FACTORS INFLUENCING ORGANIZATIONAL DEVELOPMENT; A STUDY OF ARTCAFFE COFFEE & BAKERY LTD

BY

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FACTORS INFLUENCING ORGANIZATION DEVELOPMENT; A STUDY OF ARTCAFFE COFFEE & BAKERY LTD

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A Research Project Report Submitted to the School of Business in Partial fulfilment of the Requirement for the Degree of Masters of Science in Organization Development.

UNITED STATES INTERNATIONAL UNIVERSITY-AFRICA

SPRING 2018
STUDENT’S DECLARATION

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

Signed: ________________________    Date: __________________

Virginia Wambui Mbiriri (ID. No: 653482)

This project has been presented for examination with my approval as the appointed supervisor.

Signed: ________________________    Date: __________________

Prof. Paul Katuse

Signed: ________________________    Date: __________________

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ABSTRACT

The purpose of the study was to establish the factors that influence organization development focusing on a case study of Artcaffe Coffee & Bakery Ltd. The study aimed to find out the effect of workforce planning and development on the organization development, second to evaluate the impact of continuous quality improvement on the organizational development and lastly to establish the extent to which swift conflict resolution mechanisms have contributed to organizational development in Artcaffe Coffee & Bakery Ltd.

The study adopted an analytical research design in order to bring out the concept of organization development. The study was both qualitative and quantitative since some of the drivers of organization development are not measurable quantitatively. The target population was the workforce of Artcaffe Coffee & Bakery Ltd from which a stratified sample comprising of the three levels of management; Executive, Departmental and Operational was chosen for the study. The study relied on three research instruments; an interview guide, a questionnaire and a secondary data collection sheet. Data collection involved one on one interviews with the managers, sending out the questionnaires to staff as well as data mining from the financial reports of the organization. Data analysis involved a detailed content analysis of qualitative data as well as a comprehensive quantitative analysis using a statistical package (SPSS) which produced both descriptive and inferential statistics. The findings were presented using tables, pie charts, and graphs for ease of understanding and inference making.

This study found out that the ability of an organization to liberalize its operational culture to fit in the target market is a key contributing factor to organization development. This study therefore concluded that for an organization to achieve development it must be able to adapt to its operating environment. The study found out that a well-paid workforce with a clear communication of the corporate strategy play a key role towards the development of an organization. The study concluded that well paid staff who have well defined work scope and chain of command are instrumental to achieving development. The study concluded that dynamism, continuous improvement of quality and the uptake of staff innovation contribute significantly to organization development. Lastly, the study concluded that, swift conflict
resolution mechanisms within an organization contribute significantly to teamwork which nurtures organization development.

The study recommended that organizations need to understand the dynamics of its workforce in terms of motivation and personal goals in order to maintain a productive and motivated workforce. Secondly the study recommended that for organizations to achieve growth and development, they should be able to easily adopt to the needs of the customers by being innovative in their operations. Furthermore, the study recommends that that any organization aiming to achieve growth and development must be ready to re-engineer its operations to serve the needs of the target market. Lastly, the study recommends that the managements of corporations must draft ways to serve internal conflicts before they derail the overall corporate strategy.
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DEDICATION

I dedicate this project to my parents for their devotion towards my education to date. Above all, I dedicate this project with thanks giving to the Almighty God for being with me through my education.
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CHAPTER ONE

1.0 INTRODUCTION

1.1 Background of the Problem

According to Cummings and Worley, (2005) organization development is a system wide application and transfer of behavioral science knowledge to the planned development, improvement, and reinforcement of strategies, structures and processes that lead to organization effectiveness. Burke, (2002) describes organizational development in terms of its approach to organizational change, centered on behavioral change and strong research methodology. French and Bell’s, (1999) defined organizational development as being a systematic process for applying behavioral science principles and practices in organizations to increase individual and organizational effectiveness. Organizational development also seeks to find a balance between promoting humanistic values within organizations, and applying the field’s competencies to the analytic and rational based approaches of efforts such as strategy formulation and organizational improvement (Worley & Feyerherm, 2003).

Kurt Lewin is widely recognized as the founding father of Organization Development (OD). In World War II, Lewin experimented with a collaborative change process based on a three-step process of planning, taking action, and measuring results (Lewin, 1958). He developed Laboratory training which involved learning from a person's "here and now" experience as a member of an ongoing training group. Such groups usually meet without a specific agenda (Johnson, 1976). Problems of leadership, structure, status, communication, and self-serving behavior typically arise in such a group. The members have an opportunity to learn something about themselves and to practice such skills as listening, observing others, and functioning as effective group members (Johnson, 1976). Cummings and Worley (2009) state that Kurt Lewin was also involved in the second movement that led to OD’s emergence as a practical field of social research. This second background refers to the processes of action
research and survey feedback, both important in the development of OD as a legitimate field of study (French and Bell, 1973). The action research contributions began in the 1940s with studies conducted by social scientists John Collier, Kurt Lewin, and William Whyte (Beckhard, 1969). They discovered that research needed to be closely linked to action if organization members were to use it to manage change (Beckhard, 1969). Cummings and Worley (2009) also noted that a key component of most action research studies was the systematic collection of survey data that was fed back to the client organization.

Beckhard, (1969) redefined organizational development as "an effort, planned, organization-wide, and managed from the top, to increase organization effectiveness and health through planned interventions in the organization's processes, using behavioral-science knowledge". Cummings and Worley (2009) stated that as they programs migrated to America, a variety of concepts and techniques were adopted and the approach tended to be more mixed than in Europe. Beckhard, (1969) noted the growing international competition faced by the United States and the low cost and high quality goods entering the markets management and began to look again at ways to improve employee productivity and satisfaction. It was from these roots that the ideas of employee involvement and employee empowerment came into being and are still in use today (French and Bell, 1973). Throughout the late 1970s and 1980s organizational development became a more established field with courses and programs being offered in business, education, and administration curricula. In the 1990s and 2000s organizational development continued to grow and evolve and its influences could be seen in theories and strategies such as total quality management (TQM), team building, job enrichment, and reengineering (Bradford and Burke, 2005).

According to Cummings and Worley, (2005) the key concepts of organization development are; Applying changes in the strategy, a change program aimed at modifying an organization’s strategy, for example, might focus on how the organization relates to a wider environment and on how those relationships can be improved. It might include changes both
in the grouping of people to perform tasks (structure) and in methods of communicating and solving problems (process) to support the changes in strategy and Applying the knowledge in functional organizations. These subjects distinguish OD from such applications as management consulting, technological innovation, or operations management that emphasize the economic, financial, and technical aspects of organizations. These approaches tend to neglect the personal and social characteristics of a system. Moreover, OD is distinguished by its intent to transfer behavioral science knowledge and skill so that the system is more capable of carrying out planned change in the future.

According to Lawler and Worley, (2006) managing planned change is an adaptive process for planning and implementing change which involves planning to diagnose and solve organizational problems, but such plans are flexible and often revised as new information is gathered as the change program progresses. If, for example, there was concern about the performance of a set of international subsidiaries, a reorganization process might begin with plans to assess the current relationships between the international divisions and the corporate headquarters and to redesign them if necessary. These plans would be modified if the assessment discovered that most of the senior management teams were not given adequate cross-cultural training prior to their international assignments.

Hamel, (2007) noted that the design, implementation, and reinforcement of change moves beyond the initial efforts to implement a change program to a longer-term concern for appropriately institutionalizing new activities within the organization. For example, implementing self-managed work teams might focus on ways in which supervisors could give workers more control over work methods. After workers had more control, attention would shift to ensuring that supervisors continued to provide that freedom. That assurance might include rewarding supervisors for managing in a participative style. This attention to reinforcement is similar to training and development approaches that address maintenance of new skills or behaviors, but it differs from other change perspectives that do not address how
a change can be institutionalized (Heracleous and Marshak, 2004) Effectiveness is best evaluated in three ways. First, organizational adaptability, secondly, high financial and technical performance and lastly high productivity (Cummings and Worley, 2005).

Lant, (2000) identified three major trends are shaping change in organizations: globalization, information technology, and managerial innovation. Globalization is changing the markets and environments in which organizations operate as well as the way they function. New governments, new leadership, new markets, and new countries are emerging and creating a new global economy with both opportunities and threats (Lant, 2000). For example, the toppling of the Berlin Wall symbolized and energized the reunification of Germany; the European Union created a cohesive economic block that alters the face of global markets; entrepreneurs appeared in Russia, the Balkans and Siberia to transform the former Soviet Union; terrorism has reached into every corner of economic and social life and China is emerging as an open market and global economic influence. Second, information technology is redefining the traditional business model by changing how work is performed, how knowledge is used, and how the cost of doing business is calculated. The way an organization collects, stores, manipulates, uses and transmits information can lower costs or increase the value and quality of products and services. Information technology, for example, is at the heart of emerging e-commerce strategies and organizations.

Third, managerial innovation has responded to the globalization and information technology trends and has accelerated their impact on organizations. New organizational forms, such as networks, strategic alliances, and virtual corporations, provide organizations with new ways of thinking about how to manufacture goods and deliver services. The strategic alliance, for example, has emerged as one of the indispensable tools in strategy implementation. No single organization, not even IBM, Mitsubishi, or General Electric, can control the environmental and market uncertainty it faces (Roth, 2008). Managers, OD practitioners, and researchers argue that these forces not only are powerful in their own right but are interrelated. Their
interaction makes for a highly uncertain and chaotic environment for all kinds of organizations, including manufacturing and service firms and those in the public and private sectors. There is no question that these forces are profoundly affecting organizations.

Organization development plays a key role in helping organizations change themselves. It helps organizations assess themselves and their environments and revitalize and rebuild their strategies, structures, and processes. OD helps organization members go beyond surface changes to transform the underlying assumptions and values governing their behaviors. The different concepts and methods discussed in this book increasingly are finding their way into government agencies, manufacturing firms, multinational corporations, service industries, educational institutions, and not-for-profit organizations. Perhaps at no other time has OD been more responsive and practically relevant to organizations’ needs to operate effectively in a highly complex and changing world (Bray, 2007).

Artcaffe Coffee & Bakery Ltd was started in 2008 with one branch at Westgate Mall. The restaurant introduced the European model of doing business which involved the combination of a full service bakery, coffee shop, bar and casual dining restaurant, open daily from 7am to midnight that targets customers of all ages who care about quality, ambience, community and value for money in the products they consume and their experience. Though initially the company intended to operate with purely the European model of a coffee house, the company integrated the local culture in their menu and the blend worked to produce delicious signature dishes, cocktails and events, we have evolved into the definitive Kenyan dining experience. Currently Artcaffe is more than a restaurant, it is a lifestyle and a social hub in the buzzing capital of Kenya. The brand has become synonymous with unique design, use of space and environment that’s created “the Artcaffe experience”. Currently the company operates under five different Kenyan brands with over 20 locations across the capital city of Nairobi.

The company has grown from a one restaurant start up to a twenty branch group of prominent brand names in less than ten years. This has been achieved through a consistent
implementation of a well-defined corporate strategy through a continuous quality improvement program which is well integrated with a well-defined human resource policy. The growth is commendable considering the statistics that more than 70% of start-ups fail in less than 3 years. This study therefore intended to bring out the key factors that have contributed significantly to the organization development in Artcaffe Coffee & Bakery Ltd.

1.2 Statement of the Problem

Lewin, (1958) developed the three step approach to organization development which involved planning, taking action and measuring results. According to Cummings and Worley, (2005) applying changes in the strategy, structure, and/or processes of an entire system, transfer of behavioral science knowledge and practice, managing planned change, design, implementation, and the subsequent reinforcement of change and improving organizational effectiveness as the key concepts of organization development. In the past, management perspectives have evolved from the classical viewpoint, to a humanistic perspective, and then subsequently to a management science perspective, systems theory, contingency views, total quality management and culminated with the learning organization paradigm (Daft, 2000).

Robbins and Coulter, (2002) conducted a study on how managers can steer change and found out that managers who effectively challenged conventional wisdom, managed the organization’s knowledge base and made the needed changes were very successful in developing organizations in terms of size and turnover. This notion was supported by Garvin (1993) who argued that continuous improvement requires a commitment to learning. According to Bennett and O'Brien (1994) to survive and prosper on the white-water ride into the twenty first century, organizations must adopt new ways of managing change consciously, continuously and quickly. Hunger and Wheelen (2002) assert that people at all levels, not just top management need to be involved: scanning the environment for critical information, suggesting changes to strategies and program to take advantage of
environmental shifts and working with others to continuously improve work methods, procedures and evaluating techniques.

