41 to 50 years old. Respondents of age 21 to 30 years had 4 mentions on matters to do with capital as a factor. Anything mentioned as money, free cash flow, debt, money, and financial constraints, limited cash among others were coded as capital. Respondents of age between 31 to 40 years had the highest number of mentions at 7 and respondents of age group 41 to 50 had 3 mentions on capital as a factor affecting implementation of turnaround strategy in Uchumi supermarkets, on the factor ‘customer goodwill’ which had any mentions on public goodwill, customer loyalty, customer support among other with the word customer had 4 mentions by the respondents of age group 21 to 30 years, 7 mentions by respondents of age group 31 to 40 and zero mentions by respondents of age group 41 to 50 years.

Economic factors had zero mentions by respondents of age group 21 to 30 years, 8 mentions by respondents of age group 31 to 40 and one mention by a respondent in age group 41 to 50 years. Human resources was also coded as a factor by the researcher and there were 5 mentions of the same or related issues by respondents of age group 21 to 30 years, 12 mentions by respondents in age group 31 to 40 years and only a single mention by a respondent in age group 41 to 50 years. Another factor as coded by the researcher was poor strategies and planning in age groups 21 to 30, 31 to 40 and 41 to 50 had 5, 2 and zero mentions respectively, the next coded factor products and services supplies in the age groups 21-30, 31-40 and 41-50 had 3, 7 and 1 mentions respectively, supplier relationship was also coded as a factor different age groups 21-30, 31-40 and 41-50 had 10, 6 and zero mentions respectively.
Below are other factors coded by the researcher according to mentions by respondents in the order of age groups 21-30, 31-40 and 41-50 years:

Competition had 2, 2, 0 mentions respectively; incompetent staff had 1, 1, 0 mentions respectively; lack of clear communication had 1, 2, 0 mentions respectively; legal factors had 0, 2, 0 mentions respectively; management issues had 3, 1, 0 mentions respectively; non-compliance had 0, 1, 0 mentions respectively; political factors had 0, 0, 3 mentions respectively; power distance had 1, 1, 0 mentions respectively; teamwork had 1, 1, 2 mentions respectively lastly tribalism and ethnicity had 0, 1, 0 mentions respectively.

Figure 4.11: Other Factors Affecting Turnaround Strategy Implementation I
There was one mention by a male respondent on tribalism and ethnicity as a factor and zero mentions by the female respondents, four mentions by male respondents on teamwork and zero mention on teamwork by female respondents, supplier relationship was mentioned by both genders; 12 and 4 mentions by male and female respondents respectively, product and supplies was mentioned by both genders; 8 and 3 mentions by male and female respondents respectively, power distance was mentioned by both genders; 1 mention by male and 1 by a female respondent, poor strategies and planning had 6 mentions by male respondent and a single mention by a female respondent, political factors had 3 mentions by male respondents and no mention by a female respondents, non-compliance had 1 mention by a male respondent and no mention by a female respondents, management issues had 4 mentions by male respondents and no mention by a female respondents, legal factors had 2 mentions by male respondents and no mention by a female respondents, lack of clear communication had 2 mentions by male respondents and 1 mention by a female respondent, human resources had 15 mentions by male respondents and 3 mentions by a female respondents lastly capital had 10 mentions by male respondents and 4 mentions by a female respondents.
4.6.2 Others factors in relation to gender of respondents

Other Factors in relation to the Gender of respondents

![Bar chart showing gender representation of other factors affecting turnaround strategy implementation](image)

Figure 4.13: Gender representation of other factors affecting turnaround strategy implementation

4.7 Correlation between Factors and Turnaround Strategy Implementation

The researcher conducted Pearson’s correlation analysis at 99% confidence interval and 1% confidence level 2-tailed. The below table illustrates the correlation matrix between the factors i.e. Leadership factors, Organizational culture, Organizational structure and turnaround strategy implementation. There is a positive relationship between organization culture and organization structure at 0.526, organization culture and leadership factors also have a positive correlation at 0.656 and so does organization culture and turnaround strategy implementation at 0.594, a positive correlation. Organization structure had a positive correlation with leadership factors at 0.776, organization structure has a positive
correlation with turnaround strategy implementation at 0.610 and leadership factors had a positive correlation with turnaround strategy implementation at 0.740.