In the Kenyan context, Tubey, Rotich and Kipkelwon, (2014) studied organization development in Moi university and recommended that the university should adopt the decentralized approach to strategic planning so as to allow the staff at the lowest level of management feel part of the process. Khator, (2012) studied the Postal Corporations of Kenya and found out that staff resisted performance contracting as a method of ensuring service delivery since it was viewed as a strategy to force them work as in the private sector. He concluded that the challenge in the public sector in performance has never been the lack of will but the bureaucracy and political influence the leaders in the organizations face on almost a daily basis. This shows that there is a research gap on the factors that drive organization development in the private sector in Kenya hence necessitating this research. This study therefore sought to answer the question, what factors influence organization development? The study was based on a case of Artcaffe Coffee and Bakery Limited.

1.3 Purpose of the Study

The main goal of the study was to establish the factors that influence organization development focusing on a case study of Artcaffe Coffee & Bakery Ltd.

1.4 Research Questions

The study was guided by the following research questions;

1.4.1 What aspects of organization development that are evident in Artcaffe Coffee & Bakery Ltd?

1.4.2 How has workforce planning and development contributed to the organization development in Artcaffe Coffee & Bakery Ltd?

1.4.3 What is the impact of continuous quality improvement on the organizational development in Artcaffe Coffee & Bakery Ltd?
1.4.4 To what extent has swift conflict resolution mechanisms have contributed to organizational development in Artcaffe Coffee & Bakery Ltd?

1.5 Significance of the Study

1.5.1 Academics

It added to the body of knowledge on organization development as well as being used as a resource by future researchers on organization development. The study brought out the various aspects of organization development which will be very resourceful in future studies and researches. Secondly the research was resourceful to researches about the growth in the hospitality sector in Kenya over the last decade.

1.5.2 The Management of Artcaffe Coffee & Bakery Ltd

It was resourceful to the management of Artcaffe Coffee & Bakery Ltd as it highlighted the major strengths of the company as well as highlighting areas that need to be looked into for a brighter future. The study enabled the management evaluate on its internal strengths and weaknesses as well as conduct a market survey to establish their opportunities and threats (SWOT analysis) as they plan on future growth.

1.5.3 Managers of other Businesses

It was resourceful to managers of start-up companies who are struggling to stabilize in the business environment. Statistics show that majority of start-ups rarely survive their third year of operation. This means that only the businesses that are able to focus on the customer niche and market dynamics survive to be profitable and sustainable in the future. This study therefore intends to give resourceful highlights to potential managers of start-up businesses on the dos and don’ts when growing new businesses. Secondly, it gave give insight to managers of companies struggling to grow but are faced with numerous challenges. Many organizations are faced between growth and retaining the current status quo. Many
organizations stagnate as a result of a complex interplay of organizational aspects for example organizational culture, workplace politics, lack of innovation, inflexibility and over reliance on one product line. Thus study was resourceful to managers of other similar organizations facing growth challenges and gave insight on the possible growth strategies.

1.6 Scope of the Study
Organizational development is a complex interplay of the various organizational resources (capital, human resource and management) in order to achieve organizational growth. This presents the study with a wide approach to the research problem. However, the study focuses on Artcaffe Coffee & Bakery Ltd as a case study so as to analyze the key factors that have led to the remarkable growth of the company from a one branch organization in 2008 to one of the leading luxury coffee and pastries joint with over 20 locations in Nairobi’s main shopping malls in less than 10 years.

1.7 Definition of Terms
1.7.1 Organizational Development is a system wide application and transfer of behavioral science knowledge to the planned development, improvement, and reinforcement of strategies, structures and processes that lead to organization effectiveness (Cummings and Worley, 2005).

1.7.2 Organization Performance Management refers to the customized facilitation and training services that focus on organizational performance improvement. Using facilitated meetings, we work with management to undertake organizational change involving planning, self-assessment, organization diagnosis, feedback processes, data gathering and measurement, and action planning with the objective to improve the organization's capacity (Garavan, Gunnigle & Morley, 2000)

1.7.3 Workforce planning and Development refers to guidance, facilitation and training on managing staffing decisions and developing organizations' succession plans to address the needs of our changing workforce (Cannon, 2007)
1.7.4 **Quality Improvement** refers to the equipping of staff with specialized resources, training courses, seminars, conferences, and networking opportunities are available to improve quality in state government. Training can be customized to meet your agency's needs (Hartley, 2005).

1.7.5 **Conflict Resolution** refers to the informal, but structured, facilitation services and training to assist individual participants in working through and resolving their problems, resolving conflicts, and promoting positive working relationships (Hartwick, 2004).

1.8 **Chapter Summary**

This chapter brought into perspective the intention of the study to investigate the factors that influence organization development in corporate organizations. It brought out the background of the study, the research problem, the purpose of the study, the research questions as well as the significance and scope of the study. The next chapter reviews literature by past scholars on the various aspects of organization development.
CHAPTER TWO

2.0 LITERATURE REVIEW

2.1 Introduction
This chapter reviews past literature from past scholars on organization growth and development. The study reviewed the concept of organizational development, review the various schools of thought on organization development and lastly do an empirical review on the various concepts of organization development in an attempt to evaluate the growth in Artcaffe Coffee & Bakery Ltd.

2.2 The Aspects of Organization Development
According to Beckhard (1969), organization development refers to a planned organization wide effort that is managed from the top, to increase organization effectiveness and health through planned interventions in the organization’s processes, using behavioral-science knowledge. McLean & McLean, (2001) adopted a bigger scope and defined organization development as any process or activity, based on the behavioral sciences, that, either initially or over the long term, has the potential to develop in an organizational setting enhanced knowledge, expertise, productivity, satisfaction, income, interpersonal relationships, and other desired outcomes, whether for personal or group/team gain, or for the benefit of an organization, community, nation, region, or, ultimately, the whole of humanity. Organization development focuses on assuring healthy inter- and intra-unit relationships and helping groups initiate and manage change. Organization development’s primary emphasis is on relationships and processes between and among individuals and groups. Its primary intervention is influence on the relationship of individuals and groups to effect an impact on the organization as a system (Cummings and Worley, 2005)

Bunker, Alban, and Lewicki (2004) proposed six areas that could revitalize the field of organizational development in the future: virtual teams, conflict resolution, work group
effectiveness, social network analysis, trust, and intractable conflict. Recent literature has linked organization development and psychological well-being of employees. De Klerk, (2007) noted that the emotional trauma on staff as a result of downsizing, outsourcing, mergers, restructuring, continual changes, invasions of privacy, harassment, and abuses of power, many employees experience the emotions of aggression, anxiety, apprehension, cynicism, and fear, which can lead to performance decreases. deKlerk (2007) also suggested that in order to heal the trauma and increase performance, O.D. practitioners must acknowledge the existence of the trauma, provide a safe place for employees to discuss their feelings, symbolize the trauma and put it into perspective, and then allow for and deal with the emotional responses (Wheatley, et al., 2003).

According to Cummings and Worley, (2005) organization development majorly views the growth and expansion of an organization in totality as opposed to the components of growth. This view means that all the factors that contribute to organizational development are deemed to work towards the overall good of the organization. However, various scholars have come up with different ways of evaluating the various factors that contribute more to development. Senge, (2006) stated that the biggest resource any organization can apply to achieve development is human capital. This means that despite heavy investment in technology and automation of work processes, the contribution of staff is crucial for any organization to achieve growth.

2.2.1 Goal Setting

Large organizations majorly face the challenge of aligning the individual employee goals and the overall organizational goals. Large organizations have a higher degree of specialization and hence it is possible to find that in some cases job descriptions literary describe an individual as opposed to the organizational role the position plays. This makes employees sometimes feel out of position as their personal goals and motivations are not incorporated in the organizational goal. According to Locke & Latham, (2012) goal setting is the process of
linking individual employee’s goals with the overall goal of the organization. This involves an integrated approach where the organizational goals are communicated to staff but also incorporating the input of staff in the goal setting exercise. Senge, (2009) noted that when goal setting is an all-inclusive process, the implementers are likely to work in unison towards the larger good of the organization. Similarly, when staff are not involved in the goal setting process, resistance tends to come in and the larger goal of the organization is derailed (Eikenberry, 2011).

According to Rothwell, (2010) the goal setting process should be all inclusive so as to ensure the goals of the organization fits the skills set of the team. This means that the goal setting exercise starts with the executive who communicate to the line managers who hold goal setting meetings with the middle level managers to ensure unity of purpose. This process continues until all the members of the team have full knowledge of goals of the organization and then they forge together towards a common goal. This style of goal setting ensures that there is proper communication in both ways (bottom to top and top to bottom). This matches the strategic management structure where short term goals are matched with the strategic goals (Long Term) of the organization. This style of goal setting ensures the organization works in unison to achieve development. (Rothwell, 2010).

2.2.2 Job Redesign

According to Anderson, (2011) a job redesign is defined as a planned, deliberate restructuring of the work structure so as to improve productivity and staff performance. Job redesigns can take various forms depending on the expected long term desired effect of the change. This redesign may take the form of job enrichment, specialization, re-engineering, rotation, enlargement, and automation of some tasks (Griffin & Woodman, 1985). These techniques are successful when applied in a systematic manner so as to incorporate all the stake holders and change structures within the organization (Senge, 2006). This redesign however may have casualties in the sense that some job descriptions may be rendered redundant leading to
loss of jobs. This therefore needs to be taken with the sensitivity it comes with failure to which resistance is inevitable.

Low staff morale among employees is common in large organizations due to the lack of a job fit between the goals of individual employees and the larger organizational goals. Job redesign therefore streamlines the organizational goals to the individual goals of specific employees. This runs from the senior management level to the operational level. Job redesigns eliminates duplication of duties and ensure a higher level of employee involvement and organizational commitment (Chelst, 2012). This makes employees feel values and involved in the decision making process. In most organizations, Job redesigns have led to increased productivity motivation and organizational performance (Herzberg, 2009).

2.2.3 Quality Circles

Developed by Japanese firms, the quality circles method of dealing with work related problems gained popularity in the US in the 1980s. This mechanism was designed to speed up communication among the top management for faster implementation of policy (Katzan, 1989) According to McHugh & Dale, (1989) Quality circles were ideal for large conglomerates whose area of operation was wide and hence making decisions from a central point would ensure uniformity and inclusivity among the team members. Each member of the circle would float an idea then the others would brainstorm over it and make the final decision based on the deliberations of the group

Typically a quality circle comprised of between five and ten members, who held similar positions or shared the same profession across the industry who would meet periodically to identify and devise means of solving work-related problems. Each of the quality circle had an appointed leader, and the other members were trained in problem solving and were guided by a facilitator who was a consultant. The circles would then focus on the goals and submit proposals to the management for change to be effected. The Centre for Creative Leadership
would then typically review proposals, with the aim of either accepting or rejecting them, and allocate resources for implementation as needed

2.3 Workforce Planning and Organization Development

Human capital in an organization forms one of the most valued assets an organization can use to gain competitive advantage over its competitors. This means that an organization can apply sound Human resource management policies to attract, train, motivate and retain valuable workforce. Sound HRM practices have been linked to improved organizational performance (Kuchinke, 2003). According to the contingency theory, the HRM strategies applied in an organization should be streamlined with the overall organization strategies. Various scholars (Wood, 1999; Wimbiscus, 1995) have developed contradicting literature over the contribution of HRM to organization development.

However, Holton & Naquin, (2005) highlighted the contribution of training on organization development. These findings complemented the findings of an earlier study by Garavan, McGuire & O’Donnell, (2004) who concluded that human competencies (Both trained and untrained) are the key aspects considered by most employers when selecting staff who are expected to positively transform the organizational performance. Other scholars (Snell, Lepak, & Youndt, 1999) disagreed with this notion and insisted on the contribution of teamwork and groups of employees to the workplace.

2.3.1 Workforce Development and Organization Development

Organization development is a direct consequence of organizational performance. Likewise, organizational performance is as a result of sound human resource development policies. This shows that work force development is positively correlated to organization development (Garavan, Gunnigle & Morley (2000). Though there is scanty literature linking organization development directly to deliberate human actions empirical support (Torraco, 1999; Bartlett, 2001) show a positive indirect relationship. According to Tracey et al., (2001) linked training and development efforts by organizations to increased levels self-efficacy and motivation.
Further research (Mabey & Gooderham, 2005; Mabey & Ramirez, 2005) link organization performance to a strategic fit of the Human resource policies applied in the management of the workforce. Additionally, Lopez, Peon, & Ordas (2005) are also of the view that organizational learning and development plays an intermediate role between HRM practices and Organization performance.

2.3.2 Workforce Development and Competitive Advantage

Empirical research (Becker and Huselid, 1998; Wright et al., 2003), apply the RBV perspective of using human resource development to achieve competitive advantage over industry competitors. According to Mabey & Gooderham, (2005) human resource development aims at improving the skills set of employees in a bid to improve productivity, motivation and retention. Lopez et al., (2005) noted a positive correlation between sound human resource development practices and organizational performance. Earlier scholars, (Mayo, 2000; Mabey & Ramirez, 2005) had applied the RBV perspective to show the competitive advantage gained by an organization by its ability to exploit the distinct skills set among its pool of human resources and capabilities. They argued that the difference in organization performance can be explained by the difference in the skills sets of the workforce in different organizations. This thus led to the notion that the human capabilities in an organization can be a stepping stone to its performance. Ferris et al, (2007) argued that the application of technology may not yield the desired competitive advantage if the human resource management aspect is ignored. They insisted that sound HRM policies had a bigger impact on organization performance than the application of technology. This notion complemented the work of Bartlett, (2001) who highlighted the significance of training and development of staff on the organizational commitment of the workforce

2.3.3 Workforce Skills Development and Organization Development

Using the tenets of the RBV approach, Appelbaum & Reichart (1998) noted that an organization’s pool of human resource competencies largely depends on the human resource
management policies applied. On this light, Raghuram (1994) noted that staffing and training are key to ensuring the development of the necessary skill sets and human competencies to ensure competitive advantage in the market and improved and organizational performance. Though competitive advantage may result from the employees themselves and not the policies used to manage the workforce. However it is important to note that the recruitment and selection process forms the base for building a competence based pool of human resources and capabilities.

Various studies (Bartlett, 2001; Fey et al., 2000; Wright et al., 2003) have linked individual as well as team training and development as a powerful tool to add new skills to the existing employee skill set. Continuous improvement of employee skills set creates future benefits through better productivity and performance (Shih, Chiang, & Hsu, 2006). The processes of sourcing and developing the workforce aims at improving the skills of employees and is deemed to have a one on one impact on the attitudes, motivation, satisfaction and commitment of the workforce.

Substantial research has been carried out on the key determinants of organizational performance. However, most of it revolves around organizational commitment, job satisfaction and motivation. Staff attitudes and behaviours are generally driven by the HRM policies applied by the organization. For example employees tend to stay longer in an organization which they perceive values their future through training and development (Katou & Budhwar, 2007). The policies applied are portrayed in employee behaviours such as low staff turnover, productivity and low absenteeism (Guest, 2001).

According to Campbell, (1990), employee’s attitudes have a direct impact on employee behaviour which subsequently affects the organizational performance. Hardre, (2003) argued that employee retention and turnover largely depends on job satisfaction, motivation and commitment. Employee retention would be difficult if employees loose motivation and commitment to an organization. However, Bartlett, (2001) argued that individual employee
satisfaction usually comes before organizational motivation and commitment. This means that there is a strong correlation between job satisfaction, employee motivation and organizational commitment.

According to Richard & Johnson, (2001) the capital intensity in a firm and size of the workforce were the two major variables explaining performance variances and were hypothesized to have a positive impact on organizational performance. This impact is expected to have a positively or a negatively associated with the Human resource management policies depending on the parameters used. In the long run, the behaviour of the workforce as well as the union intensity may not affect their productivity and organization performance (Delbridge & Whitfield, 2001).

According to Doty & Delery, (1997) sound human resource management policies have a positive impact on the performance of an organizations since they ensure a skilled, empowered and motivated workforce. This notion is echoed by Fey et al., (2000) who noted that staff competencies, attitude and motivation played an important link between human resource policies applied in a firm and its performance. This would be mediated by employee satisfaction, flexibility and commitment as the intermediate variables (Guest, 2001). In addition, employee retention, involvement and social climate were also identified as possible intermediate variables that may determine the relationship between the HRM policies and firm performance (Boselie, Paauwe, & Jansen, 2001).

In order to ensure that our employees are equipped with the right kind of skills, knowledge and abilities to perform their assigned tasks, training and development plays its crucial role towards the growth and success of our business. By choosing the right type of training, we ensure that our employees possess the right skills for our business, and the same need to be continuously updated in the follow up of the best and new HR practices. To meet current and future business demands, training and development process has assumed its strategic role and in this regard few studies by Stavrou et al.’s (2004) and Apospori, Nikandrou, Brewster and
Papalexandris’s (2008), have attained much importance as these highlight the T&D practices in cross-national contexts. Apospori et al. (2008) had deduced that there is a considerable impact of training on organizational performance. Differently from these studies, Cunha, Morgado and Brewster (2003) were the only ones who could not determine the impact of training on organizational performance, and suggested that another study on analysis of this relationship was needed.

2.4 Continuous Quality Improvement on Organization Development

According to Lynn, (1997) Innovation must not simply be another name for change, or for improvement, or even for doing something new, lest almost anything qualify as innovation. Innovation is properly defined as an original, disruptive, and fundamental transformation of an organization’s core tasks. Innovation changes deep structures and changes them permanently’. So to put it simply, innovation must be something new (at least for the organization), needs to bring with it another way of doing things, and last but not least, should result in improvement. According to Hartley (2005) innovation represents a step change (or a disruptive change) for the organization or service, in contrast to continuous improvement. Therefore, ‘not all organizational changes qualify as innovations’.

2.4.1 The PDCA Cycle Approach

![Figure 2.1 Innovation and organization improvement](image)
The PDCA cycle or Deming cycle (after its ‘inventor’ W. Edwards Deming), described in the 1950s, reflects this continuous improvement thinking in a perfect and moreover simpler way. In everything an organization does, ‘planning’ should be at the basis: a well-defined, thoroughly considered and reflected approach to what the organization wants to achieve, how to do this, how to measure results and so on. This is done in organizations via strategic (multi-) annual plans, work plans on an organization-wide, departmental, unit and even individual level. These ‘plans’ need to be implemented, executed and permanently monitored (the ‘DO’ phase). After implementing, a process of evaluation should take place. The achieved results need to be measured and analyzed. Implementation needs to be assessed against the initial plans and objectives. From this ‘checking phase’ lessons need to be drawn for the next time (‘act / adjust’ phase): e.g., How can the organization learn from this and do things better the next time? The most well-known approaches building upon these principles are the Kaizen approach (quality circles) (Imai, 1996) and recently also Lean thinking approaches (Womack and Jones, 1996).

**Figure 2.2 Process of Continuous Improvement**

**Source:** Womack and Jones, (1996)
In describing both innovation and continuous/incremental improvement, we are not judging what the right strategy for an organization is. Crucial in both innovation and continuous improvement, is the attitude of an organization to be open for new ideas (whether they are classified as innovations or incremental improvements). Popovich et al. (1988) describe these aspects for high performance organizations as ‘[high performance organizations] are clear on their missions, define outcomes and focus on results, empower employees, motivate and inspire people to succeed, are flexible and adjust nimbly to new conditions, are competitive in terms of performance, restructure work processes to meet customer needs, and maintain communications with stakeholders’

2.4.2 The Total Quality Management Approach

According to Gilbert, (1992) TQM is a method by which management and employees can become involved in the continuous improvement of the production of goods and services. It is a combination of quality and management tools aimed at increasing the business and reducing losses due to wasteful practices. The quality of an organization is defined and assessed from a perspective of different groups of people. Moreover, the quality of services decides on the perception of the within its parent organization (Gilbert, 1992).

According to Deming’s (1986) first component is considered as Leadership. The presence of leadership quality in the Management would go long way to drive out the fear of change that the employers may perceive in Total Quality Management effort. The challenge is to build a management team that possesses such characteristics. The two intellectual capabilities that is essential to the leader is ability to perform abstract thinking; to move from concrete experience to a set of generalized ideas; and back to concrete experience again in ways that change the way the people think about the problem or an opportunity. The leadership of an organization must be committed to continuous improvement. This commitment must be visible throughout all layers of management. Management must "walk the talk" (Heinbuch, 1993).
Williamson, (2009) noted that the leaders must possess a vision and share the vision with everyone. Since the success of the organization depends upon the leadership ability of Management to lead the team and take into confidence and work in team support in achieving customers satisfaction in the light of the objectives of the organization. Efforts have been made to identify the leadership quality of the Management in achieving Total Quality Management in the workplace. Leadership is a work-in-progress and is a practical step in a journey to change organizational culture and build individual and organizational leadership capacity.

Ahmed, (2012) noted that policy and strategy designed by the organization should be made aware to the stakeholders. The customer services and satisfaction lie at the heart of the service quality and therefore the management should focus upon the problem definitions. Additionally, Garavan, (1997) noted that a training program enabled staff to become familiar with the techniques such as latest development in their field. Thus, the training and development eliminates wastage and enabling continuous improvement. The training, development and education of employees at all levels within organizations are now considered a vital component in maintaining competitiveness in the international arena. It is also of some significance within the human resource management and development literature.

It is certainly true that, as long as there is an understandable human desire for development exists between the management and its staff achieving total quality management is not an impediment rather it is a simple task. The managers needs to develop an attitude of awarding their staff for better performance, which will boost the morale of staff in achieving Total Quality Management (Stuart, 2007). The effective cooperation and co-ordination among staff and the management is a basic necessity for achieving quality goals in the organization. The form of recognition should fit the accomplishment; in other words, the value of the recognition should be commensurate with the value of the accomplishment (Porter and Parker, 1993). Working in teams is one of the
current popular management techniques and it is becoming increasingly common for academic Managements to work with others on campus to solve problems, deliver services, develop information resources, create facilities and formulate policies. Graham (2003) noted that it was tough to have teams that are very good about giving new workers safety guidelines and saying, look, if you are ever in doubt, make sure that you come and ask.

Schmiedel, (2007) came up with a methodology of re-thinking the functions and objectives of the management is to start from a zero-base, this approach will identify what the organization aims to do and how to do then calculate, what information resources are needed to serve the institution, objectives effectively. The budget projects the amount of financial support required for personnel, equipment and suppliers needed to carry out the show of the library.

According to Cordes, (2007) the pursuit of quality must become the primary motivation in the organizational process. The wide range of activities and services aimed at collecting, organizing, maintaining and delivering information services and products. If however, the work process by which service was delivered is examined, there is an opportunity to say confidently that services was delivered is examined, there is an opportunity to say confidently that services were improved. With the emergence of computers and communication technology on one hand and complex needs of user community, there is a need to improve the work processes on the basis of principle that nothing is constant and change for betterment is the ultimate. The management should authorize their staff to identify the key processes of the organization and assist for improvement in the execution of the work processes Cordes (2007).

2.4.3 The Balanced Score card Approach

The Balanced Scorecard (BSC) also enables organizations to clarify their vision and strategy and translate them into action (Kaplan and Norton, 1992). It provides feedback around both
the internal business processes and external outcomes in order to continuously improve strategic performance and results. The balanced scorecard suggests that the organization must be viewed from four perspectives: customers, finance, process, and innovation and learning. Metrics must be developed, data collected and analyzed relative to each of these perspectives.

### 2.5 Swift Conflict Resolution and Organization Development

Conflict occurs because individuals have different perceptions, beliefs and goals. Barki and Hartwick (2004) explain conflict as “a dynamic process that occurs between interdependent parties as they experience negative emotional reactions to perceived disagreements and interference with the attainment of their goals”. Jehn and Bendersky, (2003) defined it as a perceived incompatibilities or discrepant views among the parties involved. Conflicts can produce severe problems in an organization; it can certainly hurt an organization’s performance and lead to the forfeiture of employees. Despite this, studies conclude that not all conflict is bad. Conflicts sometimes bring about positive consequences such as new ideas, stimulating creativity, motivate changes, and serves as a safety value to indicate problems. However, when conflict in an organization turns negative, it becomes necessary to take measures that might lead to consequences such as resource wastage, breaking of group cohesions creating of negative climate, threatens psychological well-being, increase hostility and aggressive behaviors.