All factors had a significant p-value (P<0.01) at 99% confidence level. The significance values for organizational culture, organizational structure and leadership factors were 0.001, 0.000 and 0.000 respectively. The lower the value the more significant the variable, this means organizational structure and leadership factors were the most significant factors while organizational culture was the least significant.

<table>
<thead>
<tr>
<th></th>
<th>Organization_Culture</th>
<th>Organization_Structure</th>
<th>Leadership_Factors</th>
<th>Turnaround_strategy_implementation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organization_Culture</td>
<td>Pearson Correlation</td>
<td>1</td>
<td>.526**</td>
<td>.656**</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td></td>
<td>.001</td>
<td>.000</td>
<td>.001</td>
</tr>
<tr>
<td>N</td>
<td>35</td>
<td>35</td>
<td>35</td>
<td>35</td>
</tr>
<tr>
<td>Organization_Structure</td>
<td>Pearson Correlation</td>
<td>.526**</td>
<td>1</td>
<td>.776**</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>.001</td>
<td></td>
<td>.000</td>
<td>.000</td>
</tr>
<tr>
<td>N</td>
<td>35</td>
<td>35</td>
<td>35</td>
<td>35</td>
</tr>
<tr>
<td>Leadership_Factors</td>
<td>Pearson Correlation</td>
<td>.656**</td>
<td>.776**</td>
<td>1</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>.000</td>
<td>.000</td>
<td></td>
<td>.000</td>
</tr>
<tr>
<td>N</td>
<td>35</td>
<td>35</td>
<td>35</td>
<td>35</td>
</tr>
<tr>
<td>Turnaround_strategy_</td>
<td>Pearson Correlation</td>
<td>.594**</td>
<td>.610**</td>
<td>.740**</td>
</tr>
<tr>
<td>implementation</td>
<td>Sig. (2-tailed)</td>
<td>.001</td>
<td>.000</td>
<td>.001</td>
</tr>
<tr>
<td>N</td>
<td>35</td>
<td>35</td>
<td>35</td>
<td>35</td>
</tr>
</tbody>
</table>

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

Table 4.7: Pearson Correlation

4.8 Regression Analysis

A multiple regression analysis was done to establish the percentage of the independent variables or factors affecting implementation of turnaround strategy in Uchumi Supermarkets as represented by the $R^2$. This was represented by 74.5% of the factors studied by the researcher i.e. organizational culture, organizational structure and leadership factors only represented 74.5% of the factors affecting implementation of turnaround strategy in Uchumi supermarket. Therefore, other factors affecting turnaround strategy implementation which were not studied in this research contribute to 25.5% Further research should be conducted to establish the factors that contribute to the 25.5%
Model Summary

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.818a</td>
<td>.745</td>
<td>.678</td>
<td>.42488</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Leadership_Factors, Organization_Culture, Organization_Structure

Table 4.8 Model Summary

4.8.1 ANOVA Results

The significance value of the F test in the ANOVA table is 0.034 which is less than 0.05 thus the model is statistically significance in predicting how organizational structure, organizational culture and leadership factors influence turnaround strategy implementation in Uchumi Supermarkets.