Coleman, (2000) further noted that power plays a role in most conflicts. In his study, he draws on a variety of the social sciences to develop a working definition of power. He then explores the implications of this definition for conflict resolution, focusing on power strategies commonly used during conflicts. Finally, he examines the implications of his findings for training in conflict resolution. According to Roy, (2008) in ordinary life, process and possession are vaguely interwoven in the ways we talk about power. It is something bad, a process of exercising control over people and resources. Power is seen as ruthless,

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uncooperative, competitive, and wounding. But sometimes power is a good thing, an ability to get things done, a set of admirable attributes. In either rendition, power is laden with value judgments; the concept itself reeks of power.

### 2.5.1 Conflict Reduction and Prevention

According to Nahavandi and Malakzadeh (1998), conflict reduction or prevention can use the behavioral or attitudinal approach to manage conflicts. Behavioral conflict reduction and prevention methods include enforcing rules, separating employees, assigning clear tasks, having a common enemy, outside competition, increasing resources and rewarding cooperation. Attitudinal conflict resolution methods include, having a common enemy, rotating employees, increasing resources, team building and organizational development. Nahavandi (1998) also stated that since conflict can also bring about positive consequences, managers can stimulate conflict through introduction of change, increasing task ambiguity and creating interdependence or competition.

Robbins and Langton (2001), defines conflict management as the use of resolution and stimulating techniques to achieve the desired level of conflict. They however identified the resolution technique as problem solving (face to face meeting), expansion of resource, avoidance, altering the structural variable that is changing the formal organizational structure and interaction patterns of conflicting parties through job design and transfer. They also identified the stimulation techniques as communication where threatening messages are used to increase positive conflict level, appointment of devil’s advocate and restructuring of the organization.

Debra and Campbell (2005), indicate that for effective resolution and management of conflict, measures or techniques such as appealing to subordinate goals, expanding resources, changing personnel, changing structure, confronting and negotiation could be put into effect. They also stated that in negotiation, managers can use variety of conflict management styles including avoiding, accommodating, competing, compromising and collaborating. In
addition, managers should strive to create a conflict – positive organization that is one that values diversity empowers employees and seeks win – win solution to conflicts.

2.5.2 Conflict Resolution

The development of conflict and its resolution tend to follow a pattern. This is however based on the work of Pondy (2007), where he identified six steps of conflict process. A number of conditions have been linked with the degree of conflict (Walton, Dutton and Cafferty, 2009, Corwin 2009). They are not necessarily causes of conflicts but they seem to be associated with higher rate of conflict and may well predispose a situation in that direction. These conditions create room for conflicts to arise. According to Robbins and Judge (2011), the antecedence conditions can be condensed into three categories: communication, structure and personal variables. Another part of the conflict process has to do with how parties perceive the situation of each other, this is an independent group. Parties often engage in conflict because one party perceives that his interests are being opposed or negatively affected by another. The parties also engage in conflict because they perceive a situation as involving limited alternatives.

Pondy (2007), posit that feelings and attitudes alter the relationship between objective conditions and potentially result in conflictive outcome. Where parties value cooperation and believe that success in their relationship depends upon the attainment of the needs of both, their behavior is likely to be different than when the parties value competition and believe that one can win only at the others expense. , Robbins and Judge (2011) explain this stage as a level which is characterized by emotions such as anxiety, frustration, tension or hostility. Eventually “something happens”. The game being, the fight breaks out, the argument starts, the negotiation begins. It is also possible that the parties perceive a problem to exist and begin problem solving behavior at this point, without ever having engaged in conflict. If conflict does occur, the parties engage in activities which in some way interfere with the goal attainment of each other. Conflict resolution or suppression activities are those which are
directed at reducing or sending such conflict. A variety of methods are used to resolve conflict. Some of these essentially involve the victory of one side and the defeat of the other. Others involve splitting the difference, compromising or the use of problem solving.

Filley (2009) suggested that the prevalence of the former method of domination and compromise over problem solving is probably due to the fact that they are so widely parched. The resolution of conflict leaves a legacy which affects the future relations of parties and their attitude about each other. Where one party wins and the other loses, the defeat may lead to antagonistic or self-depreciation feelings on the part of the loser. Burke et al (1994), were of the view that they have given more than they have received, exhibit feeling of defeat, and manifest a low level of commitment to agreements. Finally, when conflicts are solved, it is likely that trust, commitment and future conflict will be handled effectively than when resolution are not the result of problem solving.

Neill (2000) identified that the various methods for dealing with conflict may be grouped according to their outcomes. These outcomes may be called win-lose, lose-lose and win-win. Methods that typically results in win-lose outcomes include dominance through power or authority, ignoring attempts at influence, majority rule and railroading. The use of dominance through powers or authority is common. Through it, arbitrary actions are justified by saying ‘‘you must follow my orders because I am the boss, parents or teachers and I know what is good for you’’. The effect of this exercise of unilateral power is predictable. Losers typically engage in non-productive behavior than winners. They screen communication to the winners making it feel positive, address more remarks to the winner; become non aggressive in their statements and fail to identify with goals of organizations. The creation of losing feelings may actually alter the energy creativity, and measure intelligence of the loser in a negative direction.
2.5.3 Conflict resolution and Organization Development

According to Neil (2000), these methods are based on the notion that ‘half a loaf is better than none’, or that ‘something beats nothing all to hell’. Typically lose-lose methods are compromise, bribing resort to arbitration and resort to rule. Arbitration is the settlement of disputes between two parties by means of the binding decision of an impartial power. In compromise, the parties generally disagree about two solutions and settle for something in-between. Hall (2001), showed that when certain group’s process rules are used, the group decision is frequently better than the individual decision. For the reason, consensus decision is recommended for the final selection of alternatives in integrative decision making.

Filley (2009) conducted a stimulation exercise where groups of people were requested to rank in order, groups of items of their desirability for a trip across the moon. Typical process rules that lead to consensus decision in such case suggested that participants focused on defeating the problem rather than each other; that they avoid voting, trading or avenging to make their decision. They use facts rather than force to solve problems that they accept conflict as helpful, providing that does not elicit threat or defensiveness; and avoid self-oriented behavior to exclusion of consideration for others needs or position.

2.5 Chapter Summary

This chapter reviewed past literature on organization development in order to link the scholarly work with the context of Artcaffe Coffee & Bakery Ltd in order to understand the key drivers of organization growth and development. Chapter three presents the statistical backing of our study by detailing the research methodology which were used to validate the study.
CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter outlays the statistical tools that were used in this study. It outlines the research design, the study population, the sampling design, the data collection methods and procedures and the techniques that were used in the analysis of the data collected.

3.2 Research Design

According to Wyk (2013), a research design stipulates what data is required, the methods used to collect and analyze data as well as how to achieve the study objectives. According to Leedy, (2003) a research design involves the planning, organization, collection and analysis of data so as to provide answers to questions such as: what techniques were used to gather data? What sampling strategies and tools were used? And how time and cost constraints were dealt with. The study adopted an analytical research design since it seeks to have an all-round approach to the research problem. This research design enabled the researcher to bring out the various aspects that contribute to organization growth and development.

3.3 Population and Sampling Design

3.3.1 Population

Cooper and Schindler (2011), describes a population the total collection number of elements about which conclusions and inferences are to be made about. For the purposes of this study, the entire workforce of Artcaffe Coffee & Bakery Ltd acted as the study population. However, the population was stratified into three; the executive, the departmental managers
and the other staff. The executive comprises of the group CEO, the Deputy CEO and the General Manager. The organization has eight functional departments; Finance, Marketing, ICT, Audit, HR, Operations, ICT and Legal. All these departments work hand in hand to support the business and implement the corporate strategy. The other staff include operational managers and support staff of each of the restaurants across the city.

3.3.2 Sampling Design

3.4.2.1 Sampling Frame

This study adopted a case study approach where Artcaffe Coffee & Bakery Ltd was studied for organization development and management. According to Yin (2014), a case study research has a prominent place in the study of disciplines and professions in sociology, education and administrative science. This approach enabled the researcher identify the key success factors behind the organization and make conclusions about the study population.

3.4.2.2 Sampling Technique

According to Collins & Hussy, (2009) the sampling technique is the process of selecting the specific methodology to decide on which entities in the study. The study adopted a stratified simple random sampling method. Stratification is the process of segmentation of the members of the population into homogeneous sub groups before sampling starts. A simple random sample is considered a special case in which each population element has a known and equal chance of selection (Copper & Schidler, 2011). For the purpose of this study, a stratified sampling approach was used where staff picked purposively from the three levels of management; the executive, the departmental managers and the other staff.
3.4.2.3 Sample Size

According to Chandan et al., (2010), a sample size is the number of sampling units selected from the population for investigation. In statistics, a sample is said to be representative if the inferences and conclusions made from the sample replicate the characteristics of the population. For the purposes of this study, the sample was chosen differently for the different strata of respondents targeted. For the executive, a census was feasible since they are only three. For the departmental heads, the study interviewed the Finance, Human resource, marketing and Operations managers who were purposively chosen for the study since they were considered the key drivers to organization development. For the other staff, a random sample of 30 respondents was chosen for interview. This was done to ensure that any member of staff had an equal chance of being chosen as a respondent in the study. Table 3.2 below presents the sample size.

Table 3.1 Sample Size

<table>
<thead>
<tr>
<th>Target</th>
<th>Number of Individuals</th>
<th>Sampling Method</th>
</tr>
</thead>
<tbody>
<tr>
<td>Executive</td>
<td>2</td>
<td>Census</td>
</tr>
<tr>
<td>Departmental Managers</td>
<td>8</td>
<td>Purposive Sampling</td>
</tr>
<tr>
<td>Other Staff</td>
<td>30</td>
<td>Random Sampling</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>40</strong></td>
<td></td>
</tr>
</tbody>
</table>

3.4 Data Collection Method

Kothari, (2009) describes a data collection method as the technique used to obtain the data from the respondents. These techniques include interviews, questionnaires, observations, focused group discussions and data mining (for secondary data). The study used both primary data and secondary data. Primary data was collected from the staff of Artcaffe
Coffee & Bakery Ltd by use of an open-headed interview guide to capture the qualitative aspects of the organization. The researcher scheduled interviews with the various executives and departmental managers of the company on various dates and locations so as to get an in-depth understanding of the actions by management that have significantly contributed to commendable organizational growth in less than 10 years since its commencement of business. All the interviews were video recorded.

A structured questionnaire was administered to the other staff to capture their opinion regarding development in the organization. Secondary data was collected using a data capture sheet which majorly capture the quantitative aspects of the company. These aspects are; the total turnover, the operating profit, the number of staff and the number of branches. The researcher obtained the financial statements for the period 2008 – 2016 and captured all the elements needed for the study. Prior to the actual data collection, the researcher conducted a pilot test on the research instrument on the Westgate Mall branch so as to test the reliability of the research instruments and they met the threshold of 0.7 on the Cronbach alpha scale Cronbach (1971).

3.5 Research Procedures

According to Mugenda and Mugenda (2003) data collection procedure describes the steps that were followed during the collection of data from the respondents. The data collection involved administration of the interview guide on a one on one basis between the researcher and the managers and operational staff of Artcaffe Coffee & Bakery Ltd. This was followed by a deliberate secondary data mining from the finance department of the company in order to capture the financial performance of the company for the last 10 years it has been in operation. This was done concurrently so as to save time and minimize on the cost implication on the researcher.
3.6 Data Analysis Methods

According to Tipaldo (2014), content analysis involves a systematic and objective inference making exercise using characteristics and establishing trends from qualitative data. A detailed content analysis was carried out on the responses of the interviewees in order to extract the key points from the conversation. The questionnaires were checked for completeness, coded and entered into a statistical software (SPSS) which generated descriptive statistics (Mean and standard deviation) and inferential statistics (Correlation, Regression and ANOVA) which were useful when drawing inferences and conclusions. The findings were presented statistical tools for ease of understanding and inference making.

The study used correlation analysis to measure the degree of relationship between dependent variable and independent variables, regression analysis was used to determine the amount of variation on dependent variable explained by the independent variables, it helped to estimate the strength and direction of the relationship between dependent variable and independent variables, analysis of variance (ANOVA) to for comparing (testing) three or more means (dependent variable and independent variables) for statistical significance and coefficient analysis to show the extent of variability in relation to the mean of the. These tests were conducted to verify existence of the relationship between the independent variables and the dependent variable and to test the level of significance. A multiple regression model was used to establish the relationship between the dependent and independent variables. The regression model was intended to test the null hypothesis that workforce planning and development, continuous quality improvement and Swift conflict resolution have worked towards the remarkable growth in Artcaffe Coffee and Bakery Limited
The model was given as follows:

\[ Y_s = B_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + e. \]

Where:

- \( Y_s \) = Organization Development (Dependent Variable)
- \( B_0 \) = Constant coefficient
- \( X_1 \) = Workforce planning and development
- \( X_2 \) = Continuous Quality Improvement
- \( X_3 \) = Swift Conflict Resolution
- \( e \) = Error term
- \( \beta_1 \ldots \beta_3 \) = Regression coefficient of the four variables

### 3.6.1 Hypothesis Testing

The study tested the null hypothesis that the independent variables (Workforce planning, Continuous Quality Improvement and Swift Conflict resolution) had a positive impact on the Organization Growth. This meant that all the four independent variables had been perceived to have a direct causal relationship with the dependent variable. The findings from the resultant model (\( Y = 0.814 + 0.552X_1 + 0.270X_2 + 0.113X_3 + e \)) show that all the coefficients (\( \beta \)) were positive indicating that they had a positive impact on Organization Development. However, Workforce planning had the biggest positive impact (0.552) followed by Continuous Quality Improvement (0.27) and Swift Conflict Resolution (0.113).

The study can infer that Workforce planning, Continuous Quality Improvement and Swift Conflict Resolutions had the biggest positive impact on the Organization development in Artcaffe’ Coffee and Bakery Limited.
3.7 Chapter Summary

This chapter presented all the statistical methodology that was used to validate this study. It highlighted the study population, the sample, the data collection method as well as highlighting how the data was analyzed to allow for inference making. The findings from the data collection exercise are presented in a way of data analysis in chapter four next.
CHAPTER FOUR

4.0 RESULTS AND FINDINGS

4.1 Introduction

This chapter presents the findings of the study by way of data analysis. The main goal of the study was to establish the factors that influence organization development in Artcaffe Coffee & Bakery Ltd. The study relied on three data collection instruments (Questionnaire, an Interview Guide and a data collection sheet) through which raw data was collected from the various strata of the target population. A pilot study was carried out and all the research instruments passed the Cronbach Alpha criteria scoring 0.7 on the alpha scale. After a successful pilot study, the researcher embarked on the actual data collection.

All the respondents (100%) targeted from the strategic level of management availed themselves for the interviews with the researcher. Similarly, 6 out of the targeted 8 respondents (75%) from the middle level management were available to give responses to the interviews. However, only 22 questionnaires sent out to the other staff were returned fully filled representing a 73% response rate. The overall response rate was 75% which was considered adequate for the study. Secondly, there were responses from all the strata of the target population indicating that the study findings could not be said to be biased on the views of one population stratum. The response rate is presented in table 4.1 below;
Table 4.2 Response Rate

<table>
<thead>
<tr>
<th>Level Of Management</th>
<th>Target</th>
<th>Responded</th>
<th>Sample</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strategic level</td>
<td>2</td>
<td>2</td>
<td>100%</td>
</tr>
<tr>
<td>Middle level managers</td>
<td>8</td>
<td>6</td>
<td>75%</td>
</tr>
<tr>
<td>Other Staff</td>
<td>30</td>
<td>22</td>
<td>73%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>40</strong></td>
<td><strong>30</strong></td>
<td><strong>75%</strong></td>
</tr>
</tbody>
</table>

Source: Research Findings

4.2 Background Information

The study sought to find the background information of the various respondents. This background information was considered important so as to enable the study understand the maturity, experience of the respondent as well as avoid gender bias.

4.2.1 Gender of the Respondents

The study sought to establish the gender of the respondents. This was important so as to ensure the conclusions, inferences and recommendations of the study were not biased to the views of on gender. The findings show that 60% of the total respondents were female while 40% of the respondents were Male. This is a true representation of the gender composition of the workforce of Artcaffe coffee and Bakery Ltd. This means that the findings of this study cannot be said to be biased on the gender composition of the respondents as shown in figure 4.1 below;
4.2.2 Age of the Respondents

The study sought to establish the age of respondents who participated in the data collection exercise. Age was considered important in this study because it a reflection of an individual’s level of maturity, exposure and experience. The findings show that 8 respondents (27%) indicated being between the ages of 18 – 25 years, 12 respondents (40%) indicated being between the ages of 26 – 36 years, 5 respondents (17%) indicated being between the ages of 36– 45 years. Only 4 respondents (13%) indicated being aged between 46 – 55 years and only one respondent (3%) indicated being above the age of 55 years. These findings show that though majority of the respondents in this study were young people below the age of 36 years, there were significant contributions by respondents above the age of 37 totaling to 33% and therefore the findings cannot be said to be biased on the views of the young people. Secondly, 22 respondents (73%) were above the age of 25 meaning they were mature and experienced enough to understand the subject matter of the
study and give valuable contribution based on their wealth of experience and level of education as shown below;

**Table 4.3 Age of Respondents**

<table>
<thead>
<tr>
<th>Age Bracket</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>18 - 25 Years</td>
<td>8</td>
<td>27%</td>
</tr>
<tr>
<td>26 - 36 Years</td>
<td>12</td>
<td>40%</td>
</tr>
<tr>
<td>37 - 45 Years</td>
<td>5</td>
<td>17%</td>
</tr>
<tr>
<td>46 - 55 Years</td>
<td>4</td>
<td>13%</td>
</tr>
<tr>
<td>Over 55 Years</td>
<td>1</td>
<td>3%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>30</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

*Source: Research findings*

**4.2.3 Level of Education**

The study sought to establish the level of education of the various respondents who participated in the data collection exercise. The level of education was considered important because it’s a perceived measure of a person’s ability to comprehend issues and problem solving skills. The findings show that 17% of the respondents indicated that their highest level of education was a diploma. Similarly, 23% of the respondents indicated having undertaken post graduate studies. A significant 60% responded to the affirmative that their highest level of education was an undergraduate degree. From these findings, the study is certain that the respondents were knowledgeable of the issue at hand since none of the respondents indicated not having attended an institution of higher learning. The conclusions and inferences made from this study therefore cannot be said to be biased on the respondent’s level of education as shown in figure 4.3 below;
4.3 Organization Development

In line with the first research question, the study sought to establish how the organization has grown since its inception in 2008. This was intended to show the trend of growth within the company in line with the general objective of the study.

4.3.1 The Organization Turnover

The study sought to find out the journey of growth from the initial start-up ten years ago to the organization it is today. This was aimed at establishing the trend of growth and the possible challenges along the way. Organization growth is measured using the total turnover, the annual profits, the number of branches and the number of staff in the organization. The findings show that the organization started with a turnover of 0.6 million in 2008 which grew slowly in the first five years of operation to 3.3 million in 2012. However, the trend changed from 2013 where the growth trend has been remarkable due to the stable business environment as well as the injection of professional management personnel sourced from the competition. In a span of 5 years, the business has grown from a
turnover of 4.97 million in 2013 to 25 million in 2017. This growth has been archived through deliberate risky decisions by continuously opening new branches and hiring more personnel to oversee the growth of the business. Since 2013, the number of branches has increased from 8 to 20 while the number of staff has also increased to 175 in 2017 up from 60 in 2013. This growth, coupled with massive capital injection and investment in ICT has seen the company grow to more than four times its size in 2013 as shown in figure 4.3 below;

![Total Turnover](image)

Figure 4.5 The Total Turnover

4.3.2 The Annual Profits

The study went further to establish the profitability of the organization for the period under review. Profitability in this case was considered important as a measure of the ability of the organization to utilize capital injected in the business to generate returns. The findings show that the organization grew its profit from Ksh. 52,402 in the year 2008 at an average of 8% per annum to Ksh. 265,283 in 2012. This period was by a high level of operating costs since most of the branches were located in upmarket locations where fixed costs (Rent and
Labour) were very costly. In 2013, the organization adopted an expansion strategy to middle income and Nairobi CBD where it experienced a grand reception. That year alone the profits doubled to Ksh. 596,887. Over the past five years the organization has grown from making an annual profit of Ksh. 596,887 to an annual profit of Ksh. 3,021,740. This significant growth can be attributed to the risk appetitive of the management as well as a calculated strategy aimed at growth of the company in terms of size, turnover and profitability as shown in figure 4.5 below;

![Profit Chart](image)

**Figure 4.6 The Annual Profit**

### 4.3.3 The Number of Branches

The researcher reviewed the organization development in terms of the number of branches. This was aimed at assessing the physical growth and the brand visibility of the organization in the market. The findings show that the organization started as a one branch organization in 2008. Due to its initial business approach, the growth was slow with the organization opening an average of two branches per annum between up to 2013 when the aggressive expansion campaign was launched. Since 2014, a total of 11 branches have been opened bringing the total of the branch Network to 20. This plan had an annual average of three new branches. This aggressive approach has enabled the organization to more than double its
branch network in 2013, triple its profit and increase the turnover by more than five times. The hiring of an aggressive team coupled with a significant capital outlay in 2014 has paid off to expand the organizations operations to its current level. These statistics show that the organization has significantly developed from a one branch organization in 2008 to a 20 branch organization now as shown in figure 4.6 below;

![Figure 4.7 The Number of Branches](image)

### 4.3.4 The Number of Staff

As a measure of organization development the study sought to establish the growth in terms of the number of staff. This was meant to show that as the organization grows, it requires more skilled personnel to run its operations. The findings show that there has been a steady growth in the number of personnel working for the organization. The number of staff has increased from five at inception to 175 currently. The number of staff presented above represents the steady growth even with the application of software (ERP and POS) which is meant to ease billing and generation of reports. This trend shows that since its inception, the organization growth has always been on a positive trend as shown in Figure 4.7 below;
4.4 Workforce Planning and Development

In line with the second research question, the study sought to establish the effect of workforce planning on organization development. The workforce represents the human intervention of an organization towards its own growth. As illustrated in figure 4.6 the number of staff has grown from 5 in 2008 to 175 currently. This workforce brings with it vast experience in the various disciplines whose synergy has seen the company grow significantly. In this line the study sought to establish the various aspects of workforce planning that have contributed to this growth.

4.4.1 Experience in the Company

The study sought to establish the number of years the respondent had worked for the organization. This was considered important so as to understand how the staff felt about the growth experienced in the institution. The study theorized that the more experienced an employee might be, the more knowledgeable he/she will be about the company and can easily tell about the human resource policies that have been in place in the company and
how each influenced the corporate development witnessed in the organization. The findings show that 12 respondents (40%) indicated having worked for the company for between 5 – 7 years, 10 respondents (33%) indicated having worked for the company for between 4-5 years, 6 respondents (20%) indicated having worked for the company for below 3 years and 2 Respondents (7%) responded to the affirmative that they had worked for the organization for more than 8 years. From these findings, 80% of the workforce has worked for the organization for more than three years. This is a significantly high staff retention rate compared to other organizations in the hospitality sector. These findings indicate that the organization has put in place measures that attract and retains valuable workforce which was very useful for this study. These findings show that organizations that adopt personnel friendly human resource policies are likely to experience significant development in record time as shown in figure 4.7 below;

![Experience in the Company](image)

**Figure 4.9 Experience in the Company**

These findings coincide with the findings presented in table 4.3 below that only 2 employees (7%) joined the institution when it had less than five branches, 12 employees joined when
the institution had between 5 -10 branches, 13 employees joined when the institution had between 10 -15 branches. Only three of the employees had joined the company recently when it had more than 15 branches. These findings show that the degree of staff turnover is low and staff prefer the organization as their preferred place of work. The study can therefore infer that the human resource policies employed by the organization have played a critical role towards its organization development.