ANOVA*

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Regression</td>
<td>3</td>
<td>.048</td>
<td>.176</td>
<td>.034b</td>
</tr>
<tr>
<td></td>
<td>Residual</td>
<td>31</td>
<td>.275</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>8.686</td>
<td>34</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Dependent Variable: Turnaround_strategy_implementation

b. Predictors: (Constant), Leadership_Factors, Organization_Culture, Organization_Structure

Table 4.9 ANOVA Results

4.8.2 Parameters Coefficients

The model parameters explains the extent to which changes in the dependent variable can be explained by the change in the independent variables or the percentage change in the dependent variable (turnaround strategy implementation) that is explained by all three independent variables i.e. organizational culture, organizational structure and leadership factors.

The regression equation below has established that taking all independent factors into account (organizational culture, organizational structure and leadership factors) at constant zero;

Where \(X_1 = \) organizational culture; \(X_2 = \) organizational structure and \(X_3 = \) leadership factors then turnaround strategy implementation which is our dependent variable \(Y\) becomes 3.903

\[ Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \varepsilon \]

\[ Y = 3.903 + 0.721X_1 + 0.742X_2 + 0.833X_3 \]
The findings presented also shows that taking all other independent variables at zero, a unit increase in organization culture will lead to 0.721 increase in turnaround strategy implementation while a unit increase in organization structure will lead to a 0.742 increase in turnaround strategy implementation and a unit increase in leadership factors will lead to 0.833 increase in turnaround strategy implementation. This implies that leadership factors contribute most to turnaround strategy implementation. At 5% level of significance, organization culture had a 0.022 level of significance; organization structure and leadership factors had a 0.002 and 0.001 level of significance respectively hence the most significant factor is leadership factors.

4.9 Chapter Summary
This chapter presented results on analysis of factors affecting implementation of turnaround strategy in Uchumi Supermarket. The chapter sought to establish the impact of organization structure, organization culture and leadership factors on turnaround strategy implementation in Uchumi supermarket. The study targeted senior employees of Uchumi from twelve branches within Nairobi County. The next chapter presents an overview of the study discussions, conclusions and key recommendations.
CHAPTER FIVE

5.0 DISCUSSION, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This final chapter of the study consists of four sections which are: summary, discussion, conclusions, and recommendations in that order. The initial section provides a summary of the important elements of the study that includes the specific objectives, methodology used, and the findings. The following subsequent section discusses the major findings of the study with regards to the research questions. Section three discusses the conclusions based on the research questions, while using the findings and results that are obtained in the fourth chapter. The recommendations for the study will be centered on improvement based on the specific objectives. It also provides the recommendations for further studies.

5.2 Summary

The purpose of the study was to analyze factors affecting the implementation of turnaround strategy at Uchumi Supermarket. The study was guided by the following specific objectives; to establish the impact of organizational structure on turnaround strategy implementation by Uchumi Supermarket, to determine the impact of organizational culture on turnaround strategy implementation by Uchumi Supermarket and to identify the impact of leadership factors on turnaround strategy implementation by Uchumi Supermarket.

The study employed descriptive research design targeting employees at Uchumi Supermarkets and a sample of 54 respondents. The study used primary data. The primary data was collected using questionnaires. Quantitative data collected was analyzed with the use of descriptive statistics using SPSS (version 23) as the tool of choice while the qualitative data from the open-ended question was analyzed using a qualitative software Atlas.ti. The findings were presented through different measures that included percentages, means, standard deviations and frequencies. The study further used multivariate regression model to study the relationship between dependent and independent variables. The study found that organizational structure, organizational culture and leadership factors influence turnaround strategy implementation to a great extent in Uchumi Supermarkets. On the first research objective impact of organizational culture on turnaround strategy implementation, the study established that organization culture influences turnaround strategy to a great extent. That the supermarket allows employees to participate in decision making on a great extent, the supermarket also has a culture of tolerating risks to a great extent. The study
established that there exists a considerable power distance between the upper and lower cadres in the organization to a moderate extent, the supermarket tolerates new ideas to a great extent, there is clarity of vision, mission and values among employees throughout the supermarket to a great extent. The study also revealed that employees at all levels firmly understand their individual and inter-dependent roles in attaining the corporate vision to a great extent.

The second specific objective that the study sought to determine is the impact of organizational structure on turnaround strategy implementation in Uchumi Supermarkets. To this objective, the study concludes that to a great extent, organization structure influences turnaround strategy implementation in Uchumi Supermarkets. The study established that the organizational structure allows for free communication between peers and seniors to juniors and vice versa to a very great extent, that the supermarket has clear lines of authority to a great extent and that the organizational structure enhances turnaround strategy implementation to a great extent, the study also established that to enhance turnaround strategy implementation, the supermarket selects the right people for key positions to a moderate extent. The study concludes that the structure of Uchumi supermarket is not in the least bureaucratic. Rather, it was found that its structures’ nature enhances organizational effectiveness that is key to turnaround strategy implementation.

The third research objective sought to establish the effect of leadership factors on turnaround strategy implementation. The study concluded that leadership factors influence turnaround strategy implementation to a very great extent. That the leadership of the supermarket give clear communication towards implementation of turnaround strategy to a moderate extent, that the current leadership is involved in the implementation of the turnaround strategy to a great extent, that the leadership motivates other employees and communicate the importance of turnaround strategy implementation process to a moderate extent, that the current leadership are not myopic in that they show preparedness and account for unexpected circumstances during the implementation of turnaround strategy to a moderate extent and that the high integrity from leaders has contributed to the implementation of turnaround strategy to a great extent.
5.3 Discussion

5.3.1 Impact of Organization Culture on Turnaround Strategy Implementation

The study established that organizational culture influences turnaround strategy implementation to a great extent in Uchumi Supermarket. From the findings, it was established that organization culture has a positive correlation with turnaround strategy implementation at 0.594. Organization culture also contributes significantly as the parameters coefficients indicate that an increase in organization culture will lead to 0.721 increase in turnaround strategy implementation. This indicates that organization culture plays a major role in implementation of turnaround strategy. The study also established that the supermarket has a clearly defined mission and vision statement and the power distance in the organization is not a hindrance to turnaround strategy implementation. The study further established that the supermarket has a culture of taking risks. The study as well shows that the organization shows respect for a diverse range of opinions, ideas, and people and that tolerance of new ideas enhances turnaround strategy implementation and that employees at all levels firmly understand their individual and inter-dependent roles in attaining the corporate vision. This is in tandem with literature that successful turnarounds are coupled with new ideology that gradually creates new culture hence imply renewal of the firm’s culture (Gatti, 2002).

The study also found that the organization has a culture of tolerating risks and that employees in their organization are motivated. The study also found that the organization tolerates new ideas and provides a fun and friendly customer-centered environment. In addition, the study established that risk tolerance helps in turnaround strategy implementation in the organization and that the management relates well with juniors in the organization. The turnaround process is all about risk, it is by understanding, identifying, reducing, managing, and monitoring risk that the turnaround process occurs. The business environment in today’s world is very turbulent and predicting the future is not easy (Ansoff, 1984).

The study established that organization culture influences turnaround strategy to a great extent. That the supermarket allows employees to participate in decision making, the supermarket also has a culture of tolerating risks. The study established that there exists a
considerable power distance between the upper and lower cadres in the organization, the supermarket tolerates new ideas and that there is clarity of vision, mission and values among employees throughout the supermarket. The study also revealed that employees at all levels firmly understand their individual and inter-dependent roles in attaining the corporate vision. This findings resonate with other literature by other scholars. An ailing firm in the verge of collapse in most cases if not always will have worried, desperate and disgruntled employees, employees will be worried about losing their jobs and it is up to the leadership to manage this situation. The new leadership tasked with turning around the company is required to instill trust through motivating employees and the public at large. Among the most prominent benefits associated with leadership changes in turnarounds are the leaders’ ability to ensure facilitation of greater levels of change in the strategies and structures of the organization (O’Kane & Cunningham, 2012). This basically means that the new leadership will use their interpersonal skills to ensure proper communication to the stakeholders like being able to convince suppliers to drop their law suits against the company and have an out of court agreement to clear debt and pay suppliers their dues.