Table 4.4 Number of Branches when a staff Joined ACB Ltd

<table>
<thead>
<tr>
<th>Number of Branches</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 5</td>
<td>2</td>
<td>7%</td>
</tr>
<tr>
<td>Between 5 – 10</td>
<td>12</td>
<td>40%</td>
</tr>
<tr>
<td>Between 10 – 15</td>
<td>13</td>
<td>43%</td>
</tr>
<tr>
<td>Above 15</td>
<td>3</td>
<td>10%</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>30</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

Source: Research Findings

The study sought to establish the particular human resource policy that enabled growth and development of the organization. This was deemed important so as to single out the most efficient policies that have had a significant input on the development of the organization.

From the findings presented in table 4.4 below; respondents indicated that the employee remuneration policy played the greatest role (Mean 1.73, Std Dev. 2.96) in ensuring organization development. This was followed by the establishment of a proper communication of strategy (Mean 1.91, Std Dev 4.94). Staff induction and training coupled with a good working environment came in third (Mean 2.27, Std Dev. 2.0 and 2.12 respectively). The respondents indicated that a clear chain of command had a significant impact (Mean 2.3, Std Dev. 1.8) on the organization development in artcaffe coffee and
bakery Ltd. Lastly, the employee promotion policy was rated to have contributed least (Mean 2.4, Std Dev. 2.37) to organization development in the company.

These findings from the senior management show that when employees are well paid in line with their profession and given a clear communication of the organizational strategy the organization is bound to experience a significant growth in the shortest time possible. However, the contribution of staff induction, training and being given a good working environment cannot be ignored as it supports the morale of employees and motivates them to work harder. These findings show that organization development is achieved faster when employees work together as opposed to competing against each other. In most corporate organizations the struggle for promotions supersede the overall productivity of employees to a point where employees tend to work against each other as opposed to working as a team. This inference was arrived at by looking at the behaviour of employees of Artcaffe coffee and Bakery Ltd who were more productive working together since the chain of command was clearly defined and chances of promotion were slim as shown in table 4.4 below;

<table>
<thead>
<tr>
<th>Human Resource Policy</th>
<th>Mean</th>
<th>Standard Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff induction and training</td>
<td>2.27</td>
<td>2.00</td>
</tr>
<tr>
<td>Employee promotion policy</td>
<td>2.40</td>
<td>2.37</td>
</tr>
<tr>
<td>Remuneration policy</td>
<td>1.73</td>
<td>2.96</td>
</tr>
<tr>
<td>Good working environment</td>
<td>2.27</td>
<td>2.12</td>
</tr>
<tr>
<td>Clear chain of command</td>
<td>2.30</td>
<td>1.80</td>
</tr>
<tr>
<td>Proper communication of strategy</td>
<td>1.91</td>
<td>4.94</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>2.57</strong></td>
<td><strong>3.24</strong></td>
</tr>
</tbody>
</table>

*Source: Research Findings*
4.5 Continuous Quality Improvement

In line with the third research question, the study sought to establish how the process of quality improvement had impacted on the organization growth of Artcaffe Coffee and Bakery Ltd. Continuous quality improvement is the process of constantly adopting the emerging trends in the line of business to the core business of an organization to ensure an organization remains on top of the supply chain in terms of quality.

4.5.1 Inclusion of Local Cuisines in the Menu

When the organization started in 2008, it was considered a high end coffee joint and hence located in areas where their way of operation could fit. This style of operation continued for five years and the business was growing at a snail speed. Initially, the business idea of the organization was exotic and unique to foreign cuisines. However, with time, the organization realized that the local customers demanded for their local delicacies in the restaurant Menus and therefore had to re-engineer their major operations to meet market demand. The liberalization of the Menu to include local delicacies ensured that local customers felt included and hence significantly led to the growth in revenue and branch network. Secondly, the liberalization of the operational menu gave rise to employment opportunities for the local work force who were innovative enough to bring their expertise in Kenyan cuisine to ensure the growth of the organization. Currently, the local and hybrid menus contribute to more than three quarters of the annual revenue.

4.5.2 Formation of the Quality Control Department

The study sought to establish the impact of the formation of the quality control department on the organization growth on Artcaffe coffee and Bakery Ltd. The quality control department was set up to ensure that the quality, quantity and price of food was uniform
across all restaurants in the organization. This was so to ensure that customers can enjoy the same quality of food in whatever restaurant they visited. This strategy was meant to avoid some units from preparing low quality food and yet selling at the same price as the others that maintained the set standards. The Quality control department was tasked to ensure uniformity and high standards are maintained in line with the company policy.

Respondents in the study were requested to indicate whether the presence of a quality control department had a significant impact on the organization development. The findings show that all the respondents unanimously agreed that the quality control department had played a significant role in ensuring fairness, compliance to standards and boosted the growth of the institution by maintaining high quality always in all branches. These findings therefore make the study infer that the establishment of a quality control department has a significant impact on an organization’s development as shown in figure 4.8 below;

Figure 4.10 The presence of a Quality Control Department
4.5.3 Continuous Uptake of Innovation

The study sought to establish the impact of innovation as a quality improvement program on the organization development. Innovation is deemed to be the key to change and quality improvement. The respondents were asked to indicate the frequency with which the management accepts staff innovation and incorporates it into their main operations. The findings show that 22 respondents (73%) responded to the affirmative that the management always accepts innovative ideas and incorporates them in their operations. Similarly, 8 respondents (27%) indicated that the management sometimes incorporates staff ideas into the business. This indicates that the management rewards innovation in their line of business and employees feel recognized when their recipe is included in the operational Menu of the whole organization. This study therefore draws the inference that encouraging innovation by incorporating staff ideas in the main line of business has a significant impact on the organization growth and development. This can be attested by the incorporation of local recipes in the main menu in 2013. This has boosted the operations of the business to its current level as shown in table 4.5 below;

Table 4.6 The Frequency of Innovation Uptake

<table>
<thead>
<tr>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>All the times</td>
<td>22</td>
</tr>
<tr>
<td>Sometimes</td>
<td>8</td>
</tr>
<tr>
<td>Never</td>
<td>0</td>
</tr>
<tr>
<td>TOTAL</td>
<td>30</td>
</tr>
</tbody>
</table>

Source: Research Findings

4.6 Swift Conflict Resolution

In line with the fourth research question, the study sought to establish the impact of swift conflict resolution mechanisms on organization development. In most organizations conflict
is brought about by power and the need for control. However, in Artcaffe Coffee and Bakery, there was a clear chain of command from the top to the bottom and a clear job description for each individual. To ensure this the human resource department drafted measures to reduce hierarchical conflict by reducing the organogram as well as tailor job description to fit individuals who occupied them. Secondly, they ensured that staff were well paid so as to act as an incentive for productivity and staff retention. However, conflicts in the workplace are usually inevitable and hence the study sought to establish which conflict resolution mechanism worked best to ensure unity of purpose and growth is sustained.

The findings show that the establishment of conflict resolution mechanisms between the staff and management had the greatest impact (Mean 1.4, Std Dev 1.14) on organization development. This was followed closely by mechanisms among staff (Mean 1.63, Std Dev 2.12). This was followed by good relations with financiers (Mean 2.3 Std Dev 2.69). The frequent meetings with suppliers trailed in fourth place (Mean 2.6 Std Dev 2.93). Lastly the application of the conflict resolution policy (Mean 3.43, Std Dev 3.52) was ranked the least effective in managing conflict towards the attainment of the organization development goal.

These finding show that the resolution of internal conflicts in an organization (conflicts between employees and management and conflicts amongst employees) has the greatest impact on organization growth. This is because when the cohesion is weakened from within the staff tend to work against each other as opposed to working towards the common corporate goal. However it is important to note that an organization needs to maintain a reasonable level of peace between it and third parties to eliminate cases of legal tussles and litigations that tarnish the image of an organization as shown in table 4.6 below;
Table 4.7 Impact of Swift Conflict Resolution on Organization Development

<table>
<thead>
<tr>
<th>Conflict Resolution Mechanisms</th>
<th>Mean</th>
<th>Standard Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Application of conflict resolution policy</td>
<td>3.43</td>
<td>3.52</td>
</tr>
<tr>
<td>Conflict resolution channels between staff</td>
<td>1.63</td>
<td>2.12</td>
</tr>
<tr>
<td>Conflict resolution channels between staff and management</td>
<td>1.40</td>
<td>1.14</td>
</tr>
<tr>
<td>Constant meetings with suppliers</td>
<td>2.60</td>
<td>2.93</td>
</tr>
<tr>
<td>Good relations with financiers</td>
<td>2.30</td>
<td>2.69</td>
</tr>
<tr>
<td><strong>TOTALS</strong></td>
<td><strong>2.27</strong></td>
<td><strong>5.28</strong></td>
</tr>
</tbody>
</table>

Source: Research Findings

4.7 Inferential Statistics

Inferential statistics describe relationship between variables as well as the causal effect of each of the independent variable on the dependent variable.

4.7.1 Correlation Analysis

To examine the relationship between the variables in the study, Pearson correlation coefficient (r) was used. The coefficient indicated the direction and extent of the relationship between all the variables included in the study. The Pearson Correlation Coefficient indicated that all the variables were positively correlated with each other. There is a strong positive correlation of \( r \) value 0.795 between Workforce planning and Organization Growth. There is also a strong positive correlation of \( r \) value 0.755 between Continuous Quality Improvement and Organization Growth. It was further established that a also strong positive correlation of \( r \) value 0.771 exists between Swift Conflict Resolutions and Organization Growth.
Table 4.8: Pearson’s Correlation Coefficient

<table>
<thead>
<tr>
<th></th>
<th>Organization Growth</th>
<th>Workforce planning</th>
<th>Continuous Quality Improvement</th>
<th>Swift Conflict Resolutions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Workforce planning</td>
<td>Pearson correlation</td>
<td>0.795(**)</td>
<td>1.000</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>0.02</td>
<td>0.00</td>
<td></td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>113</td>
<td>113</td>
<td></td>
</tr>
<tr>
<td>Continuous Quality</td>
<td>Pearson correlation</td>
<td>0.755(**)</td>
<td>0.544(**)</td>
<td>1.000</td>
</tr>
<tr>
<td>Improvement</td>
<td>Sig. (2-tailed)</td>
<td>0.01</td>
<td>0.01</td>
<td>0.00</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>113</td>
<td>113</td>
<td>113</td>
</tr>
<tr>
<td>Swift Conflict Resolutions</td>
<td>Pearson correlation</td>
<td>0.771(**)</td>
<td>0.531(**)</td>
<td>0.551(**)</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>0.02</td>
<td>0.01</td>
<td>0.03</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>113</td>
<td>113</td>
<td>113</td>
</tr>
</tbody>
</table>

4.7.2 Regression Analysis

From the regression analysis results, the Coefficient of determination (R square) was used to indicate the extent to which any change in Organization Growth was explained by the independent variables collectively. Table 4.9 illustrates the value R square. Findings indicated that Workforce planning, Continuous Quality Improvement and Swift Conflict resolution collectively influence Organization Growth at Artcaffe Coffee and Bakery Limited by 69.7% as indicated by the adjusted coefficient of determination (R square). This is also an indication that 29.3% of the change in Organization Growth at Artcaffe Coffee
and Bakery Limited is explained by other factors (except Workforce planning, Continuous Quality Improvement and Swift Conflict resolution).

**Table 4.9: R Square table for the Independent Variables (Workforce planning, Continuous Quality Improvement and Swift Conflict resolution) on Organization Growth of Artcaffe Coffee and Bakery Limited**

<table>
<thead>
<tr>
<th></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></td>
<td>0.855</td>
<td>0.731</td>
<td>0.697</td>
<td>0.189</td>
</tr>
</tbody>
</table>

Predictors: (Constant), Workforce planning, Continuous Quality Improvement and Swift Conflict resolution

**4.7.3 Beta-Coefficients**

In determining the relationship between Organization Growth and Workforce planning, Continuous Quality Improvement and Swift Conflict resolution, Table 4.11 guided the development of the model for this relationship. The resultant model was therefore estimated as:

\[ Y = 0.814 + 0.552X_1 + 0.270X_2 + 0.113X_4 + \varepsilon \]

Where; \( Y_s \)=Successful Organization Growth (Dependent Variable)

- \( B_0 \)= Constant coefficient
- \( X_1 \)= Workforce Planning and Development
- \( X_2 \)= Continuous Quality Improvement
- \( X_3 \)= Swift Conflict Resolution
- \( \varepsilon \)= Error term
In order to achieve standardized coefficients, the variables were analyzed using regression tools. Findings indicated that an increase of a unit of Workforce planning leads to an increase in Organization Growth by 0.552 while an increase of a unit of Continuous Quality Improvement increases Organization Growth by 0.270. An increase by one unit of Swift Conflict Resolutions results to an increase in Organization Growth by 0.113. The constant was 0.814 which means that if Workforce planning, Continuous Quality Improvement and Swift Conflict resolution are held constant (at zero); Organization Growth will be 0.814.