### 5.3.2 Impact of Organization Structure on Turnaround Strategy Implementation

The study established that organization structure influences implementation of turnaround strategy at Uchumi Supermarket to a great extent. From the findings, it was established that organization structure has a positive correlation with turnaround strategy implementation at 0.610, on the regression equation; organization structure has a positive value in that a unit increase in organization structure will lead to a 0.742 increase in turnaround strategy implementation and a significance level of 0.002 which is acceptable since it is less than 5% level of significance. A review of existing literature shows that the structure of an organization is influenced by the strategies in place, structure follows strategy (Chandler, 1962). Therefore the structure of an organization in future is determined by the strategies in place at the moment. In a turnaround situation, since the company is ailing and needs to get back to better performance, new strategies are formulated within a short time which will work with the current organization structure and changes in the structure are implemented along the turnaround process. Organization structure mainly comprises of four basic elements which are: span of control, centralization, formalization and departmentalization. The most fundamental elements to describe the shape of an organization are its breadth and its depth (Lunenburg, 2012)
The depth of an organization is the number of hierarchical layers or management levels between the senior management and operational employees while breadth is the number of employees directly reporting to a supervisor.

It also found that organizational structure is not bureaucratic and that the nature of the organizational structure enhances organizational flexibility critical to strategy implementation. According to literature, bureaucracy refers to the number of people directly reporting to the next level in the hierarchy (Collett, Pandit, & Saarikko, 2014). A narrow span of control exists when very few people report directly to the manager, whereas a wide span exists when a manager has many direct reports. Collett et al. (2014), strongly recommended a relatively narrow span of control typically no more than 20 employees per supervisor and 6 supervisors per manager. They championed formal hierarchy as the primary coordinating mechanism, so they believed that supervisors should closely monitor and coach employees.

In another literature, Lunenburg (2012), suggests that the strategy an organization adopts and the extent to which it practices that strategy results in five structural configurations namely: Simple structure which involves direct supervision and employs vertical and horizontal centralization, machine bureaucracy which is all about standardization of work processes, professional bureaucracy which involves standardization of skills, divisionalized form that calls for standardization of outputs and adhocracy where the support staff are the key and uses mutual adjustment as a means of coordination. Adhocracies participate in non-routine tasks and use sophisticated technology. Here the primary objective is innovation and rapid adaptation to changing environments (Lunenburg, 2012). This is in tandem with the findings of this study, the study established that the organizational structure allows for free communication between peers and seniors to juniors and vice versa to a very great extent, that the supermarket has clear lines of authority to a great extent and that the organizational structure enhances turnaround strategy implementation to a great extent, the study also established that to enhance turnaround strategy implementation, the supermarket selects the right people for key positions to a moderate extent.

The findings of this study established that there are clear procedures, rules and responsibilities that give employees certainty during a turnaround process and that the
managers always determine the degrees of authority needed to manage each organizational unit, bearing in mind both the benefits and costs of decentralized decision making. The study also established that the current organizational structure enhances institutional effectiveness and that current organization structure allows employee participation in decision making that the nature of our organizational structure does not inhibit the free flow of information critical to strategy implementation. Finally the study established that to enhance turnaround strategic implementation success, the organization selects the right people for key positions.

5.3.3 Effect of Leadership Factors on Turnaround Strategy Implementation

The study concluded that leadership factors influence turnaround strategy implementation to a very great extent. Leadership factors contributed the highest value on the regression coefficients among factors with a positive value 0.833, this means that a unit increase in leadership factors will lead to 0.833 increase in turnaround strategy implementation. The significance level was 0.001 which is less than 5% (0.005). On correlation, leadership factors had a positive correlation with turnaround strategy implementation at 0.740. The study established that there was clear communication from leadership towards the supermarket stakeholders regarding the turnaround strategy implementation process thus supporting the course. According to Huber (2011), effective communication is a key requirement for effective strategy implementation. The lack of shared knowledge with lower management and non-management employees creates barriers for successful strategy implementation. Qi (2005), additionally supports the former authors that; the formulated strategy in the world will amount to nothing if it is poorly communicated throughout the organizations. Effective communications can construct the leader’s credibility and increase employees commitment and loyalty to the leader and the organization (Sterling, 2003). The study also revealed that the channels used to communicate implementation issues were appropriate.

The study revealed that the leadership of the supermarket was involved in the implementation process. According to Denning (2016), Strategic implementation or any kind of new company policy or program requires participation from all of the departments that will be affected. Company leadership needs to identify what those departments are and create an implementation team that consists of representatives from each affected group. Speculand (2009), further explains that leaders should keep abreast of the problems that
arise and handle them expeditiously. They should also document the process carefully so that, they and others can refer to the literature for future ventures.

According to Corcoran & Mooney (2015), your attitude will prove contagious for the staff. If you are energetic and willing to give your best to the company, others will follow suit. When encouraging your staff you need to be a consistent role model who stays on tasks, works to solve problems and keeps to a schedule. The study also revealed that employees felt inspired and motivated by leadership involvement in the implementation process. Speculand (2009), reiterates that leaders need to create the right conditions in their organization in order to realize good employee behavior.

In reference to leadership preparedness, the study findings revealed that the leadership had accounted for change, and shown preparedness for unexpected circumstances that may arise in the implementation process. Every business environment is faced with turbulent circumstances that result from uncontrollable factors. O'Kane & Cunningham (2012), also agree that today's global competitive environment is complex, dynamic, and largely unpredictable. A future-oriented and flexible leadership style is therefore required. Gatti (2002), reiterate that leaders need to be able to identify opportunities swiftly and be capable of turning challenges into opportunities.

5.4 Conclusions

5.4.1 Impact of Organizational Culture on Turnaround Strategy implementation

The study concludes that organizational culture influences turnaround strategy implementation to a great extent in Uchumi Supermarket. To this end the study concludes that the Supermarket has a clearly defined mission and vision statement and the power distance in the organization is not a hindrance to turnaround strategy implementation. The study as well concludes that the organization shows respect for a diverse range of opinions, ideas, and people and that tolerance of new ideas enhances turnaround strategy implementation and that employees at all levels firmly understand their individual and inter-dependent roles in attaining the firm's vision.
5.4.2 Impact of Organizational Structure on Turnaround Strategy implementation

The study concludes that organizational structure affects turnaround strategy implementation in Uchumi Supermarket. The study concludes that the organization structure of the supermarket is not bureaucratic and that the nature of its structure enhances organizational flexibility critical to turnaround strategy implementation. The study further concludes that the management pinpoints the key functions and tasks requisite for successful turnaround strategy execution and that the current structure of the organization enhances turnaround strategy implementation.

5.4.3 Effect of Leadership Factors on Turnaround Strategy Implementation

The findings of the study established that the leadership of the supermarket give clear communication towards implementation of turnaround strategy, that the current leadership is involved in the implementation of the turnaround strategy, the responses revealed that the leadership motivates other employees and communicate the importance of turnaround strategy implementation process to a moderate extent, that the current leadership are not myopic in that they show preparedness and account for unexpected circumstances during the implementation of turnaround strategy and that the high integrity from leaders has contributed to the implementation of turnaround strategy.

5.5 Recommendations

5.5.1 Improvement Recommendations

5.5.1.1 Impact of Organizational Culture on Turnaround Strategy Implementation
From the findings, the study recommends that supermarkets should have clearly defined mission and vision statement and the power distance in the organization so as not to be a hindrance to turnaround strategy implementation. Organizations also especially those in retail business should have core values well listed since these values will end up defining the culture of the firm if followed to the later.