**Table 4.10: Coefficients of ICT on the Organization Growth**

<table>
<thead>
<tr>
<th>Coefficients(a)</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>T</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Constant)</td>
<td>0.814</td>
<td>0.177</td>
<td>4.220</td>
<td>.000</td>
</tr>
<tr>
<td>Workforce planning</td>
<td>0.552</td>
<td>0.064</td>
<td>0.576</td>
<td>9.202</td>
</tr>
<tr>
<td>Continuous Quality Improvement</td>
<td>0.270</td>
<td>0.380</td>
<td>0.360</td>
<td>3.040</td>
</tr>
<tr>
<td>Swift Conflict Resolutions</td>
<td>0.113</td>
<td>0.047</td>
<td>0.128</td>
<td>3.453</td>
</tr>
</tbody>
</table>

Dependent Variable: Organization Growth

**4.7.4 Analysis of Variance (ANOVA)**

Analysis of variance (ANOVA) was used to generate the F value and hence F test was conducted. ANOVA helped to show the relationship in the variables between and within the measure of the dependent variable. According to the ANOVA results, the probability value for the regression model was 126.6. The overall goodness of fit is summarized by calculating the fraction of total variance explained by the fit which is presented by the R
square. ANOVA results indicated that there was goodness of fit of the model, since the level of significance was 0.037, and \( F_{\text{Calculated}} \) (126.6) was greater than \( F_{\text{Critical}} \) (1.692). Given the high R square value of 0.697, it implies that independent variables for this study had a high/significant goodness of fit. Moreover, the results from the ANOVA imply that the four independent variables (Workforce planning, Continuous Quality Improvement and Swift Conflict resolution) are critical in explaining changes in Organization Growth at Artcaffe Coffee and Bakery Limited.

**Table 4.11: Analysis of Variance (ANOVA)**

<table>
<thead>
<tr>
<th>Sum of Squares</th>
<th>Df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>20.256</td>
<td>4</td>
<td>5.064</td>
<td>126.6</td>
</tr>
<tr>
<td>Residual</td>
<td>4.275</td>
<td>108</td>
<td>0.040</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>24.531</td>
<td>112</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Predictors: (Constant), Change in Workforce planning, Continuous Quality Improvement and Swift Conflict resolution

Dependent Variable: Organization Growth

**4.8 Chapter Summary**

This chapter presented the findings of the study in line with the study research questions. It applied descriptive statistics (Frequencies, percentages, Means and standard deviations) to present the study findings. Inferential statistics (Correlations, ANOVA and regression analysis) were used to draw inferences from the data. Statistical tools (Graphs, Pie charts and Tables) were used to ensure ease of understanding. The discussions, conclusions and recommendations are presented in the next chapter.
CHAPTER FIVE

5.0 DISCUSSIONS, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This chapter presents a summary of the findings, the discussions in line with the study objectives, conclusions as well as recommendations in the quest to establish the factors that influence organization development.

5.2 Summary of the Study

The purpose of the study was to establish the factors that influence organization development in corporate institutions. The study aimed to achieve three specific objectives: First, to find out the effect of workforce planning and development on the organization development, second to evaluate the impact of continuous quality improvement on the organizational development and lastly to establish the extent to which swift conflict resolution mechanisms have contributed to organizational development in Artcaffe Coffee & Bakery Ltd. To achieve this the study had to assess the level of organization development in the organization currently. The study noted that the organization had grown from a one branch organization ten years ago to the reputable chain of restaurants it is today with twenty outlets today.

The study adopted an analytical research design in order to bring out the concept of organization development. The study was both qualitative and quantitative since some of the drivers of organization development are not measurable quantitatively. The target population was the entire workforce of Artcaffe Coffee & Bakery Ltd from which a stratified sample comprising of the three levels of management was chosen for the study. The study relied on three research instruments; an interview guide, a questionnaire and a secondary data
collection sheet. Data collection involved one on one interviews with the managers, sending out the questionnaires to staff as well as data mining from the financial reports of the organization. Data analysis involved a detailed content analysis of qualitative data as well as a comprehensive quantitative analysis using a statistical package (SPSS) which produced both descriptive and inferential statistics. The findings were presented using tables, pie charts, and graphs for ease of understanding and inference making.

These findings show that when employees are well paid in line with their profession and given a clear communication of the organizational strategy the organization is bound to experience a significant growth in the shortest time possible. Secondly, the liberalization of the Menu to include local delicacies ensured that local customers felt included and hence significantly led to the growth in revenue and branch network. Lastly the findings show that the resolution of internal conflicts in an organization (conflicts between employees and management and conflicts amongst employees) has the greatest impact on organization development.

5.3 Discussion

5.3.1 Organization Development in Artcaffe Coffee and Bakery

Artcaffe coffee and Bakery Ltd has developed significantly in the last ten years. However, to understand corporate growth better, it would be objective to measure this development using the total turnover, the annual profits, the number of branches and the number of staff in the organization. The findings show that the organization started with a turnover of 0.6 million in 2008 which grew slowly in the first five years of operation to 3.3 million in 2012. In a span of 5 years, the business has grown from a turnover of 4.97 million in 2013 to 25 million in 2017. This growth has been archived through deliberate risky decisions by
continuously opening new branches and hiring more personnel to oversee the growth of the business.

The decision to re-design the style of doing business was successful due to its method of application. This findings complement Senge’s, (2006) study which stated that job designs are most successful when employed as a comprehensive organization change program that examines the fit among the task, technology, structure, and people within the organization. Since 2013, the number of branches has increased from 8 to 20 while the number of staff has also increased to 175 in 2017 up from 60 in 2013. The number of staff presented above represents the steady growth even with the application of software (ERP and POS) which is meant to ease billing and generation of reports.

The findings show that the organization grew its profit from Ksh. 52,402 in the year 2008 at an average of 8% per annum to Ksh. 265,283 in 2012. This period was by a high level of operating costs since most of the branches were located in upmarket locations where fixed costs (Rent and Labour) were very costly. In 2013, the organization adopted an expansion strategy to middle income and Nairobi CBD where it experienced a grand reception. That year alone the profits doubled to Ksh. 596,887. Over the past five years the organization has grown from making an annual profit of Ksh. 596,887 to an annual profit of Ksh. 3,021,740.

These findings show that the organization grew slowly in the first five years of operation. However, the trend changed thereafter where the growth trend has been remarkable due to the stable business environment as well as the injection of professional management personnel sourced from the competition.

This finding is consistent to the finding by Centre for Creative Leadership, (2011) which recommends that steering committees should be made of people from all levels of the
organization, who review proposals and allocate resources for implementation. The growth at Artcaffe’ has been archived through deliberate risky decisions by continuously opening new branches and hiring more personnel to oversee the growth of the business. In the last five years the number of branches has doubled while the number of staff has tripled. This growth, coupled with massive capital injection and investment in ICT has seen the company grow to more than four times its turnover in the 2013.

From these findings, the study noted that organization development was defined by the growth in the number of branches, organization size, number of employees and the growth in profitability. This means organizational growth is synonymous to organizational development. In artcaffe’ this development was realized after deliberate risky efforts by the managers to change the original design of operations to incorporate the market niche as well as adapting the local delicacies in their menu. Notably, the quick dispute resolution between staff and management ensured that internal conflicts do not derail the growth agenda.

**5.3.2 Workforce Planning and Development**

The findings show that 40% indicated having worked for the company for between 5 – 7 years, 33% indicated having worked for the company for between 4-5 years, 20% indicated having worked for the company for below 3 years and 7% responded to the affirmative that they had worked for the organization for more than 8 years. From these findings, 80% of the workforce has worked for the organization for more than three years. This is a significantly high staff retention rate compared to other organizations in the hospitality sector. These findings indicate that the organization has put in place measures that attract and retains valuable workforce which was very useful for this study.
These findings show that organizations that adopt personnel friendly human resource policies are likely to experience significant development in record time. The findings also show that the employee remuneration policy played the greatest role in ensuring organization development. This was followed by the establishment of a proper communication of strategy. Staff induction and training coupled with a good working environment came in third. The finding further show that a clear chain of command had a significant impact on the organization development in Artcaffe coffee and bakery Ltd. Lastly, the employee promotion policy was rated to have contributed least to organization development in the company. From these findings, the combined efforts of a combination of human resource policies led to the current growth of the organization. These findings contradict the findings by Kuchinke, (2003) who noted that HRD lacks a unifying model that may be used to understand HRD issues, most current HRD models are following the universalistic rather than the contingency perspective.

These findings show that when employees are well paid in line with their profession and given a clear communication of the organizational strategy the organization is bound to experience a significant growth in the shortest time possible. These findings complements an earlier finding by Shih, Chiang, & Hsu, (2006) who acknowledged the contribution of staff induction, training and being given a good working environment cannot be ignored as it supports the morale of employees and motivates them to work harder. Individual and team training and development may be employed to add new skills to the existing employee resources and capabilities. Increasing employee skills and abilities are expected to create future returns through increased productivity and business performance (Shih, Chiang, & Hsu, 2006).
These findings show that organization development is achieved faster when employees work together as opposed to competing against each other. In most corporate organizations the struggle for promotions supersede the overall productivity of employees to a point where employees tend to work against each other as opposed to working as a team. The study can hereby infer that when employees are well paid in line with their profession and given a clear communication of the organizational strategy the organization is bound to experience a significant growth in the shortest time possible.

From the findings, organizations can achieve development by adopting fair human resource policies that encourage organizational commitment and motivates employees. This means employees tend to be more productive when they are treated well and feel as part of the team. Human resources are the single most effective way to achieve development and hence for organizations to grow, the contribution of staff cannot go overlooked. Sound HRM practices have been linked to improved organizational performance (Kuchinke, 2003). As noted in Artcaffe’ the application of fair HRM policies was instrumental to ensuring the growth was achieved within the shortest time possible.

5.3.3 Continuous Quality Improvement

The study noted that the initial exotic style of operation was responsible for the business growing at a snail speed. However, with time, the organization realized that the local customers demanded for their local delicacies in the restaurant Menus and therefore had to re-engineer their major operations to meet market demand. The liberalization of the Menu to include local delicacies ensured that local customers felt included and hence significantly led to the growth in revenue and branch network. Secondly, the liberalization of the operational menu gave rise to employment opportunities for the local work force who were
innovative enough to bring their expertise in Kenyan cuisine to ensure the growth of the organization.

Currently, the local and hybrid menus contribute to more than three quarters of the annual revenue. The study also established that the quality control department had played a significant role in ensuring fairness, compliance to standards and boosted the growth of the institution by maintaining high quality always in all branches. This process of aligning the operations to the strategic plan is consistent with the findings by Ahmed, (2012) who noted that policy and strategy designed by the organization should be made aware to the stakeholders. The customer services and satisfaction lie at the heart of the service quality and therefore the management should focus upon the problem definitions.

Furthermore, the study established that embracing innovation and staff input had a significant impact on the organization’s development. This indicates that the management rewards innovation in their line of business and employees feel recognized when their recipe is included in the operational Menu of the whole organization. This study therefore draws the inference that encouraging innovation by incorporating staff ideas in the main line of business has a significant impact on the organization growth and development. This can be attested by the incorporation of local recipes in the main menu in 2013. This has boosted the operations of the business to its current level.

These findings are consistent with Williamson, (2009) noted that the leaders must possess a vision and share the vision with everyone. Since the success of the organization depends upon the leadership ability of Management to lead the team and take into confidence and work in team support in achieving customers satisfaction in the light of the objectives of the organization. Efforts have been made to identify the leadership quality of the Management in achieving Total Quality Management in the
workplace. Leadership is a work-in-progress and is a practical step in a journey to change organizational culture and build individual and organizational leadership capacity.

Quality is what defines the standard in any organization. However, maintaining quality products does not come easy. It comes with its fair share of opportunities and challenges. For example, in Artcaffe the establishment of the quality control department played a significant role in ensuring the quality is maintained in all restaurants as well as ensuring that all the operations are standardized. In applying the TQM in the workplace led to the significant growth achieved between 2013 and 2017.