5.5.1.2 Impact of Organizational Structure on Turnaround Strategy Implementation
From the findings, the study recommends that organizational structure should not be bureaucratic in order to enhance organizational flexibility in turnaround strategy implementation.
5.5.1.3 Effect of Leadership Factors on Turnaround Strategy implementation

Reward Systems: Leadership should come up with more interesting ideas of keeping the process exciting and fun. They could introduce rewards and promotions for team members that exhibit exemplary outcomes as they work towards successful implementations. The leaders should employ transparent approaches to give rewards based on merit as well as in alignment to the strategic planning process.

Grow capabilities: The current Uchumi Supermarket leadership should lead the supermarket towards using available growth opportunities by developing their inner capability. These may be through identifying and developing key participant’s skills within the implementation team.

5.5.2 Recommendations for Further Studies

The study established that there are other factors within the supermarket that influence turnaround strategy implementation. To augment this study, it is recommended that other studies be conducted to establish more factors that impact turnaround strategy implementation on ailing firms. This study will aid decision making in organizations regarding turnaround strategy implementation and therefore help remove the barriers to corporate turnaround process, as it will show the benefits associated with turnaround strategy implementation and therefore win stakeholders support.
REFERENCES


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APPENDICES

Appendix A: Letter of Introduction
MWANGI ALLAN JOSEPH
UNITED STATES INTERNATIONAL UNIVERSITY-AFRICA (USIU-A)
P.O. BOX 14634, 00800.
a
KAiRoBi

date:

dear Respondent,

REQUEST TO PARTICIPATE IN THE RESEARCH QUESTIONNAIRE

I am a USIU student carrying out a research titled; AN ANALYSIS OF THE FACTORS AFFECTING IMPLEMENTATION OF TURNAROUND STRATEGY: A CASE OF UCHUMI SUPERMARKETS, in partial fulfilment for the degree of Masters in Business Administration (MBA) program at the United States International University. The researcher uses questionnaires which you are requested to complete and return. The questionnaire is divided into 4 sections and it would take you about 10 minutes to fill out.

You are assured that all information provided in the survey will be strictly confidential. Results and findings will be reported in general terms, with no specific individuals identified in the report. Therefore, I request you to answer the questions as honest and objective as possible in order to contribute to the success of this research. The findings of this study will be used to improve implementation of turnaround strategies for ailing companies.

Your participation is considered very important. Thank you very much for sparing your time to complete this survey.
Thank you in advance,

Yours sincerely,

Mwangi Allan
Appendix B: Questionnaire

Please give answers in the blank spaces provided and tick (✓) in the box that your response fits where applicable.

Part A: Demographic and Respondents Profile

1) Name of the Supermarket Branch

2) Position held in the Supermarket

3) What is your Gender?
   Male (✓) Female ( )

4) What is your age bracket? (Tick where appropriate)
   a) 20 and below years ( )
   b) 21 - 30 years ( )
   c) 31 – 40 years ( )
   d) 41 – 50 years ( )
   e) Over 50 years ( )

5) What is your highest level of education qualification?
   a) Post graduate level ( )
   b) University ( )
   c) Tertiary College ( )
   d) High School ( )
   e) Primary School ( )

6) Length of continuous service with the Supermarket?
   a) Ten and below years ( )
   b) 11-20 years ( )
   c) 21-30 years ( )
   d) 31-40 years ( )
   e) 41-50 years ( )

7) How long has your supermarket branch been in operation in Nairobi?
   a) 5 and below years ( )
   b) 6 – 10 years ( )
   c) 11 – 15 years ( )
   d) 16 – 20 years ( )
   e) Over 25 years ( )

8) How many employees are there in your Supermarket Branch?
a) 100 and less ( )
b) 101 – 200 ( )
c) 201 – 300 ( )
d) 301 – 400 ( )
e) Above 400 ( )

Part B: Organizational Culture as a factor in implementing Turnaround Strategy

9) Kindly tick one answer that reflects your opinion on the statements below:

Use 1- No extent, 2-Some extent, 3-Moderate extent, 4- Great extent, 5- Very great extent.

<table>
<thead>
<tr>
<th>Organizational Culture</th>
<th>Assessment</th>
</tr>
</thead>
<tbody>
<tr>
<td>The supermarket shows respect for a diverse range of opinions, ideas, and people (allows employee participation in decision making)</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>The supermarket has a culture of tolerating risks</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>There is considerable power distance between the upper and lower cadres in the organization</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>The supermarket tolerates new ideas</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>In your opinion, to what extent do you think organization culture influence strategy implementation</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>There is clarity of vision, mission and values among employees throughout the enterprise</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>Employees at all levels firmly understand their individual and inter-dependent roles in attaining the corporate vision</td>
<td>1 2 3 4 5</td>
</tr>
</tbody>
</table>
Part C: Organizational Structure as a factor in implementing Turnaround Strategy

10) In your opinion, to what extent do you think organization structure influence turnaround strategy implementation? Please tick one.

No extent ( ) Some extent ( ) Moderate ( ) Great extent ( ) Very great extent ( )

11) Kindly tick one answer that reflects your opinion on the statements below:
Use 1- No extent, 2- Some extent, 3- Moderate extent, 4- Great extent, 5- Very great extent.

<table>
<thead>
<tr>
<th>Organizational Structure</th>
<th>Assessment</th>
</tr>
</thead>
<tbody>
<tr>
<td>The organizational structure is allows for free communication between peers and seniors</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>and juniors and vice versa</td>
<td></td>
</tr>
<tr>
<td>The current organizational structure enhances effectiveness of the supermarket</td>
<td></td>
</tr>
<tr>
<td>The supermarket has clear lines of authority</td>
<td></td>
</tr>
<tr>
<td>The current organizational structure enhances turnaround strategy implementation</td>
<td></td>
</tr>
<tr>
<td>The nature of our organizational structure inhibits the free flow of information critical</td>
<td></td>
</tr>
<tr>
<td>to turnaround strategy implementation</td>
<td></td>
</tr>
<tr>
<td>Current organization structure does not allow employee participation in decision making</td>
<td></td>
</tr>
<tr>
<td>To enhance turnaround strategy implementation success, the supermarket selects the right</td>
<td></td>
</tr>
<tr>
<td>people for key positions</td>
<td></td>
</tr>
</tbody>
</table>
Part D: Leadership factors that impact Turnaround Strategy implementation

12) In your opinion, to what extent do you think Leadership factors influence turnaround strategy implementation? Please tick one.

No extent ( ) Some extent ( ) Moderate ( ) Great extent ( ) Very great extent ( )

13) Kindly tick one answer that reflects your opinion on the statements below:

Use 1- No extent, 2-Some extent, 3-Moderate extent, 4- Great extent, 5- Very great extent.

<table>
<thead>
<tr>
<th>Leadership factors</th>
<th>Assessment</th>
</tr>
</thead>
<tbody>
<tr>
<td>There is clear communication from leadership towards turnaround strategy implementation process</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>The current leadership in the supermarket is involved in turnaround strategy implementation</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>The communication channels used are suitable in promoting the turnaround strategy implementation process</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>The leadership of the supermarket motivates the subordinates and communicates the importance of turnaround implementation process</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>The leadership of the supermarket has showed preparedness and accounted into unexpected circumstances during the implementation of turnaround strategies</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>High integrity from leaders has contributed to the implementation of turnaround strategies</td>
<td>1 2 3 4 5</td>
</tr>
</tbody>
</table>

14) In your opinion, what other factors affect the implementation of turnaround strategies for Uchumi Supermarkets?

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

Thank you very much for your time!