5.3.4 Swift Conflict Resolution

In most organizations conflict is brought about by power and the need for control. However, in Artcaffe Coffee and Bakery, there was a clear chain of command from the top to the bottom and a clear job description for each individual. To ensure this the human resource department drafted measures to reduce hierarchical conflict by reducing the organogram as well as tailor job description to fit individuals who occupied them. Secondly, they ensured that staff were well paid so as to act as an incentive for productivity and staff retention. However, conflicts in the workplace are usually inevitable and hence the study sought to establish which conflict resolution mechanism worked best to ensure unity of purpose and growth is sustained. The findings show that the establishment of conflict resolution mechanisms between the staff and management and amongst staff had the greatest impact on organization development.

These findings coincide with the findings by Debra and Campbell (2005), who concluded that that for effective resolution and management of conflict, measures or techniques such as
appealing to subordinate goals, expanding resources, changing personnel, changing structure, confronting and negotiation could be put into effect. They also stated that in negotiation, managers can use variety of conflict management styles including avoiding, accommodating, competing, compromising and collaborating. In addition, managers should strive to create a conflict – positive organization that is one that values diversity empowers employees and seeks win – win solution to conflicts.

The findings also show that good relations with financiers and suppliers contribute a lot towards development Lastly the application of the conflict resolution policy was ranked the least effective in managing conflict towards the attainment of the organization development goal. These finding show that the resolution of internal conflicts in an organization (conflicts between employees and management and conflicts amongst employees) has the greatest impact on organization growth. This is because when the cohesion is weakened from within the staff tend to work against each other as opposed to working towards the common corporate goal. However it is important to note that an organization needs to maintain a reasonable level of peace between it and third parties to eliminate cases of legal tussles and litigations that tarnish the image of an organization.

These findings contradict the recommendations of Filley (2009) which suggested that the prevalence of domination and compromise over problem solving is probably due to the fact that they are so widely parched. Where one party wins and the other loses, the defeat may lead to antagonistic or self-depreciation feelings on the part of the loser. In any corporate organization the decision of one party should be a win-win situation. This means that suppressing conflict aggravates it. Managers are therefore entrusted to ensure that the conflict is settled in the most amicable method and staff work towards the good of the organization and not to outdo each other. This means that power is a good thing and the
ability to get things done, a set of admirable attributes for any leader in the corporate scenario (Roy, 2008).

5.4 Conclusions

5.4.1 Organization Development in Artcaffe’ Coffee and Bakery Limited

In line with the first objective of the study, the study sought to measure the various aspects of organization development in Artcaffe’ Coffee and Bakery Limited. This was done by reviewing the financial performance, the growth in terms of number of branches, the number of staff and the operational efficiency. The findings show that the organization grew slowly in its first five years of operations since it stuck to its original business idea of operating as an exotic coffee house. However, after the liberalization of the menu to include Kenyan delicacies and hiring of experienced managerial staff from the Kenyan market has seen the organization grow to more than double the number of branches in the last five years and the turnover increasing by more than four times in the same time. This study therefore concluded that the ability of an organization to liberalize its operational culture to fit in the target market is a key contributing factor to organization development.

5.4.2 The Impact of Workforce Planning and Development on Organization Development

In line with the second objective of the study, the researcher sought to establish the impact of workforce planning and development on the organization development in Artcaffe’ coffee and Bakery Ltd. Workforce planning and development involved reviewing the various strategic human resource practices put in place to ensure the strategic goals of the organization are matched with the current day to day activities of the organization. The findings of the study show that the implementation of a good remuneration policy coupled
with a clear communication of the corporate strategy were the most effective methods of attracting, training and retaining a productive workforce which steers growth and development in the organization. The study hereby concluded that a well-paid workforce with a clear communication of the corporate strategy play a key role towards the development of an organization.

5.4.3 The Impact of Continuous Quality Improvement on Organizational Development

In line with the third objective of the study, the study sought to establish the effect of continuous quality improvement on organization development in Artcaffe’ Coffee and Bakery Ltd. Continuous quality improvement focused on the attempts by the organization to satisfy the customer niche by incorporating new developments and innovations in the operational activities of the business. The findings show that the liberalization of the menu, the establishment of a quality control department to standardize the operations of all units and the continuous uptake of staff innovation played a key role to the growth and development of the organization. This study therefore concludes that dynamism, continuous improvement of quality and the uptake of staff innovation contribute significantly to organization development.

5.4.4 The Impact of swift Conflict Resolution Mechanisms on Organizational Development

In line with the fourth objective of the study, the researcher sought to find the impact of swift conflict resolutions on organization development in Artcaffe’ Coffee and Bakery Ltd. Conflict is the key cause of disharmony in corporate organizations and past studies have linked it to power and the chain of command. The study found out that the establishment of conflict resolution channels between the staff and management as well as amongst staff
played the biggest role in organization development. This means that solving conflict inside an organization nurtures teamwork and the workforce focuses towards a unified goal. This study therefore concludes that swift conflict resolution mechanisms within an organization contribute significantly to teamwork which nurtures organization development.

5.5 Recommendations

5.5.1 Recommendations for Improvement

The study concluded that the ability of an organization to adopt to the culture of the target market is a key factor contributing to organization development. This means that the management of start-ups should be able to steer organizations towards catering to the niche of the target market. This study therefore recommends that any organization aiming to achieve growth and development must be ready to re-engineer its operations to serve the needs of the target market.

The study concluded that a well-paid workforce which has clear communication of the corporate direction plays a significant role in organization development. However, human behavior is diverse and other factors may have played a part in the organization development but were not included as variables in the study. This study therefore recommends that organizations need to understand the dynamics of its workforce in terms of motivation and personal goals in order to maintain a productive and motivated workforce.

This study concluded that adopting to the consumer niche, improvement of quality and innovation contribute significantly to organization development. This means that organizations with a conservative corporate culture tend to lag behind in terms of development. This study therefore recommends that for organizations to achieve growth and
development, they should be able to easily adopt to the needs of the customers by being innovative in their operations.

This study concluded that swift conflict resolution mechanisms within an organization contribute significantly to teamwork which nurtures organization development. Conflict at workplace is inevitable and it is how it is handled that determines the end result which could be favorable or adversely affect the organization. This study therefore recommends that for an organization to develop, the management must draft ways to serve internal conflicts before they derail the overall corporate strategy.

5.5.2 Recommendations for Further Studies

This study recommended that any organization aiming to achieve growth and development must be ready to re-engineer its operations to serve the needs of the target market. In line with this recommendation the study recommends a further study on the various ways in which an organization can re-engineer itself to achieve organization growth.

This study recommended that organizations need to understand the dynamics of its workforce in terms of motivation and personal goals in order to maintain a productive and motivated workforce. The study therefore recommends a further study on the relationship between human resource development and organization development.

This study recommended that for organizations to achieve growth and development, they should be able to easily adopt to the needs of the customers by being innovative in their operations and recommends that a further study be carried out to establish the impact of innovation and continuous quality improvement as a means to achieve organization development in corporates.
This study recommended that for an organization to develop, the management must draft ways to solve internal conflicts before they derail the overall corporate strategy. Lastly, this study recommends a further study to establish how unresolved organization conflicts affect the organization development in corporate organizations.
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APPENDICES

APPENDIX I: INTRODUCTORY LETTER

Virginia Wambui Mbiriri
United States International University-Africa
P. O. Box 14634 - 00800,
Nairobi

Dear Respondent,

RE: REQUEST FOR RESEARCH DATA

My name is Virginia Wambui Mbiriri and I am undertaking a research project in partial fulfilment of a Master’s degree in Business Administration at USIU-Africa on the factors that influence organization development of corporate organizations in Kenya. However, I will only be basing my study on your organization (Artcaffe Coffee & Bakery Ltd).

I humbly request for research data from your organization for use in my research. The information provided will only be used for academic purposes and no part of the interview or quantitative data provided will be given to third parties as per the rules of research. I take this opportunity to thank you in advance.

Yours Faithfully

Virginia Wambui Mbiriri
APPENDIX II: DATA CAPTURE SHEET

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Turnover</th>
<th>Profit</th>
<th>Number of Staff</th>
<th>Total Assets</th>
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<tbody>
<tr>
<td>2008</td>
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<td>2009</td>
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<td>2016</td>
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<td>2017</td>
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APPENDIX III: INTERVIEW GUIDE
            (For Senior Staff)

Introduction

a) Kindly introduce yourself
b) What is your capacity in this organization?
c) How long have you worked for this organization?

Organization Development

d) How has been the journey of growth from when the company started to date?
e) How was the initial market reception?
f) What have been your major strengths?
g) What have been your weaknesses and how did you turn them around?
h) What specific aspects of the company can you attribute the current growth to?

Workforce planning and development

i) How many staff did you start with and what is the current situation?
j) Do you have an employee mentorship program?
k) Do you have an employee training and development program?
l) How do you manage to maintain a high staff morale?
m) Do you have a strategic human resource development plan?

Continuous quality improvement

n) What was your initial market entry strategies?
o) What challenges did you face at the initial stages?
p) How have you reinvented yourselves to fit the market?
q) What emerging trends in the tastes and preferences of the current market do you wish to incorporate into your menu?
r) What product can you classify as you main brand that identifies uniquely with the company?

Swift conflict resolution

s) Have you ever experienced conflicts between the staff and the management? if yes kindly elaborate
t) How have you managed to keep a cordial relationship between the company and its suppliers?

u) Have you ever been suctioned for unpaid loans by your financiers?

v) Do you have a comprehensive conflict resolution policy?

w) In conclusion, what organizational strengths or weaknesses can be said to be the biggest contributors to the success of the company?
APPENDIX IV: QUESTIONNAIRE
(For Other Staff)

This questionnaire is to collect data for purely academic purposes. The study seeks to evaluate the factors that influence organization development in Artcaffe Coffee & Bakery Ltd. All information was treated with strict confidence. Do not put any name or identification on this questionnaire.

*Answer all questions as indicated by either filling in the blank or ticking the option that applies*

**Section A: General Information**

a) Gender

Male □
Female □

b) Age Bracket

18-25 □ 26-36 □
36-45 □ 46-55 □
Over 55 □

c) What is your highest Academic Qualifications?

Diploma □ First Degree □
Post graduate □

**Section B: Organization Development**

d) When did you join the organization?

1 – 3 years ago □
5 – 7 years ago □
8 – 10 years ago □
Over 10 years ago □
e) How many branches did the company have?

- Less than 5
- Between 5 and 10
- Between 10 and 15
- Above 15

f) What aspect of the organization has enabled this growth?

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g) What has been the challenges in the growth pattern?

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h) How has the organization maneuvered through the tough times to emerge as one of the top brands in Nairobi?

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Section C: Workforce Planning and Development

i) In a scale of 1 – 5 where one represents very effective and 5 represents least effective, kindly indicate how the following human resource policies have contributed to organizational growth.

<table>
<thead>
<tr>
<th>Human resource Policy</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
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<tbody>
<tr>
<td>Staff induction and training</td>
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<td>Employee promotion policy</td>
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<td>Remuneration policy</td>
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<td>Good working environment</td>
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<td>Clear chain of command</td>
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<tr>
<td>Proper communication of strategy</td>
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</table>
Section D: Continuous Quality Improvement

j) Do you have a quality control department in your organization?
   Yes [ ]
   No [ ]

k) Does your organization allow employees to be innovative and come up with new ideas?
   All the time [ ]
   Sometimes [ ]
   Never [ ]

l) Since you joined the organization, what has changed?
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m) In your opinion, what can be done to improve the quality of the service offered to customers?
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Section E: Swift Conflict Resolution

n) In a scale of 1 – 5 where 1 represents very great effect and 5 represents very little effect kindly indicate how the following conflict resolution measures have enabled organizational growth in the organization

<table>
<thead>
<tr>
<th>Conflict Resolution Mechanisms</th>
<th>1</th>
<th>2</th>
<th>3</th>
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<th>5</th>
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<tr>
<td>Application of conflict resolution policy</td>
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<td>Conflict resolution channels between staff</td>
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<td>Conflict resolution channels between staff and management</td>
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<td>Constant meetings with suppliers</td>
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<td>Good relations with financiers</td>
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THANK YOU